



Reclassification of Poland from Advanced Emerging to Developed Market Status

Index Review Process

Semi-Annual Index Review - September 2018
v1.1



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FTSE Global Equity Index Series Review Schedule September 2018

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FTSE Global Equity Index Series Review Schedule September 2018

	Semi-Annual Review September 2018
Index Rebalance Market Cap data cut-off ²	29 June 2018
ICB Review Cut-off Date	10 August 2018
Quarterly Free float and Share changes cut-off (only updates captured up to this date will be processed at the index review)	17 August 2018
Liquidity Testing Period ⁴	03 July 2017 to 29 June 2018
IPO/Spin-off Review Period	12 February 2018 to 29 June 2018
IPO/Spin-off Market cap cut-off	29 June 2018
IPO/Spin-off cut-off in order to meet three month minimum trading requirement	1 April 2018
FTSE Notice of the Developed Europe review (circulated after the regional market close) ⁹	24 August 2018
Review Products circulated ⁹	24 August 2018
Release of Indicative Files (Free Float and Share updates)	24 August 2018
Release of Final Files (Free Float and Share updates) - incorporates any revisions to indicative file	07 September 2018
Review Effective Date ^{1,10}	24 September 2018

FAQ

1.0 Transition of Poland from FTSE Emerging indexes to FTSE Developed Indexes.

The transition of Poland from Advanced Emerging to Developed market status within FTSE GEIS will be implemented in one tranche in conjunction with the September 2018 FTSE GEIS semi-annual review (i.e. effective from the open on Monday, 24 September 2018)

2.0 Data Cut-off Date

September 2018 review cut-off date will be the last business day in June (Friday, 29 June 2018).

3.0 Size and liquidity index eligibility screens

To avoid unnecessary turnover, existing Polish constituents will be considered as existing index constituents within the Developed Europe regional universe for the size and liquidity index eligibility screens.

4.0 Liquidity Testing Period

A full 12 month liquidity test will be conducted in September 2018

Testing periods:

Review Month	Liquidity testing period
September	First business day of July of the previous year to last business day of June of the current year

For illustration purposes: Liquidity testing period for the September 2018 review will be from 03 July 2017 to 29 June 2018.

Please note: Existing Polish constituents of Emerging Europe indexes will be considered as existing index constituents within the Developed Europe regional universe. As such, based on an existing constituent's median daily trading volume per month, it must turnover at least 0.04% of its shares in issue (after the application of any free float weightings) for at least eight of the twelve months prior to a full market review.

5.0 Regional Universe

For the September 2018 semi-annual review, all Polish stocks will be deleted from the Emerging Europe regional universe and be included in the Developed Europe regional universe.

6.0 GEIS Constituent Index Membership Status

Existing Polish constituents of Emerging Europe indexes will be treated as existing constituents of Developed Europe and will be subject to the index inclusion/exclusion levels applied to existing constituents when conducting the September 2018 semi-annual Developed Europe regional review.

7.0 Inclusion/Exclusion Percentage Levels by Investable Market Capitalisation

The percentage levels by investable market capitalisation for the Developed Europe region will be determined based on the respective regional Small Cap Index as of cut-off date.

For illustration purposes: For the September 2018 semi-annual Developed Europe review, the investable market capitalisation buffers will be calculated based on the Small Cap Index as of 29 June 2018 which will exclude Poland. For the March 2019 semi-annual Developed Europe review, the investable market capitalisation buffers will be calculated based on the Small Cap Index as of 31 December 2018 which will include Poland Small Cap stocks.

8.0 Projected Weight of Poland in FTSE GEIS and FTSE Developed All Cap

Table illustrates the number of Polish securities meeting FTSE GEIS index eligibility screens based on data cut-off as of close Friday 29 December 2017 and their projected weight in FTSE Global All Cap and FTSE Developed All Cap indexes.

	Number of Securities	Projected weight in Global All Cap	Projected weight in Developed All Cap
Poland	39	0.15%	0.165%

9.0 Indicative List

Table provides an indicative list of Polish securities which pass the FTSE GEIS index eligibility screen for the Developed Europe region based on data cut-off as of close Friday, 29 December 2017.

The final confirmed list of Polish securities which will be eligible for FTSE Global Developed in conjunction with the September 2018 semi-annual review will be published after the Developed Europe regional markets have closed on Friday 24 August 2018.

Company Name	Sedol	Size
PKO Bank Polski	B03NGS5	Large
PKN (Polski Koncern Naftowy)	5810066	Large
Powszechny Zaklad Ubezpieczen SA	B63DG21	Mid
Bank Pekao	5473113	Mid
KGHM Polska	5263251	Mid
LPP SA	7127979	Mid
Bank Zachodni WBK	7153639	Mid
Polskie Gornictwo Naftowe I Gazownictwo	B0L9113	Mid
Polska Grupa Energetyczna Sa	B544PW9	Mid
Alior Bank SA	B8W8F13	Mid
mBank S.A.	4143053	Mid (previously Small)
Bank Millennium	4077323	Mid (previously Small)
Jastrzebska Spolka Weglowa Spolka Akcyjna	B6R2S06	Mid (previously Small)
Grupa Lotos	B0B8Z41	Mid (previously Small)
Cyfrowy Polsat SA	B2QRDM4	Mid (previously Small)
Bank Handlowy	5256068	Mid (previously Small)
CD Projekt SA	7302215	Small
CCC	B04QR13	Small
AmRest Holdings	B07XWG1	Small
Dino Polska SA	BD0YVN2	Small
Orange Polska SA	5552551	Small
Kruk S.A.	B4PTLY0	Small
Play Communications SA	BF0K963	Small
Asseco Poland SA	5978953	Small
Tauron Polska Energia S.A.	B5P7L41	Small
Grupa Azoty SA	B3B61Y8	Small
Energa SA	BGQYBX7	Small
Kernel Holding	B28ZQ24	Small
Enea S.A.	B3F97B2	Small
Budimex	4149330	Small
Eurocash	B064B91	Small
PKP Cargo	BFXWV82	Small
Ciech	B0663T1	Small
Warsaw Stock Exchange	B55XKV9	Small
Lubelski Wegiel Bogdanka S.A.	B543NN3	Small
Boryszew	B07DNZ7	Small
GetBack	BDR88G7	Small
Getin Noble Bank SA	B7F0DW6	Small
Neuca SA	B045XT0	Small

10.0 Rebalance Effective Date

Poland will be reclassified as a Developed market in conjunction with the September 2018 FTSE GEIS semi-annual review. (i.e. effective from the open on Monday, 24 September 2018).

11. Regional Inclusion and Exclusion Cut-Off Level

Table provides the inclusion and exclusion cut-off levels for Developed Europe and Emerging Europe including and excluding Poland based on data as of close Friday, 29 December 2017.

	Full Market Cap Inclusion and Exclusion Levels (USD m)					
	68% index universe Large Cap inclusion level	72% index universe Large Cap exclusion level	86% index universe Mid Cap inclusion level	92% index universe Mid Cap exclusion level	98% index universe Small Cap inclusion level	101% index universe Small Cap exclusion level
Developed Europe	15,527.45	12,797.36	5,295.35	3,027.68	1,217.98	345.80
Developed Europe plus Poland	14,993.99	12,362.78	5,053.76	2880.47	1,096.14	319.02
Emerging Europe	4,859.43	3,835.23	1,489.11	783.63	237.00	60.25
Emerging Europe ex Poland	5,576.10	4,859.10	1,973.45	906.83	309.31	82.67



Further Information

If you have any questions and would like to speak to a client services individual directly, please do not hesitate to contact us on the numbers below, or via email at info@ftserussell.com.

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