

World's largest pension fund selects new FTSE Russell ESG index

- FTSE Russell launches new FTSE Blossom Japan Index
- The Government Pension Investment Fund (GPIF) of Japan selects FTSE Blossom Japan Index
- FTSE Russell collaborating with GPIF to promote stewardship and high standards of corporate ESG performance and disclosure
- Growing trend among asset owners to integrate ESG considerations into passive investment strategies

FTSE Russell, the global index provider, today announces the creation of a new index, the FTSE Blossom Japan index. The Government Pension Investment Fund (GPIF) of Japan has selected the index as a core ESG benchmark through its flagship fund. GPIF is the largest pension fund in the world with over \$1.3tn* in assets.

The new FTSE Blossom Japan Index is constructed using FTSE Russell's ESG Ratings data model, which draws on existing international ESG standards, including the UN Sustainable Development Goals. The inclusion thresholds are aligned with the globally established FTSE4Good Index Series. The index can be used to assist in the integration of ESG considerations into a diversified strategy. The index does not deviate significantly from the index characteristics of its traditional market capitalization weighted benchmark. To minimise industry bias, the index has been designed using an industry-neutral weighting approach to match the industry weights in the underlying FTSE Japan Index.

FTSE Russell is responding to a growing trend among asset owners to integrate ESG considerations into passive investments, with GPIF the latest pension fund to select a FTSE Russell index. This trend is increasing transparency and disclosure in the capital markets with investors collaborating to improve company engagement and corporate performance.

The FTSE Blossom Japan Index is part of FTSE Russell's extensive sustainable investment index and data offering which includes the recent launch of the ESG Ratings data model, Green Revenues data model and new smart sustainability indexes following the launch of the FTSE All-World ex CW Climate Balanced Factor Indexes in November. FTSE Russell's ESG Ratings data model provides underlying environmental, social and governance data on more than 4,100 companies across more than 300 indicators.

FTSE Russell was selected by GPIF following a detailed RFP and selection process.

Mark Makepeace, Chief Executive, FTSE Russell said:

"We are delighted to be working with GPIF to promote strong stewardship practices and market standards. FTSE Russell's ESG capabilities are increasingly being used by asset owners and pension funds around the world. Japan and its institutions are actively engaging with companies on their ESG practices and the FTSE Blossom Japan Index provides a powerful basis to increase corporate ESG transparency and performance".



Press Release



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London Stock Exchange Group is a pioneer in supporting the growing global green and sustainable financing movement, providing a comprehensive green and sustainable product offering. This includes the Guide to ESG reporting which was launched in February.

Further information can be found online at the FTSE Blossom Japan Index [page](#) and through our [Global Sustainable Investment Centre](#)

– Ends –

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*<http://www.gpif.go.jp/en/>

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 \$12.5 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

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