



**FTSE
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Russell US Indexes

Treatment of Australian Chess Depositary Interests (CDIs)

03 July 2025

FTSE Russell would like to inform clients of the following update to the Russell US Indexes Construction and Methodology (Section 5.16) which will be effective from the September 2025 index reviews:

Russell US Treatment for exposure of Australian chess depositary interests (CDIs)

Securities with exposure to CDIs will be assessed as of cut-off date for the index reviews. If a new addition has 40% or greater free float shares in the form of CDIs, the CDIs will be treated as restricted and CDI shares will be removed from free float in line with the review implementation. Once CDI shares have been restricted for a name, the CDI restriction will be carried forward throughout its inclusion. For existing members, any security with unrestricted CDI exposure of 50% or greater of its free float shares in the form of CDIs will have its shares adjusted to restrict the portion of shares represented in the form of CDIs at the subsequent review. For the avoidance of doubt, US common shares will remain eligible in this case subject to them meeting all other index eligibility requirements (e.g. minimum 5% available shares and minimum 5% voting rights).

Index Impact

FTSE Russell conducted preliminary impact analysis based on current Russell US index membership. The above announced 50% threshold for current members would impact three current members: Life 360 (US5322061095), James Hardie (IE000R94NGM2) and Avita Medical (US05380C1027). Life 360 CDI shares are currently restricted pending a review of the methodology, since its addition to the Russell US Indexes in December 2024 and will remain excluded from free float. Further, in accordance with the new rule, James Hardie Industries and Avita Medical CDI shares are above tolerance exposure to CDI shares and will be treated as restricted and removed for the company's free float, effective with the September 2025 review. Actual impact will be based on data as of the September review shares and free float cut-off date on 31 July 2025.

For the avoidance of doubt, the FTSE Global Equity Index Series and associated indices will not be impacted by the treatment of CDIs set out above. The CDI treatment will only apply to the Russell US index series and derivative indices based on Russell US index inclusion. FTSE GEIS constituent free floats will continue to include CDIs.

Updated copies of the Russell US Indexes Construction and Methodology are now available on the FTSE Russell website and can be accessed using the following link: [Russell US Equity Indices Ground Rules](#)

Or on the FTSE Russell website: <http://www.lseg.com/en/ftse-russell>

For further information please contact FTSE Russell Client Services at info@ftserussell.com or call:

Australia	+61 (0) 2 7228 5659
Hong Kong	+852 2164 3333
Japan	+81 3 6441 1430
London	+44 (0) 20 7866 1810
New York	+1877 503 6437

Alternatively please visit our website at lseg.com/ftse-russell

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