

FTSE Russell Introduces New Sustainable Investment Fixed Income (SIFI) Indexes

- The new index launches address the growing trend of integrating sustainable investment themes into fixed income indexes
- New index series consists of the FTSE Fixed Income Global Choice Index Series, FTSE Fixed Income Excluding Fossil Fuels Enhanced Index Series and FTSE Impact Bond Index Series
- Launch accompanied by research paper: Sustainable Investment – Not Just an Equity Game

FTSE Russell, a leading global index provider, today announces the launch of a new set of sustainable investment fixed income indexes. These SIFI indexes are designed for investors seeking to integrate their sustainable investment strategy into their fixed income investments.

The newly launched FTSE Fixed Income Global Choice Index Series and the FTSE Fixed Income Excluding Fossil Fuels Enhanced Index Series use a methodology inspired by their equity counterparts, the FTSE Global Choice Series and the FTSE Ex Fossil Fuels Series, bringing consistency across equity and fixed income.

The **FTSE Fixed Income Global Choice Index Series** has been designed to represent the performance of securities in FTSE Fixed Income indexes that exclude issuers based on their conduct or product involvement in specific sectors. The Index Series helps investors align their portfolios with their individual values by selecting issuers based on the impact of their conduct and products on society and the environment.

The **FTSE Fixed Income ex Fossil Fuels Enhanced Index Series** is designed to represent the performance of securities in FTSE Fixed Income indexes after the exclusion of issuers that have certain exposure to fossil fuels.

The **FTSE Impact Bond Index Series** enables global debt investors to participate in the rapidly growing green, social, and sustainable (GSS) bond market. Impact Bonds have greater transparency in their use of proceeds and project impacts, providing a vehicle for investors who are looking for investments which yield direct climate, environmental or social benefits.

A new FTSE Russell paper, *Sustainable Investment: Not Just an Equity Game*, explores the role of sustainable investment in the global securities market's largest asset class, fixed income. The paper notes growing investor demand for this type of solution, investigates the challenges in implementing a sustainable approach in fixed income, looks at the potential impact of sustainability on a portfolio's risk/return profile and describes FTSE Russell's approach to implementing sustainability in fixed income indexes.

Scott Harman, Global Head of Fixed Income at FTSE Russell comments:

“Our new FTSE Russell SIFI indexes address a growing need for sustainable investment solutions in the fixed income market. As investors look to align their portfolios with their ESG values, we have developed a thorough methodology to enable investors to exclude issuers based on their conduct or product involvement in specific sectors. Our experience in the equity market has allowed us to develop a methodology inspired by our FTSE Global Choice and FTSE Ex Fossil Fuel series, bringing consistency for investors across our equity and fixed income offering.

“We believe sustainable investing in the fixed income market will accelerate in the coming years, becoming mainstream and making it more challenging to hold portfolios without at least a basic sustainability element.”

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For more information please contact:

Hayley Fewster

newsroom@lseg.com / +44 7855 981021

Notes to editors:

The FTSE Fixed Income Global Choice Index Series consists of the following:

- *FTSE World Broad Investment-Grade Choice Bond Index*
- *FTSE Euro Broad Investment-Grade Choice Bond Index*
- *FTSE US Broad Investment-Grade Choice Bond Index*
- *FTSE Australian Broad Investment-Grade Choice Bond Index*

The FTSE Fixed Income ex Fossil Fuels Enhanced Index Series consists of the following:

- *FTSE World Broad Investment-Grade ex Fossil Fuels Enhanced Bond Index*
- *FTSE Euro Broad Investment-Grade ex Fossil Fuels Enhanced Bond Index*
- *FTSE US Broad Investment-Grade ex Fossil Fuels Enhanced Bond Index*
- *FTSE Australian Broad Investment-Grade ex Fossil Fuels Enhanced Bond Index*

The FTSE Impact Bond Index Series consists of the following:

- *FTSE Global Impact Bond Index (Global Impact)*
- *FTSE World Broad Investment-Grade Impact Bond Index (WorldBIG Impact)*
- *FTSE Euro Broad Investment-Grade Impact Bond Index (EuroBIG Impact)*
- *FTSE US Broad Investment-Grade Impact Bond Index (USBIG Impact)*

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 \$17.9 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.

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