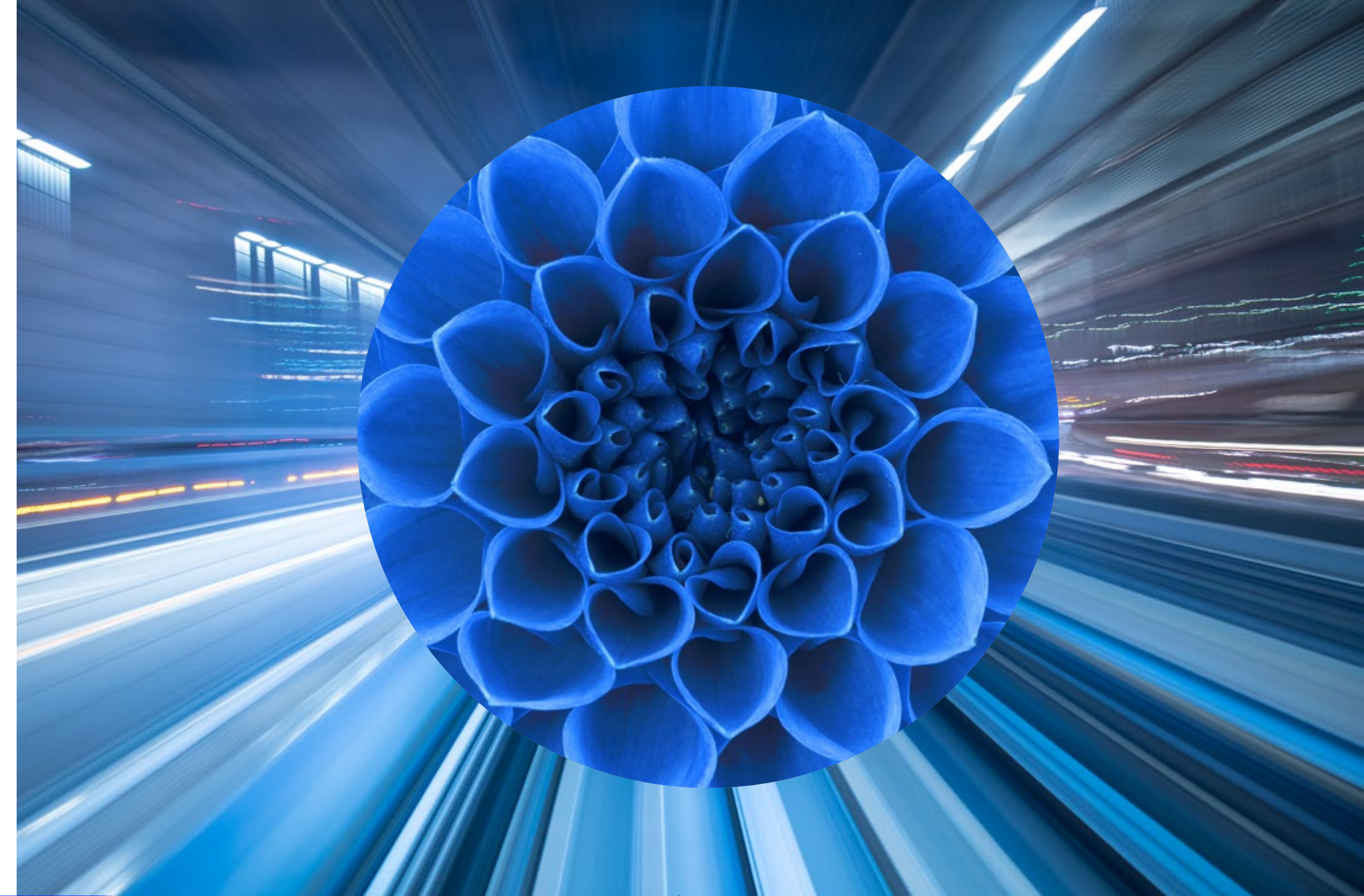




**FTSE
RUSSELL**
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FTSE Russell for wealth advisors
Know your index



FTSE All-World High Dividend Yield Index

Who is this for?

For investors seeking to generate equity income or follow a defensive equity strategy

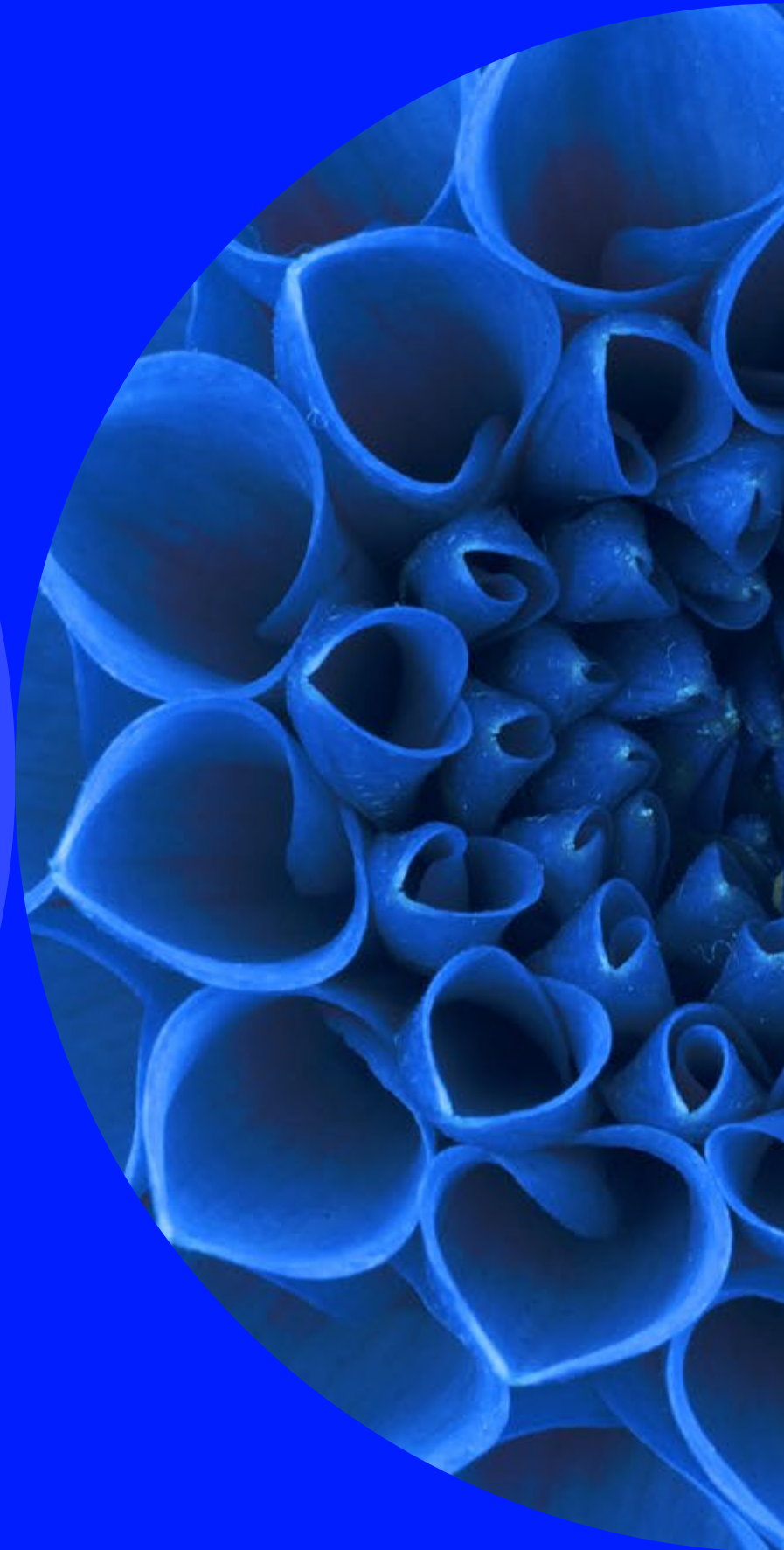
What does the index do?

MEASURES THE RETURN

of high-yielding, mid- and large-cap stocks from the global equity markets

CAPITALISATION-WEIGHTED

selecting the highest-yielding 50% of stocks from the underlying universe

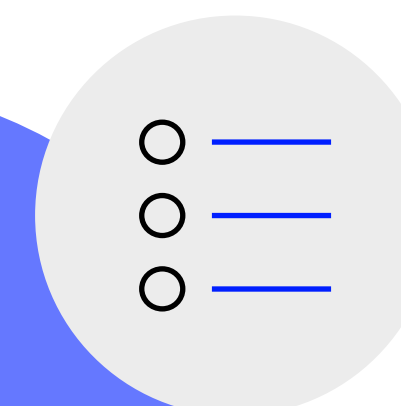
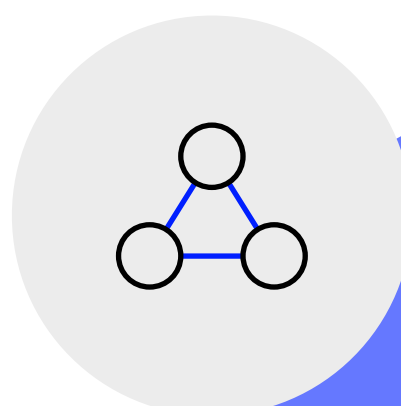


FTSE All-World High Dividend Yield Index

The index can help those investors seeking to pursue a high-dividend equity strategy for the purposes of portfolio income, or those wishing to follow a defensive equity strategy.

This index consists of higher-yielding, mid- and large-cap stocks from the FTSE All-World Index, our flagship index of 48 developed and emerging equity markets. The top 50% of stocks are selected from the FTSE All-World Index based on a ranking of their forecast dividend yields. Then, those stocks are weighted by their market capitalisation.

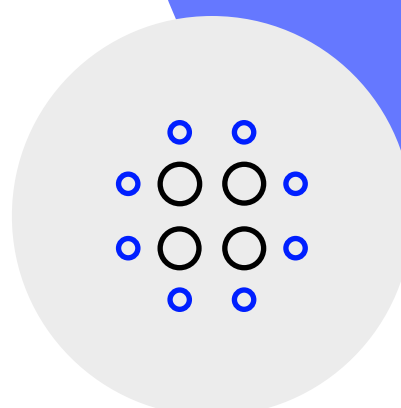
Diversified exposure to over 1,000 high-yielding global stocks



A transparent, straightforward index methodology

This index provides

A design that prioritises liquidity



A **useful tool** to help generate income from an equity portfolio

Five reasons to consider this index

1. Broad and representative

We start with the highest-yielding stocks from the FTSE All-World Index – a market-capitalisation weighted index covering 90–95% of the world’s investable equity market capitalisation. This makes the FTSE All-World High Dividend Yield Index an ideal choice for tracker products – like exchange-traded funds (ETFs) – that aim to offer easy, one-stop exposure to a wide selection of higher-yielding global equities.

2. Simple approach

[I/B/E/S](#) is a service that assembles and averages analysts’ estimates of future earnings for thousands of publicly traded companies. We use I/B/E/S to forecast companies’ dividend yields, a simple approach to selecting higher-yielding stocks.

We then rank the constituents of the FTSE All-World Index by those dividend yield forecasts and select the top half of the ranking for inclusion in the index.

3. High income

The FTSE All-World High Dividend Yield Index helps investors target those global stocks offering above-market levels of dividend income. High dividend stocks are popular among investors wishing to generate income or adopt a defensive portfolio strategy.

4. Transparent

We place great importance on applying a transparent, objective and consistent approach when managing our indices. You can find out how we run the FTSE All-World High Dividend Yield Index via [easily accessible documents on our website](#).

5. Investable

Companies entering the index are screened to ensure they offer a minimum percentage of voting rights to unrestricted shareholders, that they have a minimum ‘free float’ of shares for trading, and that they pass a semi-annual liquidity test. These screens help ensure the suitability of the index for use as a benchmark or in investment products like ETFs.

How we build and maintain this index

Define starting universe

It starts with the FTSE Global All Cap Index, which represents large- and mid-cap stocks in 48 developed and emerging equity markets.

Remove ineligible stocks

We remove real-estate investment trusts (REITs), companies that have not paid a dividend in the 12-month period before a semi-annual cut-off date, and companies with a forecast zero dividend for the next 12 months.

Rank by yield and select

We rank the remaining stocks by their 12-month, forward-forecast dividend yield and select the top 50% of the ranking.

Weight by market capitalisation

We weight constituents by their investable market capitalisation.

Publish index

Finally, we publish the index.

Semi-annual maintenance

We review the FTSE All-World High Dividend Yield Index in March and September.

To avoid unnecessary index turnover, we apply a 'banding' methodology around the cut-off point for index inclusion. An existing index constituent will remain a member of the index until its yield rank falls beyond the 55th percentile. A stock that is not in the index will become a constituent in the index if its yield rank is within the 45th percentile.

A true picture of the market

Think of our index data as being something like a computer chip: It powers what happens inside the investment products you buy. So it's important to distinguish between the index (data) and the investment product itself.

WHAT WE DO

We collect information on shares and bonds, as well as other financial market data. We then cleanse and organise it into groups of securities that have a stated objective. We call these groups of securities an index (or a benchmark, for indices that are broad and widely used in performance measurement).

OUR DIFFERENCE

How we design and calculate financial market indices then becomes our intellectual property (IP). We provide the IP for thousands of indices that cover the global equity and fixed income markets in different ways.

But we don't use this IP to manage assets ourselves, nor do we offer any investable products. We work with asset managers and other product providers who use our indices in their ETFs, mutual funds, and structured products.

By operating at arm's length from product providers, and with a multi-decade track record in calculating indices fairly and objectively, we help give confidence to investors and traders from around the world.

We measure the markets in your universe



UNIVERSE OF MARKET DATA

Data about securities exists. FTSE Russell is an expert at collecting, cleansing, and organising that data into useful indices.

FTSE RUSSELL IP

Our unique value is in how we measure the world's investment themes (markets, asset classes, sectors, etc.) to create and maintain an increasing number of available indices.

THE POWER OF CHOICE

With an incredible number of different market slices available, we can help you find the index that fits your product approach. Or we can build a custom index to meet your goals.

CREATE INVESTABLE PRODUCTS

Put our flexibility to work. If your US small cap equity mandate does not allow it to hold REITs, we can remove them from an index to create a better measurement for that investment vehicle.

MARKET CONFIDENCE

Not all benchmarks are created equal. Products built on FTSE Russell indices can offer peace of mind that your data is being measured in an objective and reliable way.

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.

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