

FAQ



FTSE Global Equity Index Series

Index Review Reference Data cut-off dates for 2022



Contents

FTSE Global Equity Index Series Review Schedule 2022	3
1.0 Data cut-off date for the semi-annual reviews in March and September	5
2.0 What happens in June and December?	5
3.0 ICB Review Cut-Off Date	6
4.0 Quarterly Free Float and Shares In Issue Changes	6
5.0 Quarterly Minimum Foreign Headroom Changes	7
6.0 Liquidity testing period	7
7.0 IPO / Spin-off Review Period	7
8.0 Market capitalisation date used to determine IPO / Spin-off eligibility in June and December	8
9.0 IPO / Spin-off cut-off date in order to meet minimum 3 month trading requirement	8
10.0 Rebalance effective date	8
11.0 Impact of Country Reclassification Changes	8
Further Information	10



FTSE Global Equity Index Series Review Schedule 2022

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	Semi-Annual Review March 2022	Quarterly Review June 2022	Semi-Annual Review September 2022	Quarterly Review December 2022
Index Rebalance Market Capitalisation data cut-off 1.0 & 2.0	31 December 2021	N/A	30 June 2022	N/A
ICB Review Cut-Off Date 3.0	11 February 2022	13 May 2022	12 August 2022	11 November 2022
Quarterly Free float and Share changes cut-off (only updates captured up to and including this date will be processed at the index review) 4.0A	11 February 2022	6 May 2022	12 August 2022	11 November 2022
Liquidity Testing Period 5.0	3 January 2021 to 31 December 2021	N/A	1 July 2021 to 30 June 2022	N/A
IPO / Spin-off Review Period 6.0	12 August 2021 to 31 December 2021	4 October 2021 to 11 May 2022	14 February 2022 to 30 June 2022	4 April 2022 to 11 November 2022
IPO / Spin-off Market cap cut-off 7.0	31 December 2021	11 May 2022	30 June 2022	11 November 2022
IPO / Spin-off cut-off in order to meet 3 month minimum trading requirement 8.0	1 October 2021	11 February 2022	1 April 2022	11 August 2022
Release of Indicative Files (Free Float and Share updates)	18 February 2022	20 May 2022	19 August 2022	18 November 2022

Release of Final Files (Free Float and Share updates) - incorporates any revisions to indicative file	4 March 2022	3 June 2022	2 September 2022	2 December 2022
FTSE Notice of Regional Index Review Changes released	18 February 2022	20 May 2022	19 August 2022	18 November 2022
Query Period (window for clients to query the data visible within the files)	21 February 2022 to 4 March 2022	23 May 2022 to 3 June 2022 (UK companies: 7 June 2022)*	22 August 2022 to 2 September 2022	21 November 2022 to 2 December 2022
Lock-Down Period (open of)	7 March 2022	6 June 2022 (UK companies: 8 June 2022)*	5 September 2022	5 December 2022
Indicative Review Products circulated	18 February 2022	20 May 2022	19 August 2022	18 November 2022
Review Effective Date (open of) 9.0	21 March 2022	20 June 2022	19 September 2022	19 December 2022

NOTE: Dates may be subject to change. Clients will be notified of any changes.

*The query period for membership, shares in issue and free float changes for UK companies, will be extended by two business days in light of the exceptional UK market holidays on Thursday 2 June 2022 and Friday 3 June 2022, which immediately follow the announcement of the FTSE UK index review on Wednesday 1 June 2022. Any further changes applied on Monday 6 June 2022 and Tuesday 7 June 2022 will be visible within the proforma files only.

Please note: membership, shares in issue and free floats for non-UK companies will remain locked down from the open on Monday 6 June 2022.

FAQ

1.0 Data cut-off date for the semi-annual reviews in March and September

March review

Data cut-off will be the last business day in December.

September review

Data cut-off will be the last business day in June.

2.0 What happens in June and December?

Normal quarterly changes such as the following will be processed in June and December:

- Industry Classification Benchmark (ICB) updates
- Capping
- IPOs which failed to qualify as fast entrants
- The Large / Mid / Small / Micro status of companies resulting from a spin-off.
Please note: Any companies resulting from a spin-off below the exit threshold will be deleted.

Additionally in June 2022, all normal quarterly share and free float updates will be implemented **regardless of size** (i.e. the respective 1% and 3% buffers will not be applied). Please refer to the following FAQ document for further details:

[Shares and Free Float Maintenance FAQ.pdf](#)

In March, September and December 2022, all normal quarterly share and free float updates will be implemented subject to breaching the respective 1% and 3% buffers.

3.0 ICB Review Cut-Off Date

Cut-Off Date: The cut-off dates for the receipt of data for consideration at periodic reviews will be on the Second Friday of February, May, August and November.

Implementation: periodic changes to the industry classification of a company will be implemented after the close on the third Friday of March, June, September and December.

Monthly Announcements: on the first business day of each month an indicative list of pending periodic review changes will be announced.

Quarterly Periodic Review Announcement: the confirmed periodic review changes will be announced on the Wednesday following the second Friday of February, May, August and November. Any revisions to those announcements may be made up until the Friday two weeks prior to the implementation date. Revisions after this date will only be considered under exceptional circumstances.

4.0 Quarterly Free Float and Shares In Issue Changes

March 2022

The cut-off date for normal quarterly share and free float changes will be the Friday five weeks prior to effective date.

For illustration purposes: for the March 2022 semi-annual review, the cut-off date will be Friday 11 February 2022.

June 2022

The cut-off date for normal quarterly share and free float changes will be the Friday **six** weeks prior to effective date.

For illustration purposes: for the June 2022 quarterly review, the cut-off date will be Friday 6 May 2022.

Please note: in June 2022, all normal quarterly share and free float updates will be implemented **regardless of size** (i.e. the respective 1% and 3% buffers will not be applied). Please refer to the following FAQ document for further details:

[Shares and Free Float Maintenance FAQ.pdf](#)

September 2022

The cut-off date for normal quarterly share and free float changes will be the Friday five weeks prior to effective date.

For illustration purposes: for the September 2022 quarterly review, the cut-off date will be Friday 12 August 2022.

December 2022

The cut-off date for normal quarterly share and free float changes will be the Friday five weeks prior to effective date.

For illustration purposes: for the December 2022 quarterly review, the cut-off date will be Friday 11 November 2022.

5.0 Quarterly Minimum Foreign Headroom Changes

Minimum foreign headroom tests are conducted in conjunction with the March, June, September and December quarterly reviews.

For constituent securities, minimum foreign headroom is tested based on data as of the quarterly shares in issue and free float cut-off date in March, June, September and December.

For illustration purposes: for the September 2022 review, the quarterly shares in issue and free float cut-off date will be 12 August 2022.

For non-constituent securities, minimum foreign headroom is tested based on data as of the review cut-off date in March, June, September, December.

For illustration purposes: for the September 2022 review, the review cut-off date will be 30 June 2022 and for the December 2022 review, the review cut-off date will be 11 November 2022.

Please note:

- the headroom test will take into account any foreign ownership limit changes scheduled to take effect up to and including the review effective date, based on information as of the shares in issue and free float cut-off date.
- the China and India markets provide disclosures of securities which are close to or have reached permissible foreign ownership limits, therefore any securities which are being removed from the North Bound Stock Connect Buy List (China) or being added to the Red Flag and/or Breach List (India) (based on data as of one day prior to the review announcement date), will not be eligible for index addition.

6.0 Liquidity testing period

A full 12 month liquidity test will be conducted in both the March and September semi-annual reviews.

Testing periods:

Review Month	Liquidity testing period
March	First business day of January 2021 to last business day of December 2021
September	First business day of July 2021 to last business day of June 2022

For illustration purposes: Liquidity testing period for the March 2022 review will be from 3 January 2021 to 31 December 2021.

7.0 IPO / Spin-off Review Period

As well as being reviewed at the March and September semi-annual reviews, IPOs from all regions (which failed to qualify as fast entrants) and the companies resulting from a spin-off will also be reviewed in June and December.

Note that spin-off companies that had been removed from the index due to not trading for 20 business days from the ex-date of the distribution but which subsequently begin trading will be treated as a new issue for the purposes of assessing eligibility and reviewed at the following index review.

Liquidity will be tested over the date ranges shown below.

Review Month	IPO period assessed
March 2022	12 August 2021 – 31 December 2021
June 2022	4 October 2021 – 11 May 2022
September 2022	14 February 2022 – 30 June 2022
December 2022	4 April 2022 – 11 November 2022

For illustration purposes: For the March 2022 review the cut-off date for index data is 31 December 2021. However, only those IPOs and spin-offs with 3 months liquidity as at 31 December 2021 will be considered for index inclusion in March 2022. Therefore in order to meet the minimum 3 month trading requirement an IPO or spin-off would need to have listed by 1 October 2021.

8.0 Market capitalisation date used to determine IPO / Spin- off eligibility in June and December

Index membership of eligible IPOs and the companies resulting from a spin-off will be determined by referencing the full company market capitalisation at close on *11 May or *11 November (as appropriate), against the entry levels for Large, Mid, Small and Micro as set in the March or September review (as appropriate), index adjusted to reflect the subsequent change in performance of the appropriate regional index.

(*) The previous trading day's data will be taken if any of the dates above are on a non trading day.

9.0 IPO / Spin-off cut-off date in order to meet minimum 3 month trading requirement

Review Month	Minimum IPO listing date
March 2022	1 October 2021
June 2022	11 February 2022
September 2022	1 April 2022
December 2022	11 August 2022

10.0 Rebalance effective date

The effective date will be from the open on Monday following the third Friday of March, June, September and December.

11.0 Impact of Country Reclassification Changes

FTSE classifies countries included in its global indexes into one of three categories: Developed, Advanced Emerging and Secondary Emerging.

FTSE conducts an annual review of all countries currently included in its global indexes and those countries being considered for inclusion, the results released in September of each year. A notice period of at least six months is given before changing the classification of any country.

Below we illustrate the review process incorporating a country classification change.

The following should be read in conjunction with the FTSE Global Equity Index Series Ground Rules. Separate country change FAQs will also be available on the FTSE Russell website.

Review Process – Defining Regional / Index Universe

Countries are grouped into the following regions for the purpose of the reviews:

Asia Pacific ex China ex Japan

China

Japan

Developed Europe

Emerging Europe

Middle East & Africa

North America

Latin America

The 100% Regional Universe includes all eligible companies assigned the nationality of countries that are classified as eligible for inclusion as of review effective date.

The top 98% of the Regional Universe forms the Index Universe.

Reviewing constituents for the indexes

In order to reduce turnover, existing GEIS constituents will retain their current Large / Mid / Small / Micro Cap status and will be subject to the new regional buffer zones to determine their new index status within the allocated region. However constituents of newly eligible countries will be treated as non-constituents.

Inclusion/Exclusion Percentage Levels by Investable Market Capitalisation

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

For illustration purposes: for the March 2022 semi-annual review, the investable market capitalisation buffers will be calculated based on the Small Cap Index as of 31 December 2021.

Liquidity

For the purposes of liquidity an existing FTSE GEIS All-Cap constituent will remain considered as a constituent following a country reclassification. As such, based on a 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.

In the case of a country reclassification from FTSE Frontier to FTSE GEIS All-Cap, stocks will be considered as non-constituents. As such, based on a non-constituent's median daily trading volume per month, it must turnover at least 0.05% of its shares in issue (after the application of any free float weightings) for at least ten of the twelve months prior to a full market review.



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@ftserusell.com.

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