



Business Activity Screening (BAS) for Exclusion-Based Indexes Challenges and Appeals

v1.1



Challenges and Appeals

1.0 Introduction

- 1.1 This document sets out the process by which a constituent or prospective constituent of an index may challenge its exclusion as part of the business activity screening service. The business activity screening service provides investors with the option to exclude specific instruments linked to activities or products that they find unacceptable, forming an 'exclusion list'.
- 1.2 An overview of the business activity screening service and definitions of business activities that can be combined to form an exclusion list are contained within the Business Activity Screening Definitions for Index Exclusions document.
- 1.3 Further information regarding how an index utilizes exclusion lists can be found in its respective ground rules document; this includes how changes to exclusion lists are reflected in the index products.

2.0 Challenges

- 2.1 If a constituent or prospective constituent company (or professional advisor acting on behalf of the company) wishes to challenge its classification in a business activity they should contact Client Services (info@ftserussell.com) with the subject <Company Name> Business Activity Challenge. The reasons for challenging the classification should be stated, having regard to the Business Activity Screening Definitions and Methodology documentation and attaching any documentary evidence in support of the claim. In considering the claim, FTSE Russell may only take account of publicly available information.
- 2.2 FTSE Russell's Data Management function will review the company's classification based on its own analysis and evidence provided by or on behalf of the company. If a classification change is supported, this will be reflected in the exclusion lists. Changes to exclusion lists will be incorporated into indexes in line with the indexes' ground rules.
- 2.3 Following the review, FTSE Russell Data Management will communicate its decision and the rationale for this with the company representative that presented the challenge.

3.0 Appeals

- 3.1 Should a complainant disagree with the decision reached by FTSE Russell Data Management and wish to submit an appeal, it may do so by contacting info@ftserussell.com. In such an event, the FTSE Russell ESG Advisory Committee will be requested to provide a recommendation based on the information provided by the complainant and FTSE Russell's analysis.
- 3.2 The recommendation of the Advisory Committee will be presented to the FTSE Russell Product Governance Board for a final decision. The decision will be communicated to the complainant by

the Secretary to the FTSE Russell Product Governance Board, with an explanation, including relevant data.

3.3 Any adjustment resulting from a change in a company's classification will be reflected in relevant exclusion lists and applied in line with the ground rules of indexes utilizing the lists.

4.0 The FTSE Russell complaints procedure can be accessed using the following link:

[Benchmark_Determination_Complaints_Handling_Policy.pdf](#)

5.0 The FTSE Russell Appeal Process can be accessed using the following link:

[Appeals_Against_Decisions.pdf](#)

6.0 The FTSE Russell Business Activity Screening Definitions can be accessed using the following link:

[Business_Activity_Screening_Definitions.pdf](#)



Further Information

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For further information on FTSE Russell Indexes please visit www.ftserussell.com or e-mail info@ftserussell.com. Contact details can also be found on the website.

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