

Determining Nationality

v2.4

This document applies to any Index Series where specifically referenced in the Ground Rules.



**FTSE
RUSSELL**

An LSEG Business

Determining nationality

1. Determining nationality

- 1.1 A company will be allocated to a single country.
- 1.2 If a company is incorporated in one country and has its sole listing in the same country, FTSE will allocate the company to that country.
- 1.3 In all other circumstances, FTSE will base its decision on assessment of various factors including, but not necessarily limited to, the following:
- The investor protection regulations present in the country of incorporation;
 - The country in which the company is domiciled for tax purposes;
 - The location of its factors of production;
 - The location of its headquarters;
 - The location of company meetings;
 - The composition of its shareholder base;
 - The membership of its board of directors;
 - The currency denomination of the company's shares;
 - The perception of investors.

In certain circumstances, outlined in Rules 1.4 to 1.5, consideration will also be given to the relative liquidity of trading in those countries where the company's shares trade. In calculating the liquidity associated with a country, trading volumes will be amalgamated from all trading venues which have admitted the shares to trading based on a listing conferred by that country's listing authority. Trades taking place on multi-lateral trading facilities will be included in the calculation and assigned to the country that conferred the listing to the company provided that the country of listing and the multi-lateral trading facility operate within a similar time zone.

- 1.4 If a company is incorporated in a country, has a listing in that country and listings in other countries, FTSE will normally assign the company to the country of incorporation* if the listing in the country of incorporation passes the liquidity test. If the company fails FTSE's liquidity test in the country of incorporation, FTSE may assign the company to the country which exhibits the greatest liquidity, contingent on the circumstances set out in Rule 1.6. Once a company has been assigned the nationality of its most liquid listing after failing in the location of incorporation, it will remain assigned to that nationality until either 1) the listing in the location of incorporation passes the liquidity test; or 2) another listing location exhibits greater liquidity for two consecutive years.

*Please note that companies which would otherwise be assigned to the country where it is both incorporated and listed, but that meet the criteria within the [Guide to Chinese Share Classes](#) document, will be assigned a China nationality in accordance with the Guide to Chinese Share Classes.

- 1.5 If a company is incorporated in a country and is listed only in countries other than the country of incorporation, FTSE will normally allocate the company to the country with the greatest liquidity, contingent on the circumstances set out in Rule 1.6.

- 1.6 For a company to be eligible for a Developed market nationality assignment, it must be incorporated in either:
- A country classified as either Developed, Emerging or Frontier (as per FTSE Country Classification of Equity Markets) or;
 - The country of incorporation is one of:
 - An autonomous, overseas, or unincorporated territory of a developed country.
 - A constituent country/region or a crown dependency of a developed country.
 - One of the Freely Associated States of the United States of America or New Zealand.
- These include (but are not limited to) the jurisdictions of:
- Bermuda, British Virgin Islands, Cayman Islands, Cook Islands, Curacao, Faroe Islands, Gibraltar, Greenland, Guam, Guernsey, Isle of Man, Jersey, Marshall Islands, Puerto Rico, and Reunion.
- Also considered as eligible places of incorporation are Liechtenstein and Monaco, which exhibit close economic or governmental ties to Switzerland and France respectively.
- Companies which are considered domestic issuers in the US (e.g. they file 10-K annual reports), will also be eligible for a US nationality assignment, regardless of their location of incorporation.
- For companies incorporated in the jurisdictions mentioned above, FTSE will normally assign the company to the country with the greatest liquidity.
- For the avoidance of doubt:
- For an Emerging or Frontier nationality assignment there are no restrictions as to the location of the country of incorporation.
 - Companies incorporated in China will be assigned nationality in accordance with the Guide to Chinese Share Classes guidelines.
- 1.7 Once a company's nationality has been determined by virtue of the liquidity tests in Rule 1.5, if it subsequently fails the semi-annual index liquidity test within the country it has been assigned to or if the country with greatest liquidity is different to that assigned for two consecutive years, FTSE will review the company's nationality assignment.
- 1.8 Should a company change the location of its sole eligible listing, the nationality of the company will be re-assessed at the time of the event and implemented with a minimum T+2 notice.
- 1.9 Other than meeting the conditions of Rule 1.2, should a company make a change to its circumstances (such as a change in incorporation or adoption of an additional listing), FTSE may defer the consideration of whether to change a company's nationality assignment for a minimum period of three months up to a maximum period of up to 12 months, this will allow FTSE to properly assess the subsequent evolution of its trading liquidity and of the other criteria listed in Rule 1.32. If following such an assessment period, FTSE decides to change a company's nationality assignment, the change will become effective at a semi-annual review in March or September following publication of the decision.
- 1.10 Where a company's nationality has been determined as either UK or Australia, if the shares are traded in CDI form (Crest Depository Interest or Chess Depository Interest respectively), the CDI will be considered as eligible subject to meeting all other index eligibility criteria.
- 1.11 China nationality will be assigned in accordance with the Guide to Chinese share Classes document. Please refer to the [Guide to Chinese Share Classes](#) for further details.
- For the avoidance of doubt, companies that satisfy the criteria set out in the Guide to Chinese Share Classes for a China nationality, will be assigned a China nationality in precedence to any other nationality assignment as determined when following the above rules.

Further information

For further information on FTSE Russell Indices please visit www.lseg.com/en/ftse-russell/ or e-mail info@ftserussell.com.

Contact details can also be found on this website.

FTSE Russell

FTSE Russell is a trading name of FTSE International Limited, Frank Russell Company, FTSE Global Debt Capital Markets Limited (and its subsidiaries FTSE Global Debt Capital Markets Inc. and FTSE Fixed Income LLC), FTSE (Beijing) Consulting Limited.

For more information about our indices, please visit ftserussell.com.

Disclaimer

© 2025 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. "FTSE Canada"), (4) FTSE Fixed Income LLC ("FTSE FI"), (5) FTSE (Beijing) Consulting Limited ("WOFE"). All rights reserved.

FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, WOFE, and other LSEG entities providing LSEG Benchmark and Index services. "FTSE®", "Russell®", "FTSE Russell®", "FTSE4Good®", "ICB®", "WMR™", "FR™" and all other trademarks and service marks used herein (whether registered or unregistered) are trade marks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG 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 LSEG Products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG 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 inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, 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 LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG 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 LSEG 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. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate 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 or rate 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.

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 LSEG. Use and distribution of LSEG data requires a licence from LSEG and/or its licensors.



**FTSE
RUSSELL**
An LSEG Business