

FTSE Developed Minimum Variance Shariah Index

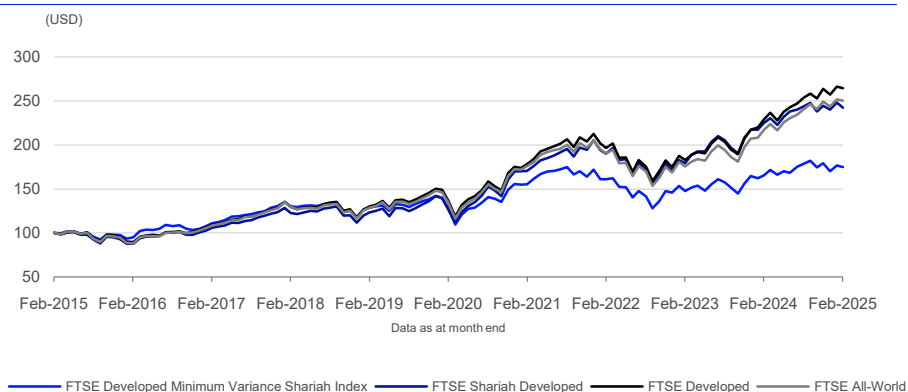
Data as at: 28 February 2025

The FTSE Global Minimum Variance Index Series aims to deliver reduced index volatility based on historical return information, thereby offering potential improvements to the risk reward trade-off, whilst maintaining full allocation to the relevant equity market.

Reduced volatility is achieved by applying a transparent rules-based approach which minimizes historical variance subject to additional constraints on the weight of individual stocks within an index, and, at aggregate level on the weight of countries and industries represented in the index.

Constituents of the FTSE Developed Minimum Variance Shariah Index are selected from the corresponding underlying universe of the FTSE Global Equity Shariah Index Series at the time of the bi-annual review and aspects such as index reviews and company classification are governed by the FTSE Global Equity Shariah Index Series Ground Rules. Please see below for details of the screening of the underlying universe by Shariah consultants, Yasaar Limited.

10-Year Performance - Total Return



Performance and Volatility - Total Return

Index (USD)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE Developed Minimum Variance Shariah Index	-2.5	-2.2	2.6	5.7	8.6	36.7	2.8	6.4	9.1	13.6	16.6
FTSE Shariah Developed	-0.9	-0.7	0.9	7.7	27.3	91.2	8.4	13.8	11.2	15.7	17.4
FTSE Developed	0.3	4.3	2.9	15.5	34.6	93.7	10.4	14.1	10.8	15.7	17.4
FTSE All-World	0.4	4.1	2.8	15.3	31.5	86.1	9.6	13.2	10.3	15.2	17.0

* Compound annual returns measured over 3 and 5 years respectively

** Volatility – 1YR based on 12 months daily data, 3YR based on weekly data (Wednesday to Wednesday), 5YR based on monthly data

Year-on-Year Performance - Total Return

Index % (USD)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
FTSE Developed Minimum Variance Shariah Index	1.9	7.3	25.1	-9.5	20.3	9.3	10.5	-15.1	12.9	3.4
FTSE Shariah Developed	-3.2	8.1	23.1	-9.7	27.0	19.8	21.0	-16.7	27.2	10.4
FTSE Developed	-0.3	8.2	23.9	-8.6	28.0	16.7	21.4	-17.8	24.2	18.2
FTSE All-World	-1.7	8.6	24.6	-9.1	27.2	16.6	18.9	-17.7	22.6	17.7

FEATURES

Methodology

The approach applies a rules-based strategy to minimise volatility. Some constraints are applied, for example, to avoid over concentration in any particular stock, sector or country.

Objective

The indexes are designed for the creation of index tracking funds, derivatives and as a performance benchmark.

Investability

Stocks in the underlying universe are free-float weighted to ensure that only the investable opportunity set is included.

Liquidity

Stocks in the underlying universe are screened to ensure that the indexes are tradable.

Transparency

The index uses a transparent, rules-based construction process. Index Methodologies are freely available on the FTSE Russell website.

Availability

The indexes are calculated based on price and total return methodologies.

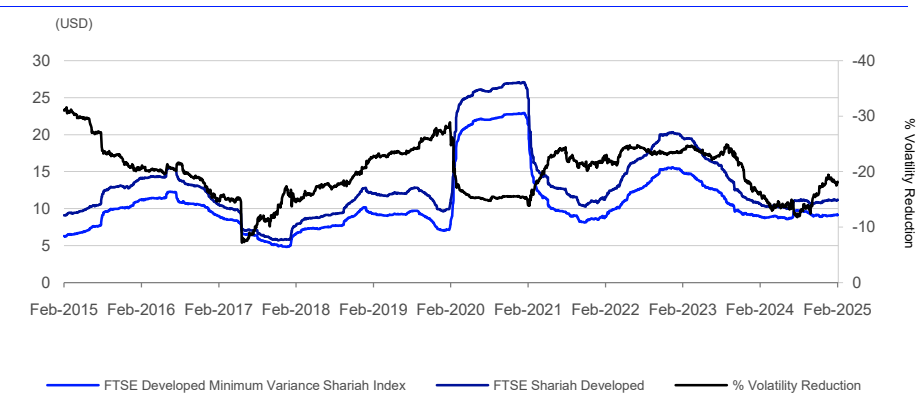
Industry Classification Benchmark (ICB)

Index constituents are categorized in accordance with the Industry Classification Benchmark (ICB), the global standard for industry sector analysis.

About Yasaar Ltd

Yasaar Ltd is an impartial consultancy and leading authority on Shariah. It represents all of the major Shariah schools of thought, creating a best-practices approach that has credibility across the Islamic world.

Annualised Rolling 252 Day Volatility - Total Return



Return/Risk Ratio and Drawdown - Total Return

Index (USD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE Developed Minimum Variance Shariah Index	0.6	0.2	0.4	0.4	-7.3	-22.0	-28.2	-34.1
FTSE Shariah Developed	0.7	0.6	0.8	0.6	-8.7	-22.2	-27.9	-33.8
FTSE Developed	1.4	0.7	0.8	0.7	-8.2	-23.0	-28.4	-34.0
FTSE All-World	1.5	0.7	0.8	0.7	-8.2	-22.7	-28.2	-33.7

Return/Risk Ratio – based on compound annual returns and volatility in Performance and Volatility table
Drawdown - based on daily data

Top 10 Constituents - FTSE Developed Minimum Variance Shariah Index

Constituent	Country/Market	ICB Sector	FTSE Developed Minimum Variance Shariah Index (Wgt %)	FTSE Shariah Developed (Wgt %)	Diff %
McKesson	USA	Personal Care Drug and Grocery Stores	0.68	0.26	0.43
Cardinal Health	USA	Pharmaceuticals and Biotechnology	0.59	0.10	0.49
ConocoPhillips	USA	Oil Gas and Coal	0.57	0.40	0.18
Cencora Inc	USA	Personal Care Drug and Grocery Stores	0.57	0.13	0.44
Church & Dwight	USA	Personal Care Drug and Grocery Stores	0.55	0.08	0.47
Boston Scientific Corp	USA	Medical Equipment and Services	0.54	0.47	0.07
Johnson & Johnson	USA	Pharmaceuticals and Biotechnology	0.53	1.23	-0.69
Quest Diagnostics	USA	Medical Equipment and Services	0.52	0.06	0.46
Axon Enterprise	USA	Aerospace and Defense	0.51	0.12	0.39
Procter & Gamble	USA	Personal Care Drug and Grocery Stores	0.50	1.27	-0.76
Totals			5.56	4.12	

INFORMATION

Index Universe

FTSE Developed Shariah Index

Index Launch

May 2013

Base Date

15 June 2012

Base Value

100

Investability Screen

Actual free float applied and liquidity screened

Index Calculation

End of day

End-of-Day Distribution

Via FTP and email

Currency

USD

Review Dates

Semi-annually in March and September

History

Available from September 2003

Country/Market Breakdown

	FTSE Developed Minimum Variance Shariah Index			FTSE Shariah Developed			FTSE Developed		
Country/Market	No. of Cons	Net MCap (USDm)	Wgt %	No. of Cons	Net MCap (USDm)	Wgt %	No. of Cons	Net MCap (USDm)	Wgt %
Australia	50	663,549	3.47	54	613,874	1.90	104	1,332,251	1.84
Austria	4	58,517	0.31	5	18,656	0.06	7	42,776	0.06
Belgium	3	63,379	0.33	4	35,357	0.11	13	176,879	0.24
Canada	8	69,915	0.37	13	463,387	1.43	48	1,928,191	2.66
Denmark	7	117,809	0.62	10	376,077	1.16	18	467,817	0.65
Finland	7	101,035	0.53	9	92,661	0.29	14	178,688	0.25
France	20	416,288	2.17	31	1,051,236	3.25	67	1,914,543	2.64
Germany	25	492,160	2.57	39	1,088,211	3.36	67	1,703,135	2.35
Hong Kong	26	715,923	3.74	27	104,877	0.32	70	395,011	0.54
Ireland	1	25,179	0.13	2	14,645	0.05	5	55,871	0.08
Israel	-	-	-	-	-	-	29	141,152	0.19
Italy	11	115,951	0.61	15	183,028	0.57	36	563,501	0.78
Japan	200	2,281,384	11.92	273	2,052,024	6.34	494	4,491,245	6.19
Korea	74	1,127,536	5.89	77	498,717	1.54	159	761,647	1.05
Netherlands	6	89,164	0.47	11	412,252	1.27	31	762,877	1.05
New Zealand	10	233,290	1.22	10	34,419	0.11	13	51,457	0.07
Norway	6	105,213	0.55	9	59,489	0.18	16	108,617	0.15
Poland	1	3,597	0.02	4	23,222	0.07	10	66,379	0.09
Portugal	1	18,214	0.10	2	9,780	0.03	4	25,434	0.04
Singapore	10	241,594	1.26	10	35,439	0.11	35	265,457	0.37
Spain	9	194,239	1.01	12	187,579	0.58	24	539,481	0.74
Sweden	7	91,780	0.48	33	383,220	1.18	53	603,712	0.83
Switzerland	22	443,784	2.32	30	891,878	2.76	53	1,738,976	2.40
UK	31	581,011	3.04	52	1,253,472	3.87	100	2,837,852	3.91
USA	197	10,890,167	56.90	209	22,469,391	69.45	546	51,346,887	70.82
Totals	736	19,140,676	100.00	941	32,352,890	100.00	2016	72,499,834	100.00

ICB Supersector Breakdown

		FTSE Developed Minimum Variance Shariah Index			FTSE Shariah Developed			FTSE Developed		
ICB Code	ICB Supersector	No. of Cons	Net MCap (USDm)	Wgt %	No. of Cons	Net MCap (USDm)	Wgt %	No. of Cons	Net MCap (USDm)	Wgt %
1010	Technology	86	2,434,841	12.72	118	14,101,303	43.59	193	20,097,689	27.72
1510	Telecommunications	23	627,449	3.28	23	854,610	2.64	49	1,890,986	2.61
2010	Health Care	98	3,228,481	16.87	114	4,606,429	14.24	165	7,593,122	10.47
3010	Banks	-	-	-	-	-	-	111	4,779,413	6.59
3020	Financial Services	-	-	-	1	3,678	0.01	96	3,767,824	5.20
3030	Insurance	-	-	-	-	-	-	82	2,361,255	3.26
3510	Real Estate	20	493,599	2.58	23	358,113	1.11	139	1,647,232	2.27
4010	Automobiles and Parts	26	447,600	2.34	38	1,147,814	3.55	59	1,658,478	2.29
4020	Consumer Products and Services	51	1,211,454	6.33	64	940,175	2.91	99	1,958,773	2.70
4030	Media	15	454,724	2.38	16	165,668	0.51	39	1,101,667	1.52
4040	Retailers	19	571,157	2.98	24	378,667	1.17	57	4,308,854	5.94
4050	Travel and Leisure	9	305,006	1.59	11	52,718	0.16	72	1,344,791	1.85
4510	Food Beverage and Tobacco	38	1,215,646	6.35	42	743,942	2.30	100	2,198,360	3.03
4520	Personal Care Drug and Grocery Stores	22	830,941	4.34	23	743,018	2.30	56	1,440,910	1.99
5010	Construction and Materials	40	707,208	3.69	51	765,996	2.37	63	843,356	1.16
5020	Industrial Goods and Services	141	3,212,284	16.78	205	3,203,060	9.90	343	8,886,241	12.26
5510	Basic Resources	30	592,851	3.10	51	836,551	2.59	62	947,814	1.31
5520	Chemicals	46	782,491	4.09	56	836,854	2.59	68	913,357	1.26
6010	Energy	44	1,281,890	6.70	51	2,204,035	6.81	71	2,761,615	3.81
6510	Utilities	28	743,053	3.88	30	410,258	1.27	92	1,998,096	2.76
Totals		736	19,140,676	100.00	941	32,352,890	100.00	2016	72,499,834	100.00

Index Characteristics

Attributes	FTSE Developed Minimum Variance Shariah Index	FTSE Shariah Developed	FTSE Developed	FTSE All-World
Number of constituents	736	941	2016	4244
Dividend Yield %	2.17	1.59	1.75	1.85
Constituent (Wgt %)				
Average	0.14	0.11	0.05	0.02
Largest	0.68	10.68	4.77	4.31
Median	0.09	0.02	0.01	0.00
Top 10 Holdings (Wgt %)	5.56	37.47	23.55	21.31

About the FTSE Global Equity Shariah Index Series

The FTSE Global Equity Shariah Index Series has been fully certified as Shariah compliant through the issue of a Fatwa (Islamic legal opinion) by Yasaar's principals. Unlike other competitor methodologies, a more conservative approach to Shariah compliance is ensured by rating debt ratio limits that are measured as a percentage of total assets, rather than more volatile measures that use 12 month trailing market capitalisation. This ensures companies do not pass the screening criteria due to market price fluctuation, allowing the methodology to be less speculative and more in keeping with Shariah principles. Yasaar's screening methodology is set out below:

Business Activity Screening

Initially, companies involved in any of the following activities will be filtered out as non Shariah-compliant:

- Conventional finance (non-Islamic banking, finance and insurance, etc.);
- Alcohol;
- Pork related products and non-halal food production, packaging and processing or any other activity related to pork and non-halal food;
- Entertainment (casinos, gambling and pornography);
- Tobacco; weapons, arms and defence manufacturing.

Financial Ratios Screening

The remaining companies are then further screened on a financial basis. The following financial ratios must be met for companies to be considered Shariah-compliant:

- Debt is less than 33.333% of total assets;
- Cash and interest bearing items are less than 33.333% of total assets;
- Accounts receivable and cash are less than 50% of total assets;
- Total interest and non compliant activities income should not exceed 5% of total revenue.



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