SOLUTION OVERVIEW

Industry Classification Benchmark (ICB)

A universal view of the global equity market

ICB is a globally utilized standard for the categorization and comparison of companies by industry and sector. The official sector classification system used across FTSE Russell's equity indexes, ICB is designed to facilitate every step of the investment process, from reporting, to research, to product design.

Approximately 85,000 equity securities are classified according to ICB’s four-tiered structure, which serves as the basis for either top-down or bottom-up analysis, stock selection, and performance measurement. The Industry and Supersector categories are designed for sector-based investment strategies, while additional granularity is provided at the Sector and Subsector levels.

Investor-focused

ICB was launched in 2005 and enhanced in 2019 with the integration of the Russell Global Sectors (RGS) classification scheme and additional structural enhancements.

A market-engaged governance process and a proactive, thorough maintenance schedule ensure the ICB framework remains relevant and companies are classified accurately.

Comprehensive

Coverage that extends well beyond the FTSE Russell equity index universe, with approximately 85,000 equity securities from over 80 countries and 150 active exchanges globally.

Unbiased

Rules based, transparent classification methodology that utilizes revenue source data and other publicly available information.¹

¹ For more information, please refer to the ICB Ground Rules
ICB meets needs across the investment ecosystem

<table>
<thead>
<tr>
<th>Exchanges</th>
<th>Index providers</th>
<th>Investment managers</th>
<th>Analyst and economists</th>
<th>Data providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>− Global tracking and reporting&lt;br&gt;− Security classification&lt;br&gt;− Grouping securities by industry</td>
<td>− Index sector weightings&lt;br&gt;− Index attribution analysis&lt;br&gt;− Sector indexes for passive investing</td>
<td>− Investment products&lt;br&gt;− Portfolio sector weightings – mandate adherence&lt;br&gt;− Portfolio and benchmark attribution analysis</td>
<td>− Global market trends&lt;br&gt;− Deep sector analysis&lt;br&gt;− Historical comparisons</td>
<td>− Site mapping&lt;br&gt;− List filtering&lt;br&gt;− Analytics</td>
</tr>
</tbody>
</table>

ICB’s strong governance framework ensures relevance and reliability

<table>
<thead>
<tr>
<th>Policy &amp; taxonomy</th>
<th>Guidelines</th>
<th>Challenges</th>
<th>Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>− The Industry Classification Advisory Committee is comprised of independent market practitioners who consult on the relevance of the ICB ground rules and structure and support the governance processes</td>
<td>− Classification guidelines are established based on research and market trends.</td>
<td>− Companies and market participants serve as a valuable check point to ensure accurate company classification&lt;br&gt;− Challenges to classifications are reviewed through standard governance channels</td>
<td>− Structural changes to the ICB taxonomy are evolutionary and are undertaken after market and committee consultations&lt;br&gt;− A minimum of six months’ notice is provided for structural changes</td>
</tr>
</tbody>
</table>

ICB deliverables

FTSE Russell index constituent files: ICB classifications are provided for all index constituents

ICB Universe files: A weekly deliverable that provides ICB classifications for roughly 85,000 companies globally. Files are produced on the last business day of the week and are available by 10:00 p.m. EST

− ICB Universe daily update files: A daily deliverable that provides classification changes. Files are produced at the end of each business day and are available by 10:00 p.m. EST
− ICB Universe history files: Quarterly snapshots are available from June 2008
Disclaimer


FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, YB and BR: “FTSE”, “Russell”, “FTSE Russell”, “FTSE4Good”, “ICB”, “The Yield Book”, “Beyond Ratings” and all other trademarks and service marks used herein (whether registered or unregistered) are trademarks and/or service marks owned or licensed by the applicable member of the LSE Group or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, YB or BR. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

All information is provided for information purposes only. All information and data contained in this publication is obtained by the LSE Group, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error as well as other factors, however, such information and data is provided “as is” without warranty of any kind. No member of the LSE Group nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or of results to be obtained from the use of FTSE Russell products, including but not limited to indexes, data and analytics, or the fitness for suitability of the FTSE Russell products for any particular purpose to which they might be put. Any representation of historical data accessible through FTSE Russell products is provided for information purposes only and is not a reliable indicator of future performance.

No responsibility or liability can be accepted by FTSE Russell nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any error (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transmitting, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of the LSE Group is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of the LSE Group nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of the LSE Group nor their respective directors, officers, employees, partners or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indexes cannot be invested in directly. Inclusion of an asset in an index is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.


Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. However, back-tested data may reflect the application of the index methodology with the benefit of hindsight, and the historic calculations of an index may change from month to month based on revisions to the underlying economic data used in the calculation of the index.

This document may contain forward-looking assessments. These are based upon a number of assumptions concerning future conditions that ultimately may prove to be inaccurate. Such forward-looking assessments are subject to risks and uncertainties and may be affected by various factors that may cause actual results to differ materially. No member of the LSE Group nor their licensors assume any duty to and do not undertake to update forward-looking assessments.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of the LSE Group. Use and distribution of the LSE Group data requires a licence from FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, YB or BR. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

For over 35 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

To learn more, visit lseg.com/ftse-russell; email info@ftserussell.com; or call your regional Client Service team office:

EMEA +44 (0) 20 7866 1810
North America +1 877 503 6437
Asia-Pacific
Hong Kong +852 2164 3333
Tokyo +81 (3) 64411430
Sydney +61 (0)2 7228 5659

For over 35 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

About FTSE Russell

FTSE Russell is a leading global provider of index and benchmark solutions, spanning diverse asset classes and investment objectives. As a trusted investment partner we help investors make better-informed investment decisions, manage risk, and seize opportunities.

Market participants look to us for our expertise in developing and managing global index solutions across asset classes. Asset owners, asset managers, ETF providers and investment banks choose FTSE Russell solutions to benchmark their investment performance and create investment funds, ETFs, structured products, and index-based derivatives. Our clients use our solutions for asset allocation, investment strategy analysis and risk management, and value us for our robust governance and operational integrity.

For over 35 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

To learn more, visit lseg.com/ftse-russell; email info@ftserussell.com; or call your regional Client Service team office:

EMEA +44 (0) 20 7866 1810
North America +1 877 503 6437
Asia-Pacific
Hong Kong +852 2164 3333
Tokyo +81 (3) 64411430
Sydney +61 (0)2 7228 5659

FTSE RUSSELL
An LSEG Business