Taiwan Futures Exchange (TAIFEX) launches first listed futures linked to FTSE4Good TIP Taiwan ESG Index

- TAIFEX licences FTSE4Good TIP Taiwan ESG Index for its latest futures listing
- First futures product linked to FTSE4Good TIP Taiwan ESG Index
- Index designed to measure performance of TWSE listed companies that meet globally recognised ESG standards
- Index captures more than 70 constituents from the underlying FTSE Taiwan Index universe

FTSE Russell, a leading global index, data and analytics provider, announces that Taiwan Futures Exchange (TAIFEX) has licenced the FTSE4Good TIP Taiwan ESG Index for its latest futures offering. Launching on 8 June, the FTSE4Good TIP Taiwan ESG Index Futures is the first product by TAIFEX linked to the index, and the first ESG based future product launched in the Asia-Pacific region. It is also the second futures collaboration for FTSE Russell in Taiwan, following the launch of index futures based on the FTSE TWSE Taiwan 50 in 2003 in partnership with the Taiwan Stock Exchange (TWSE) and TAIFEX.

The FTSE4Good TIP Taiwan ESG Index was launched in December 2017 in partnership with TIP, the index company of TWSE. The index is designed to measure the performance of more than 70 companies listed on the TWSE that meet globally recognised ESG standards used by the FTSE4Good Index Series.

The launch of the FTSE4Good TIP Taiwan ESG Index Futures follows the listing of the Yuanta FTSE4Good TIP Taiwan ESG ETF on TWSE in August 2019, Taiwan’s first socially responsible exchange-traded fund (ETF). In 2018, the Taiwan Bureau of Labor Funds (BLF) became the first fund to track the FTSE4Good TIP Taiwan ESG Index, allocating a USD $1.4 billion mandate to meet growing demand from Taiwanese investors to incorporate sustainable investment into their portfolios.

Jessie Pak, Managing Director, Head of Information Services Asia Pacific, London Stock Exchange Group, said:
“We are delighted that TAIFEX has selected the FTSE4Good TIP Taiwan ESG Index to track for its latest listed futures. FTSE Russell is committed to supporting growing client and investor demand in Taiwan, and across Asia, for sustainable investment solutions developed to globally recognised ESG standards. We will continue to engage with our exchange partners globally to facilitate the development of the index-based listed futures and options markets, providing investors with further choice, diversification and risk management opportunities for their portfolios.”
Press Release

Bing-Jing Huang, President of TAIFEX, said:
“We are pleased to extend our collaboration with FTSE Russell and Taiwan Index Plus Corporation by launching the FTSE4Good TIP Taiwan ESG Index Futures. The new product addresses the growing demands for ESG investment across the globe and has gained traction as the first ESG futures in Asia. We believe this product provides an effective tool for investors to trade and hedge their exposure to ESG portfolios.”

Billy Wang, President and CEO of Taiwan Index Plus, said:
“We collaborated with FTSE Russell in launching the FTSE4Good TIP Taiwan ESG Index in 2017, which has become the most representative benchmark of Socially Responsible Investment (SRI) in Taiwan. With growing demand of ESG investing recently, the index has been adopted in diversified applications from government pension fund, ETF, mutual funds, and now to futures product by TAIFEX. This has effectively constructed an SRI ecosystem in our market by providing comprehensive vehicles for domestic as well as foreign market participants to conduct investing, trading, risk management and hedging activities in Taiwan.”

FTSE Russell has developed ESG products and services for more than 20 years, supporting the evolving needs of investors to incorporate sustainable investment into their portfolios. FTSE Russell’s sustainable investment data models provide a broad range of measures that can be used in multiple approaches; from considering climate risks, providing ESG Ratings and supporting investment alignment with the UN’s Sustainable Development Goals.

Further information can be found online at the FTSE4Good Index Series page or via the FTSE4Good TIP Taiwan ESG Index factsheet.

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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.

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