



Industry Classification Benchmark (ICB) (Equity) - Update

28 September 2023

FTSE Russell would like to inform clients of the following updates to the Industry Classification Benchmark Ground Rules which is effective immediately:

Section 4: Classification Guidelines

The Industry Classification Benchmark rules have been updated to facilitate the assignment of companies into the most granular classification. Steps three to five within the updated Rule 4.2.3 illustrates the new assignment process. Steps one and two remain unchanged.

Please note: The monthly notices (the next to be published on the FTSE Russell website on 2 October 2023) which announce the indicative list of pending periodic review changes for December 2023 will reflect ICB changes using the updated rules.

Section 6: Structure and Definitions

The following definitions have been updated to provide further clarification:

| Industry | Supersector | Sector | Subsector | Definition |
|------------------|-------------------------------|--|--|--|
| 30 Financials | 3010 Banks | 301010 Banks | 30101010 Banks | Companies with a banking license which derive the greatest portion of their revenue from providing a broad range of banking services, including retail banking, loans, and money transmissions. Does not include investment banks which are classified under Investment Services |
| | 3020 Financial Services | 302010 Finance and Credit Services | 30201020 Consumer Lending | Companies that are not Banks that provide financial services to consumers or businesses including payday loans, student loans, automobile loans, business loans etc. |
| | | 302020 Investment Banking and Brokerage Services | 30202000 Diversified Financial Services | Companies providing a range of financial services, none of which is the dominant business line. See Rule 4.2.3 for full details. Diversified Investment Holding companies engaged in acquiring equity stakes of securities are also classified in this group. |
| | | | 30202015 Investment Services | Companies that provide trading and brokerage services for financial assets such as equities, commodities, debts, currency, cryptocurrency. Also includes the operators of stock, currency, and other financial market exchanges as well as investment banks. |

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|--------------------|---------------------------------|---------------------------------------|----------------------------------|--|
| 35 Real Estate | 3510 Real Estate | 351020 Real Estate Investment Trusts | 35102000 Diversified REITs | REITs that invest in a combination of other defined REIT categories, none of which is the dominant business line. See Rule 4.2.3 for full details. |
| 50 Industrials | 5010 Construction and Materials | 502030 General Industrials | 50203000 Diversified Industrials | Companies engaged in two or more industrial business activities, none of which is the dominant business line. See Rule 4.2.3 for full details. |
| 55 Basic Materials | 5510 Basic Resources | 551010 Industrial Materials | 55101000 Diversified Materials | Companies involved in manufacturing a diversified range of materials (e.g., bauxite, abrasive materials and composite material). Also includes companies which manufacture materials for which an exact description is unavailable. |
| | | 551020 Industrial Metals and Mining | 55102000 General Mining | Companies engaged in the exploration, extraction or refining of minerals not defined elsewhere within the Mining Sector. Includes companies involved in the mining of more than one resource, none of which is the dominant business line. See Rule 4.2.3 for full details. Also includes companies engaged in the marketing of mining commodities, and providers of contracted drilling services. Excludes companies that primarily provide services to Oil and Gas companies which are classified in Oil Equipment and Services Subsector and companies that mine, process and market coal, which are classified under Coal Subsector. |
| | 5520 Chemicals | 552010 Chemicals | 55201000 Chemicals: Diversified | Companies that manufacture and market a diversified range of industrial chemicals. Also includes companies which manufacture chemicals for which an exact description is unavailable. |
| 65 Utilities | 6510 Utilities | 651020 Gas, Water and Multi-utilities | 65102000 Multi-Utilities | Companies that engage in multiple utilities, none of which individually generates 50% or more of revenue. See Rule 4.2.3 for full details. |

Appendix A: Collective Investment Schemes

Please note the reformatting revision in Appendix A. The only update is to the Single Investment Theme branch which now flows to 'classified via the decision tree in rule 4.2.3 (starting at step 2)'.

An updated copy of the Industry Classification Benchmark (Equity) Ground Rules (v4.4) is now available using the following link: [ICB_Rules_new.pdf](#)

Or on the FTSE Russell website: www.ftserussell.com

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