

# FTSE4Good Developed Minimum Variance Index

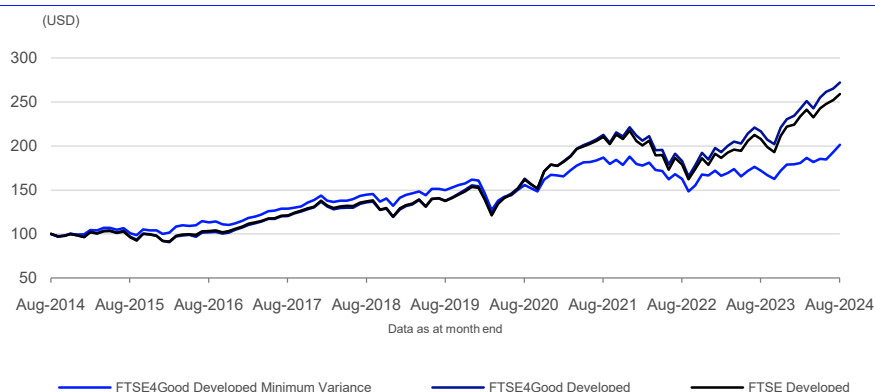
Data as at: 30 August 2024

The FTSE Developed 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.

The FTSE4Good Developed Minimum Variance Index is based on the FTSE4Good Developed Index, which is designed to objectively measure the performance of companies that meet globally recognised environmental, social and governance (ESG) standards, and to facilitate investment in those companies. Constituents are selected from the corresponding underlying universe at the time of the review and aspects such as index reviews and company classification are governed by the corresponding Ground Rules of the universe index.

## 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
FTSE4Good Developed Minimum Variance	8.6	11.3	12.4	17.1	7.8	34.3	2.5	6.1	8.2	12.3	14.7
FTSE4Good Developed	6.7	12.3	18.1	25.7	28.1	97.5	8.6	14.6	10.8	16.2	17.6
FTSE Developed	6.7	10.8	16.7	24.7	23.0	88.2	7.1	13.5	10.7	16.6	17.8

\* 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)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
FTSE4Good Developed Minimum Variance	11.0	4.6	7.7	23.8	-4.6	22.3	3.5	12.4	-11.5	7.6
FTSE4Good Developed	5.1	-0.3	7.1	24.1	-8.2	30.1	15.2	23.6	-16.5	24.8
FTSE Developed	5.1	-0.3	8.2	23.9	-8.6	28.0	16.7	21.4	-17.8	24.2

## 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

Index methodologies are freely available on the FTSE Russell website.

### Availability

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

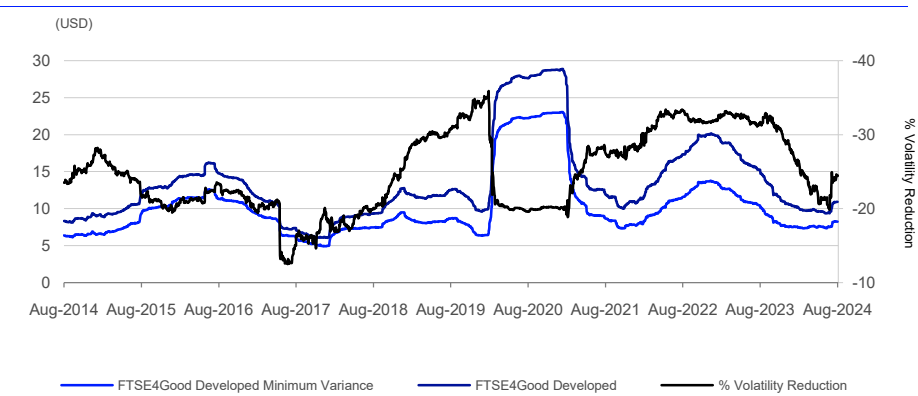
### Industry Classification Benchmark (ICB)

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

### Criteria

The ESG criteria is based on the underlying FTSE4Good Index which is overseen by the independent FTSE Russell ESG Advisory Committee.

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
FTSE4Good Developed Minimum Variance	2.0	0.2	0.4	0.6	-6.6	-22.2	-33.0	-33.0
FTSE4Good Developed	2.3	0.5	0.8	0.7	-9.0	-26.0	-33.9	-33.9
FTSE Developed	2.2	0.4	0.8	0.7	-8.4	-26.1	-34.0	-34.0

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

Top 10 Constituents (by Wgt %) - FTSE4Good Developed Minimum Variance Index

Constituent	Country/Market	ICB Sector	FTSE4Good Developed Minimum Variance (Wgt %)	FTSE4Good Developed (Wgt %)	Diff %
Choe Global Markets	USA	Investment Banking and Brokerage Services	0.80	0.05	0.75
Kellanova	USA	Food Producers	0.76	0.05	0.72
Lilly (Eli) & Co	USA	Pharmaceuticals and Biotechnology	0.74	1.78	-1.04
General Mills	USA	Food Producers	0.73	0.09	0.65
Johnson & Johnson	USA	Pharmaceuticals and Biotechnology	0.70	0.87	-0.17
Progressive Corp	USA	Non-life Insurance	0.69	0.32	0.37
Unitedhealth Group	USA	Health Care Providers	0.66	1.18	-0.52
Bristol Myers Squibb	USA	Pharmaceuticals and Biotechnology	0.66	0.22	0.44
AbbVie Inc	USA	Pharmaceuticals and Biotechnology	0.65	0.76	-0.11
Colgate-Palmolive	USA	Personal Care Drug and Grocery Stores	0.63	0.19	0.45
Totals			7.02	5.51	

INFORMATION

Index Universe

FTSE4Good Developed Index

Index Launch

May 2013

Base Date

15 May 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, EUR, GBP, JPY, AUD

Review Dates

Semi-annually in June and December

History

From 19 March 2004

Country/Market Breakdown

	FTSE4Good Developed Minimum Variance		FTSE4Good Developed		
Country/Market	No. of Cons	Wgt %	No. of Cons	Wgt %	Diff %
Australia	29	3.23	72	2.76	0.47
Austria	2	0.09	6	0.08	0.02
Belgium	2	0.30	8	0.27	0.03
Canada	7	1.08	28	2.66	-1.58
Denmark	4	0.73	15	1.27	-0.54
Finland	3	0.49	11	0.30	0.19
France	14	1.89	57	3.66	-1.77
Germany	11	1.60	39	2.66	-1.05
Hong Kong	36	4.81	37	0.55	4.26
Ireland	2	0.29	2	0.05	0.23
Israel	5	0.78	5	0.08	0.70
Italy	2	0.08	23	0.94	-0.86
Japan	162	13.40	263	7.62	5.77
Korea	54	4.96	60	0.60	4.36
Netherlands	6	1.26	25	1.58	-0.33
New Zealand	6	0.41	6	0.06	0.35
Norway	5	0.52	12	0.21	0.31
Poland	-	-	6	0.10	-0.10
Portugal	2	0.15	4	0.07	0.09
Singapore	21	3.75	21	0.43	3.32
Spain	13	1.04	23	1.07	-0.03
Sweden	5	0.43	33	0.97	-0.54
Switzerland	14	2.62	32	3.43	-0.81
UK	26	3.60	87	5.19	-1.59
USA	193	52.48	281	63.39	-10.91
Totals	624	100.00	1156	100.00	

ICB Supersector Breakdown

		FTSE4Good Developed Minimum Variance		FTSE4Good Developed		
ICB Code	ICB Supersector	No. of Cons	Wgt %	No. of Cons	Wgt %	Diff %
1010	Technology	56	7.22	112	35.66	-28.44
1510	Telecommunications	30	6.13	39	2.71	3.41
2010	Health Care	56	14.28	85	12.98	1.30
3010	Banks	29	4.16	78	6.82	-2.65
3020	Financial Services	25	4.12	64	3.61	0.51
3030	Insurance	47	10.60	69	4.57	6.03
3510	Real Estate	31	3.63	58	1.24	2.40
4010	Automobiles and Parts	18	1.12	35	1.21	-0.09
4020	Consumer Products and Services	23	2.45	49	2.15	0.30
4030	Media	15	2.13	25	1.09	1.04
4040	Retailers	12	1.79	26	2.14	-0.35
4050	Travel and Leisure	23	2.34	36	0.91	1.43
4510	Food Beverage and Tobacco	56	11.91	61	2.76	9.15
4520	Personal Care Drug and Grocery Stores	25	6.75	29	1.81	4.93
5010	Construction and Materials	12	0.78	33	1.18	-0.40
5020	Industrial Goods and Services	81	9.86	178	10.73	-0.87
5510	Basic Resources	9	0.82	42	1.40	-0.57
5520	Chemicals	25	2.18	52	2.04	0.13
6010	Energy	23	3.10	42	3.50	-0.40
6510	Utilities	28	4.62	43	1.47	3.15
Totals		624	100.00	1156	100.00	

Index Characteristics

Attributes	FTSE4Good Developed Minimum Variance	FTSE4Good Developed	FTSE Developed
Number of constituents	624	1156	2068
Dividend Yield %	2.66	1.89	1.77
Constituent (Wgt %)			
Average	0.16	0.09	0.05
Largest	0.80	7.26	4.73
Median	0.11	0.02	0.01
Top 10 Holdings (Wgt %)	7.02	30.52	22.78

© 2024 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) FTSE (Beijing) Consulting Limited ("WOFE") (7) Refinitiv Benchmark Services (UK) Limited ("RBSL"), (8) Refinitiv Limited ("RL") and (9) Beyond Ratings S.A.S. ("BR"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL, and BR. "FTSE®", "Russell®", "FTSE Russell®", "FTSE4Good®", "ICB®", "Refinitiv", "Beyond Ratings®", "WMR™", "FR™" and all other trademarks and service marks used herein (whether registered or unregistered) are trademarks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL or BR. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. Refinitiv Benchmark Services (UK) Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or LSEG Products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index or rate containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index and/or rate returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index or rate inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index or rate was officially launched. However, back-tested data may reflect the application of the index or rate methodology with the benefit of hindsight, and the historic calculations of an index or rate may change from month to month based on revisions to the underlying economic data used in the calculation of the index or rate.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of LSEG. Use and distribution of LSEG data requires a licence from LSEG and/or its licensors.

Data definitions available from  
[info@ftserussell.com](mailto:info@ftserussell.com)

To learn more, visit [lseg.com/ftse-russell](https://lseg.com/ftse-russell);  
email [info@ftserussell.com](mailto:info@ftserussell.com); or  
call your regional Client Services Team office:

**EMEA**

+44 (0) 20 7866 1810

**North America**

+1 877 503 6437

**Asia-Pacific**

Hong Kong +852 2164 3333  
Tokyo +81 3 6441 1430  
Sydney +61 (0) 2 7228 5659