



**FTSE
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An LSEG Business

FTSE EPRA Nareit Global Real Estate Index Series - Ground Rule Clarification

20 February 2024

Further to the Technical Notice issued on **1 February 2024**, FTSE Russell would like to make the following clarifications to how rule 4.5 will impact the March 2024 review:

- Current constituents which derive at least 75% of their total consolidated EBITDA from relevant real estate activities will remain eligible for the index series. Their EBITDA percentage from relevant real estate activities will be reviewed on the publication of a new annual report.
- Non constituents which derive a material proportion of their EBITDA from property, development or fund management services will have their EBITDA reassessed ahead of March 2024 review. To join the FTSE EPRA Nareit Global Real Estate Index non-constituents must:
 1. Derive 75% or more of their total consolidated EBITDA from relevant real estate activities, which now includes property, development, or fund management services.
 2. Derive at least 50% of their total consolidated EBITDA from traditional real estate activities.
 3. Have at least 50% of their total consolidated assets invested in income producing real estate and/or in companies or funds that develop or invest in real estate.
 4. Pass all other inclusion criteria such as reporting (rule 4.9 A, B & C), size, liquidity, free float and voting rights (see section 5.0 for more details)

The Ground Rules will be updated to provide additional clarity on the inclusion criteria in due course.

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