

FTSE Russell chosen by LGPS Central for multi-factor climate weighted index

- Move reflects growing demand for multi-factor and climate related considerations in indexing
- Climate change considerations are captured via carbon emissions, fossil fuel reserves and green revenues

FTSE Russell, the global index, data and analytics provider, announces that LGPS Central has selected a multi-factor FTSE Russell index for its new £2.1 billion Fund, the All World Equity Climate Multi Factor Fund.

The Fund tracks the FTSE All-World Climate Balanced Comprehensive Factor Index, a FTSE Russell index that incorporates three key climate change considerations; carbon emissions, fossil fuel reserves and green revenues.

The index*, which is the result of close collaboration between FTSE Russell and LGPS Central, also provides balanced exposure to five factors that are recognised as contributing to equity market performance – Quality, Value, Momentum, Low Volatility and Size.

The index covers large and mid-cap stocks from the FTSE Global Equity Index Series and integrates responsible investment criteria by tilting towards companies with green revenues. The Fund will be managed by LGPS Central Limited's in-house investment team, with monitoring and ongoing stewardship undertaken in line with the Pool's responsible investment framework.

The LGPS Central Pool is made up of nine Midlands-based local government pension funds and manages approximately £45 billion in assets.

Waqas Samad, CEO, FTSE Russell said:

"FTSE Russell is pleased to support LGPS Central in implementing its responsible investing strategy. Through a FTSE Russell index that takes into account climate change considerations, LGPS Central is able to increase its investment weightings towards companies that are taking a proactive approach to environmental factors."

Mike Weston, Chief Executive of LGPS Central Limited, said: "Being a responsible investor is something that is at the heart of our investment beliefs. The LGPS Central Pool is fully aware of the risks and challenges that climate change poses – not only for the planet but also for investment returns – and our new Fund enables us to align our shared sustainable investment ethos with our long-term investment goals."

**The FTSE All-World Climate Balanced Comprehensive Factor Index*

*** The FTSE All-World Climate Balanced Comprehensive Factor Index incorporates three key climate change considerations alongside exposure to five factor characteristics. Climate change considerations are captured via carbon emissions, fossil fuel reserves and green revenues. The index also provides balanced exposure to five factors that are recognised as contributing to equity market performance – Quality, Value, Momentum, Low Volatility and Size.*



– Ends –

For further information:

Media contacts

Lucie Holloway
Oliver Mann

+44 (0)20 7797 1222
newsroom@lseg.com

Notes to editors:

About FTSE Russell:

FTSE Russell is a global index leader that provides innovative benchmarking, analytics and data solutions for investors worldwide. FTSE Russell calculates thousands of indexes that measure and benchmark markets and asset classes in more than 70 countries, covering 98% of the investable market globally.

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 ETFs, structured products and index-based derivatives.

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 applying the highest industry standards in index design and governance and embraces the IOSCO Principles. FTSE Russell is also focused on index innovation and customer partnerships as it seeks to enhance the breadth, depth and reach of its offering.

FTSE Russell is wholly owned by London Stock Exchange Group.

© 2019 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 Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (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 Canada, MTS Next Limited, Mergent, FTSE FI and YB. "FTSE®", "Russell®", "FTSE Russell®", "MTS®", "FTSE4Good®", "ICB®", "Mergent®", "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 Canada, Mergent, FTSE FI or YB. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

