

**FTSE QUALITY OF MARKETS CRITERIA (AFRICA) as at September 2022**

CRITERIA	COUNTRY NAMES															
	DEV	ADV EMG	South Africa	SEC EMG	Egypt	FRONT	Botswana	Cote d'Ivoire	Ghana	Kenya	Mauritius	Morocco	Tanzania	Tunisia	FRONTIER WATCH	Nigeria**
<b>World Bank GNI Per Capita Rating (Atlas Method)</b>			Upper Middle		Lower Middle		Upper Middle	Lower Middle	Lower Middle	Lower Middle	Upper Middle	Lower Middle	Lower Middle	Upper Middle		Lower Middle
<b>Credit Worthiness</b>			Speculative		Speculative		Investment	Speculative	Highly Speculative	Speculative	Investment	Speculative	Speculative	Highly Speculative		Speculative
<b>Market and Regulatory Environment</b>																
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	X	Pass	X	Pass	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	X	Pass
Fair and non-prejudicial treatment of minority shareholders	X	X	Pass		Pass		Pass	Restricted	Restricted	Restricted	Restricted	Pass	Pass	Restricted		Restricted
No or selective incidence of foreign ownership restrictions	X	X	Pass		Pass		Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass		Pass
No objection to or significant restrictions or penalties applied to the investment of capital or the repatriation of capital and income	X	X	Pass	X	Pass	X	Pass	Pass	Restricted	Restricted	Pass	Pass	Pass	Pass	X	Restricted
No or simple registration process for foreign investors	X	X	Pass		Restricted		Restricted	Not Met	Restricted	Restricted	Restricted	Pass	Pass	Restricted		Restricted
<b>Foreign Exchange Market</b>																
Developed foreign exchange market	X	X	Pass		Restricted		Restricted	Not Met	Not Met	Not Met	Not Met	Restricted	Restricted	Restricted		Not Met
<b>Equity Market</b>																
Brokerage - Sufficient competition to ensure high quality broker services	X	X	Pass	X	Pass		Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass		Pass
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	X	Pass	X	Pass		Restricted	Restricted	Not Met	Restricted	Restricted	Pass	Pass	Pass		Not Met
Tax - imposition of taxes to be reasonable and comparable between domestic and non-domestic investors	X	X	Pass		Pass		Not Met	Pass	Not Met	Pass	Pass	Pass	Pass	Pass		Pass
Stock Lending is permitted	X		Pass		Restricted		Not Met	Not Met	Not Met	Restricted	Restricted	Restricted	Not Met	Not Met		Restricted
Short sales permitted	X		Pass		Restricted		Not Met	Not Met	Not Met	Restricted	Not Met	Not Met	Not Met	Not Met		Restricted
Developed Derivatives Market	X		Pass		Not Met		Not Met	Not Met	Not Met	Restricted	Not Met	Not Met	Not Met	Not Met		Not Met
Off-exchange transactions permitted	X		Pass		Not Met		Restricted	Not Met	Restricted	Restricted	Not Met	Not Met	Not Met	Not Met		Restricted
Efficient trading mechanism	X	X	Pass		Pass		Pass	Restricted	Restricted	Restricted	Restricted	Pass	Restricted	Pass		Restricted
Transparency - market depth information / visibility and timely trade reporting process	X	X	Pass	X	Pass	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	X	Pass
<b>Clearing, Settlement and Custody</b>																
*Settlement - costs associated with failed trades	X	X	Pass	X	Pass	X	Restricted	Restricted	Pass	Restricted	Pass	Pass	Pass	Pass	X	Pass
Settlement Cycle (DvP)	X	X	T+3	X	T+2	X	T+3	T+3	T+3	T+3	T+3	T+3	T+3	T+3	X	T+3
Central Securities Depository	X	X	Pass	X	Pass		Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass		Pass
Central Counterparty Clearing House (Equities)	X	X	Pass		Not Met		Not Met	Pass	Not Met	Not Met	Not Met	Pass	Not Met	Not Met		Not Met
Settlement - Free delivery available	X		Pass		Restricted		Restricted	Restricted	Pass	Not Met	Restricted	Restricted	Restricted	Restricted		Not Met
Custody-Sufficient competition to ensure high quality custodian services	X	X	Pass	X	Pass		Restricted	Pass	Restricted	Pass	Pass	Pass	Pass	Pass		Pass
Account structure operating at the Custodian level (securities and cash)	X		Pass		Not Met		Not Met	Not Met	Not Met	Not Met	Not Met	Restricted	Not Met	Pass		Not Met

\*Criterion updated from 'Settlement - rare incidences of failed trades' to 'Settlement - costs associated with failed trades'



Shading indicates a rating change from March 2022

\*\* Nigeria on the Watch List for possible reclassification from Frontier to Unclassified