

FTSE Russell launches Chinese Green Bond Index Series

- New index Series tracks bonds whose proceeds are specifically used to finance climate or environmental projects
- China is now second-largest green bond market globally - \$37 billion issued in 2017
- Growing global demand to incorporate ESG factors as a core part of investment and stewardship approaches
- FTSE Russell has 15+ year track record in promoting sustainable investment
- FTSE Russell leading provider of China-linked benchmarks

FTSE Russell, the global index, analytics and data provider, has launched a new index series tracking Chinese green bonds. The FTSE Chinese (Onshore CNY) Green Bond Index Series will benchmark securities whose proceeds are specifically used to finance climate or environmental projects in mainland China. The index will measure the performance of onshore Chinese yuan-determined fixed-rate government, agency and corporate debt issued that are labelled 'green' by the issuer. There are currently 126 bonds included in the main index, covering approximately 75% of all on-shore labelled green bonds issued by China's government, agencies and corporations.

FTSE Russell has been active in the China market for nearly two decades and is a leading-provider of China-linked benchmarks with c. \$27 billion of equity assets under management benchmarked to or tracking FTSE China indexes. In addition, FTSE Russell's acquisition, in August 2017, of The Yield Book and Citi Index business substantially enhanced its fixed income offering providing its global customers with a comprehensive fixed income index family, broad and deep fixed income analytics.

FTSE Russell launched its first China bond indexes in 2011. Recent regulatory changes have driven growth in environmental initiatives supported by government subsidies and investment opportunities. Since 2015 China's domestic green bond market has grown significantly at 65% CAGR. China is now the second-largest green bond market globally with £37 billion issuance in 2017.

The FTSE Chinese Green Bond Index Series use evaluated prices from Refinitiv, an independent price provider. The indexes will be rebalanced once a month on the last business day of the month.

Waqas Samad, CEO Benchmarks, FTSE Russell, said:

"FTSE Russell is delighted to extend its coverage of the China bond market with the introduction of a new Chinese Green Bond index series. In 2017, China green bonds issuance represented 23% of global green bond issues and the market is expected to continue to grow significantly over the coming years.



“The combination of FTSE Russell’s strong capabilities in fixed income, sustainable investment and regional presence in China allow us to develop innovative tools to help meet the growing demand from our global customer base.”

With a strong track record in developing China market indexes, FTSE Russell China benchmarks have become widely recognised by investors and issuers globally as a leading measure of the China equity market and the natural choice for creating China-themed investment products. Covering both broad market benchmarks and well known tradable indexes, the broad spectrum of indexes covers all Chinese share types, a range of asset classes and various investment themes including style, dividend yield, fundamentally weighted and property. As China continues to open its market to foreign investors, FTSE Russell is also offering market participants a range of benchmark choices to help them prepare for the inclusion of China A Shares in global portfolios.

More information on our broad range of FTSE Russell China benchmarks can be found on our [website](#).

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For further information:

Global Media

Lucie Holloway
Tim Benedict

+44 (0)20 7797 1222
+1 917 582 0641
newsroom@lseg.com

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.

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