



Industry Classification Benchmark: Ground Rule Change

26 November 2015

The FTSE Russell Governance Board has approved the following Ground Rule change which will be effective immediately.

Existing Rule:

1.1 Overview

Industry Classification Benchmark (ICB) is a detailed and comprehensive structure for sector and industry analysis, facilitating the comparison of companies across four levels of classification and national boundaries. The classification system allocates companies to the subsector whose definition closely describes the nature of its business as determined from the source of its revenue or the source of the majority of its revenue.

3.2 Allocation of Companies to Subsectors

- 3.2.1 A company will be allocated to that Subsector of ICB whose definition most closely coincides with the source of its revenue.

New Rule:

1.1 Overview

Industry Classification Benchmark (ICB) is a detailed and comprehensive structure for sector and industry analysis, facilitating the comparison of companies across four levels of classification and national boundaries. The classification system allocates companies to the subsector whose definition closely describes the nature of its business as determined from the source of its revenue or the source of the majority of its revenue **where available, as detailed in Rule 3.2.1.**

3.2 Allocation of Companies to Subsectors

- 3.2.1 A company will be allocated to that Subsector of ICB whose definition most closely coincides with the source of the company's revenue or the source of the majority of its revenue. Where revenue information is unavailable or insufficient, or where a company is new or is in the course of changing its line of business, the company will be allocated to that subsector whose definition most closely coincides with the description of the company's business as stated in the company's annual report, or if the annual report is not available, the description of the company's business provided in the company's listing prospectus or in the company's regulatory filings, or if none of these are available, the business description provided on the company's website.

An updated version of the Industry Classification Benchmark Ground Rules is now available on the FTSE website.

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