



**FTSE
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FTSE Russell Indices: Financial Conduct Authority (UK) - Primary Markets Effectiveness Review

15 March 2024

The objective of this notice is to provide insight into provisional changes to the [FTSE UK Index Series Ground Rules](#) consequent to the ongoing review of the UK listing regime by the Financial Conduct Authority ("The FCA"). Specifically, in relation to the proposals set out by the FCA in a public consultation which was launched during [December 2023](#), which may result in changes to the UK listing regime, and consequently, to the FTSE UK Index Series ground rules.

FTSE Russell understands that any changes to the listing regime are expected to take effect early in the second half of 2024, and consequently any changes to the index ground rules are expected to be implemented shortly thereafter.

It is important to note that the FCA have not finalised the changes to the listing regime and at the time of writing, the proposals remain under public consultation. However, FTSE Russell has deemed it appropriate to provide the market and other stakeholders with advance notice on how the FTSE UK Index Series ground rules and eligibility criteria are expected to be adapted, if the FCA's proposals as set out in the public consultation, are adopted. Please note, that the projections relating to the FTSE Russell indices are not final and are subject to change, depending on any further developments or changes announced by the FCA. Accordingly, FTSE Russell will closely consider all further announcements by the FCA prior to confirming any changes to the index eligibility criteria.

The FCA's cornerstone proposal is the creation of a simplified listing regime with a new single category for commercial companies: **Equity Shares (Commercial Companies)** replacing the Premium and Standard segments; with a separate category for **Closed Ended Investment Funds**. There is also expected to be additional categories for legacy Standard segment listed companies: **Equity Shares (Transition)**; and for non-UK incorporates with their primary listing on another major international market: **Equity Shares (International Commercial Companies Secondary Listing)**; and for shell companies, including Special Purpose Acquisition Vehicles: **Equity Shares (Shell Companies)**.

FTSE Russell currently anticipates that the **Equity Shares (Commercial Companies)** and the **Closed Ended Investment Fund** categories will become the eligible index universe for the FTSE UK Index Series, replacing the Premium Segment, shortly after the introduction of the new regime.

With Premium segment listed companies expected to be automatically mapped to the new Equity Shares (Commercial Companies) and Closed Ended Investment Fund categories, and Standard segment listed companies expected to be mapped to the Transition, International Secondary Listing, and Shell Companies' categories, the immediate impact to the index composition is expected to be minimal on day one of the new regime.

However, after the introduction of the new regime, companies may decide to transfer to, or list on, the Equity Shares (Commercial Companies) category, which may result in them becoming eligible for the FTSE UK Index Series (at the following quarterly index review subject to satisfying all other inclusion criteria).

FTSE Russell has prepared the document below, including *Frequently Asked Questions*, to help index users understand the potential implications to the FTSE Russell indices.

[FAQ - UK Listing Regime and FTSE UK Index Series \(Iseg.com\)](#)

FTSE Russell will provide further updates in due course.

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