

Product highlights

FTSE
Russell

FTSE Core Infrastructure Indexes




Global infrastructure at its core

FTSE Russell defines core infrastructure activities as those involving the development, ownership, operation, management and/or maintenance of structures or networks used for the processing or moving of goods, services, information/data, people, energy or necessities from one location to another.

The **FTSE Core Infrastructure Indexes** includes the listed stocks of companies that meet FTSE Russell's definition of core infrastructure. To be included in the index, companies must derive a minimum of 65% of their revenue from FTSE Russell-defined core infrastructure activities.

The **FTSE Core Infrastructure 50/50 Indexes and the FTSE Core Infrastructure Capped Indexes** employ capping methodology to the parent FTSE Core Infrastructure Indexes to ensure exposure to core infrastructure remains diverse and balanced.

Core infrastructure activities

 Transportation	 Energy	 Telecommunications
<ul style="list-style-type: none">• Roads, bridges and tunnels• Ports• Airports• Railways• Terminals and depots• Inland waterways	<ul style="list-style-type: none">• Electricity generation, distribution and transmission• Water supply projects• Pipelines	<ul style="list-style-type: none">• Fixed line, telephone and data networks• Transmission lines or towers• Wireless transmission towers• Transmission satellites

Focused on core infrastructure: Includes only companies that derive 65% of their revenue or more from core infrastructure activities

Comprehensive global coverage: Starting universe is the FTSE Global All Cap Index, which covers listed equities across 48 developed and emerging markets

Investable: Free float-adjusted to ensure that only the investable opportunity set is included and screened to ensure the indexes are liquid and tradable

Transparent: Indexes are constructed using objective, rules-based methodology freely available on the FTSE Russell website

Available indexes

FTSE Core Infrastructure Indexes

- FTSE Global Core Infrastructure Index
- FTSE Developed Core Infrastructure Index
- FTSE Developed Europe Core Infrastructure Index
- FTSE USA Core Infrastructure Index
- FTSE Emerging Core Infrastructure Index

Capped indexes

- FTSE Global Core Infrastructure 50/50 Index
- FTSE Developed Core Infrastructure 50/50 Index
- FTSE Developed Europe Core Infrastructure Capped Index
- FTSE USA Core Infrastructure Capped Index

Methodology summary

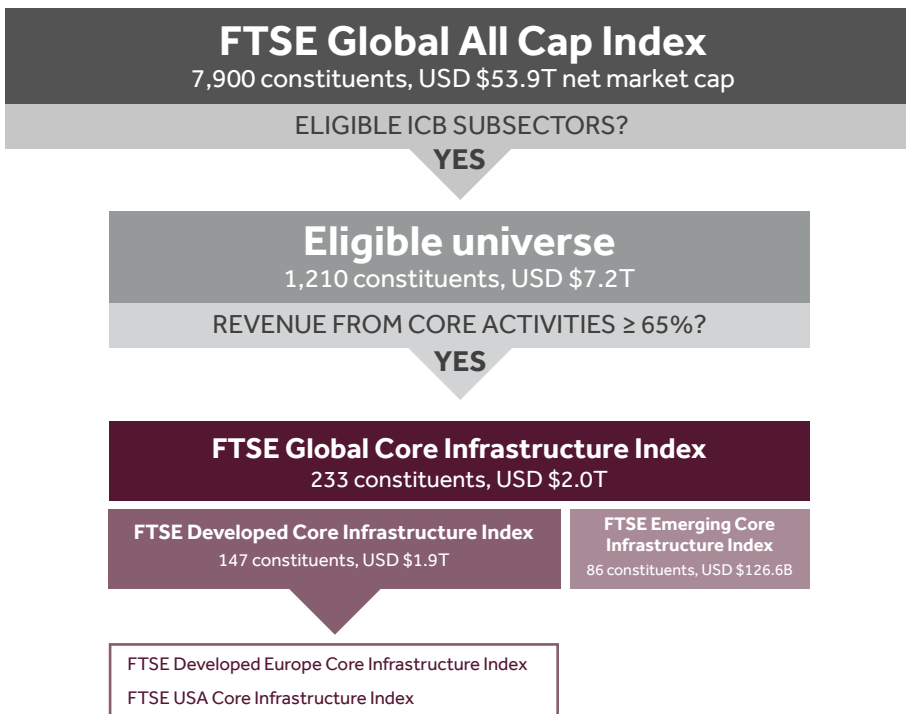
FTSE Core Infrastructure Indexes

During each semi-annual index review in March and September, constituents of the FTSE Global All Cap Index that are classified in eligible infrastructure-related ICB subsectors are subject to a revenue screen. Those that derive 65% or more of their revenue from core infrastructure activities become constituents of the FTSE Global Core Infrastructure Index.

FTSE Core Infrastructure 50/50 and Capped Indexes

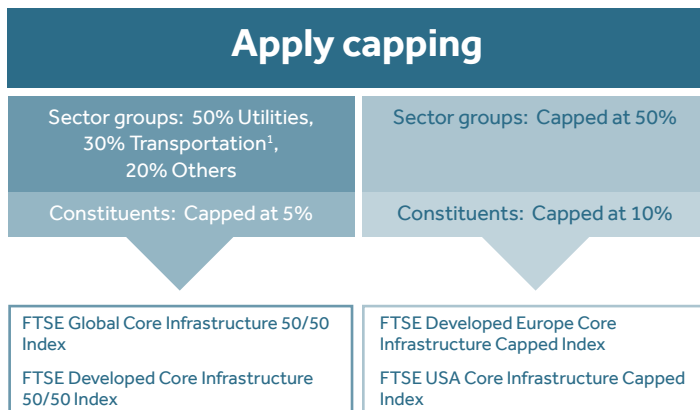
To create the FTSE Core Infrastructure 50/50 and Capped Indexes, constituents are grouped by ICB subsector into three core infrastructure sector groups. Weights are capped at both the sector group level and the constituent level as illustrated below.

Construction process



Source: FTSE Russell as of September 2018.

Capping methodology



Infrastructure sector groups

ICB Subsector Code	Subsector Name
Utilities	
7535	Conventional Electricity
7573	Gas Distribution
7575	Multiutilities
7577	Water
Transportation	
2357	Heavy Construction
2777	Transportation Services
2791	Business Support Services
2775	Railroads
5759	Travel & Tourism (i.e. Railways)
Others	
0577	Pipelines
5553	Broadcasting & Entertainment
6535	Fixed Line Telecommunications
6575	Mobile Telecommunications
8674	Diversified REITs
8675	Specialty REITs
9578	Telecommunications Equipment

¹ Within the Transportation group the combined index weights of the ICB subsectors Heavy Construction, Transportation Services and Business Support Services will be adjusted to 22.5% of their index weight. The combined index weights of the ICB subsectors Railroads and Travel & Tourism will be adjusted to 7.5% of the index weight. For more information please see the FTSE Infrastructure Index Series Ground Rules on ftserussell.com.

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. 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 ftserussell.com.

To learn more, visit www.ftserussell.com; email index@russell.com, info@ftse.com;
or call your regional Client Service Team office:

EMEA

+44 (0) 20 7866 1810

North America

+1 877 503 6437

Asia-Pacific

Hong Kong +852 2164 3333

Tokyo +81 3 3581 2764

Sydney +61 (0) 2 8823 3521

For more information about our indexes, please visit ftserussell.com.

© 2018 London Stock Exchange Group plc and its applicable group undertakings (the "LSE Group"). The LSE Group 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 GDCM"), (4) MTSNext Limited ("MTSNext"), (5) Mergent, Inc. ("Mergent"), (6) FTSE Fixed Income LLC ("FTSE FI") and (7) The Yield Book Inc ("YB"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE GDCM, MTS Next Limited, Mergent, FTSE FI and YB. "FTSE®", "Russell®", "FTSE Russell®", "MTS®", "FTSE4Good®", "ICB®", "Mergent®", "WorldBIG®", "USBIG®", "EuroBIG®", "AusBIG®", "The Yield Book®" and all other trademarks and service marks used herein (whether registered or unregistered) are trade marks and/or service marks owned or licensed by the applicable member of the LSE Group or their respective licensors and are owned, or used under licence, by FTSE, Russell, MTSNext, FTSE GDCM, Mergent, FTSE FI or YB. FTSE International 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 the LSE Group, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of the LSE Group 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 of results to be obtained from the use of the FTSE Russell Indexes or the fitness or suitability of the FTSE Russell Indexes for any particular purpose to which they might be put. Any representation of historical data accessible through FTSE Russell Indexes is provided for information purposes only and is not a reliable indicator of future performance.

No responsibility or liability can be accepted by any member of the LSE Group 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 error (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 the LSE Group is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of the LSE Group nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing contained in this document or accessible through FTSE Russell Indexes, including statistical data and industry reports, should be taken as constituting financial or investment advice or a financial promotion.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index 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 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 was officially launched. However, back- tested data may reflect the application of the index methodology with the benefit of hindsight, and the historic calculations of an index may change from month to month based on revisions to the underlying economic data used in the calculation of the index.

This publication may contain forward-looking assessments. These are based upon a number of assumptions concerning future conditions that ultimately may prove to be inaccurate. Such forward-looking assessments are subject to risks and uncertainties and may be affected by various factors that may cause actual results to differ materially. No member of the LSE Group nor their licensors assume any duty to and do not undertake to update forward-looking assessments.

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 the LSE Group. Use and distribution of the LSE Group index data and the use of their data to create financial products require a licence with FTSE, Russell, FTSE GDCM, MTSNext, Mergent, FTSE FI, YB and/or their respective licensors.