FTSE Russell launches FTSE Women on Boards Leadership Index Series

- Index series designed to integrate leadership in gender diversity and social impact into a broad market benchmark
- Reflects desire from investors to engage businesses on improving their gender diversity
- Factor-based approach increases exposure to companies demonstrating diversity leadership

FTSE Russell, the global index provider, today announced the creation of the FTSE Women on Boards Leadership Index Series. The new index series increases exposure to companies based on the strength of their gender diversity leadership at the board level in addition to how well they manage their wider social impact. This is achieved by adopting a factor based approach, tilting stocks to overweight or underweight depending on their gender diversity at board level and social impact score.

The initial indexes created within the series, and being launched today, are the FTSE All-Share Women on Boards Leadership Index and the Russell 1000 Women on Boards Leadership Index. The constituent weightings in the underlying indexes* are adjusted based on two measures:

- **Gender Diversity Adjustment** – Ratio of female board members to total number of board members in excess of the ICB Industry average. An industry Neutrality Adjustment is applied to the Women on Boards adjustment
- **Social Impact Adjustment** – Based on the Social Pillar score (out of five) as calculated in FTSE Russell’s ESG Ratings data model**

Mark Makepeace, CEO, FTSE Russell, said:
“The launch of FTSE Russell’s new index series is another demonstration of our commitment to promote strong stewardship practices and market standards. The initial indexes are based on the FTSE UK All-Share® and Russell 1000®, incorporating a universe of almost 900 companies and can be used by market participants to increase their exposure towards companies demonstrating leadership in this space. By using a factor-based methodology, we can adopt a positive approach highlighting leadership, promoting awareness and improving inclusive environments at all levels”.

FTSE Russell is responding to a growing trend among asset owners to integrate ESG considerations into passive investments and this trend is increasing transparency and disclosure in the capital markets with investors collaborating to improve company engagement and corporate performance. The FTSE Women on Boards Leadership Index Series is built using a transparent, rules-based index methodology and is managed in accordance with FTSE Russell’s global best practice of index governance.
In the FTSE All-Share Women on Boards Leadership Index, the following companies have been ranked the highest combined Gender Diversity and Social Impact score within their industry:

- Oil & Gas – Royal Dutch Shell
- Basic Materials – BHP Billiton
- Industrials – Royal Mail
- Consumer Goods – Unilever
- Health Care – GlaxoSmithKline
- Consumer Services – Kingfisher
- Telecommunications – BT Group
- Utilities – SSE
- Financials – Jupiter Fund Management
- Technology – Micro Focus International

Further information on the index series is available [here](#).

– Ends –

* Underlying Indexes are the UK FTSE All-Share ex Investment Trust Index and the Russell 1000 Index, respectively

** ESG Ratings Social Score – over 100 indicators used to calculate an individual company’s score from 0 to 5 (highest) across five themes: labour standards; human rights; supply chains; customer responsibility; and health & safety

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For further information:

Global Media

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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 $15 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