

## FTSE Russell launches FTSE UK 100 ESG Select Index

- HSBC selects index as underlying benchmark for series of new ESG-related structured products
- New index tracks performance of the top 100 UK-listed companies with strong ESG practices
- Market-cap weighted index leverages FTSE Russell’s robust ESG Ratings and data model
- Growing global demand to incorporate ESG factors as a core part of investment and stewardship approaches
- FTSE Russell has 17 year track record in helping investors integrate sustainable investment into benchmarks

FTSE Russell, the global index, analytics and data provider, is delighted to announce that HSBC has selected its new FTSE UK 100 ESG Select Index as the underlying benchmark for a series of new ESG-related structured products. The FTSE UK 100 ESG Select Index will form part of HSBC’s portfolio of ESG-focused equity products.

The index is designed to help investors align investment and ESG objectives into their passive investments. The index will measure the performance of the top 100 companies demonstrating strong Environmental, Social and Governance (ESG) practices within the FTSE All-Share Index.

The index uses FTSE Russell’s transparent, rules-based ESG Ratings and data model to select companies for inclusion. Constituents are weighted based on their investable market capitalisation and will be reviewed quarterly, in line with the FTSE UK Index Series. The ESG Ratings and data model contains over 300 indicators across 14 themes\*, based on publicly available data. Eligible companies are each given a ESG Rating ranging from 0 to 5; with 5 being the highest rating.

FTSE Russell is responding to a growing demand among investors to integrate sustainability and environmental, social and governance (ESG) considerations into their investment strategies and stewardship approach. Sustainable Investment benchmarks also support transparency and disclosure in the capital markets by providing a signal to companies regarding their performance on a range of sustainability and ESG issues.

**Aled Jones, Head of Sustainable Investing, Europe, FTSE Russell, said:**

“We are delighted to launch our latest ESG-focused index. FTSE Russell has been at the forefront of sustainable investment for over 17 years, working with customers to deliver investable products that meet their demand to integrate ESG factors into portfolios. HSBC’s decision to licence this index as part of their portfolio of ESG-focused equity products is testament to the need for broad benchmarks that enable the development of ESG structured products and portfolios for individual clients.”



# Press Release

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**Patrick Kondarjian, EMEA Head of Sales-Equity Derivatives Solutions & Cross Asset Distribution, HSBC, said:**

"We have identified a clear need from investors in Europe for ESG benchmark indices, so it is exciting to be able to offer access to this product that delivers strong ESG scores in a straightforward and intuitive way to investors."

**Aveesh Acharya, Director, Equity Derivatives Structuring, HSBC, added:**

"We are very excited to be able to bring to market an additional ESG-focused index as part of our global sustainable solutions product offering. The transition to sustainable investments can be challenging but the intuitive methodology of this index will give our clients the confidence to implement ESG using an index constructed along the lines of a traditional UK benchmark."

– Ends –

*\* Environment: Supply Chain, Biodiversity, Climate Change, Pollution & Resources, Water Security  
Social: Supply Chain, Customer Responsibility, Health & Safety, Human Rights & Community, Labor Standards  
Governance: Anti-Corruption, Corporate Governance, Risk Management, Tax Transparency*

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## 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 \$16 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](http://www.ftserussell.com)

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