



Country Classification System

December 2022

S-Network Country Classification System

1. Criteria for Developed Market Status

Per Capita GNI. Country must be classified as a High Income Country as determined by the World Bank based on Per Capita GNI. A buffer of 10% may be applied to Per Capita GNI classification. Reviewed annually.

Foreign Investment Restrictions/Impediments. Country may not have in place any restrictions on foreign investment, nor may it have any de facto impediments to foreign investment. Reviewed annually or upon change in practice.

Capital Controls. Country may not have in place capital controls or impediments to the free flow of capital internationally. Reviewed annually or upon change in practice.

Stock Exchange Structure. Country must have an effective stock market structure, including effective clearance and settlement systems. Furthermore, the country's stock exchange must demonstrate sufficient liquidity to support trading efficiency. Reviewed annually.

Regulatory Oversight. Country's primary securities regulator must be an "ordinary member" of IOSCO, a signatory to the IOSCO Multilateral Memorandum of Understanding and conforming to IOSCO regulatory guidelines. Reviewed annually.

2. Criteria for Emerging Market Status

Per Capita GNI. Country must be classified as an Upper Middle Income Country as determined by the World Bank based on Per Capita GNI. A buffer of 10% may be applied to Per Capita GNI classification. Reviewed annually.

Foreign Investment Restrictions/Impediments. Country may have restrictions on and/or impediments to foreign investments, but may not prohibit such foreign investment. Reviewed annually or upon change in practice.

Capital Controls. Country may have capital controls, but may not prohibit the free flow of capital internationally. Reviewed annually or upon change in practice.

Stock Exchange Structure. Country must have an effective stock market structure, including effective clearance and settlement systems. Furthermore, the country's stock exchange must demonstrate sufficient liquidity to support trading efficiency. Reviewed annually.

Regulatory Oversight. Country's primary securities regulator must be an "ordinary member" of IOSCO, a signatory to the IOSCO Multilateral Memorandum of Understanding and conforming to IOSCO regulatory guidelines. Reviewed annually.

* For companies that are both Incorporated **and** Domiciled in Ireland or Luxembourg, gross revenues will be used for country classification purposes.

3. Criteria for Frontier Status

Countries that don't meet Emerging Market status are classified as Frontier unless they are not investable. Not investable countries have an Unclassified Status.

4. Company Country Classification

- I. If "country of domicile" and "country of incorporation" are the same, the company country classification is determined as country of incorporation. (Country of incorporation defines legal and regulatory jurisdiction; country of domicile reflects where the senior management is located.)
- II. If they do not match and the "country of incorporation" is a country of convenience, then the country assignment is the country of domicile as long as it is not also a country of convenience.
- III. If a company fails the tests in II, then the "country of primary listing" is used, provided more than 30% of the company's revenues are generated in the same location/region as that of the country of primary listing.
- IV. If a company then fails test III, then the company's country classification is determined as the country in which the greatest percentage of its revenue is generated.

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Appendix A

SNCN	Region/Market	Country
AG	Convenience	Antigua & Barbuda
BM	Convenience	Bermuda
BS	Convenience	Bahamas
CW	Convenience	Curacao
CY	Convenience	Cyprus
FO	Convenience	Faroe Islands
GA	Convenience	Gabon
GG	Convenience	Guernsey
GI	Convenience	Gibraltar
IE	Convenience	Ireland*
IM	Convenience	Isle of Man
JE	Convenience	Jersey
KY	Convenience	Cayman Islands
LI	Convenience	Liechtenstein
LR	Convenience	Liberia
LU	Convenience	Luxembourg*
MH	Convenience	Marshall Islands
MT	Convenience	Malta
MU	Convenience	Mauritius
PA	Convenience	Panama
PR	Convenience	Puerto Rico
VG	Convenience	British Virgin Islands
AE	Emerging	United Arab Emirates
BG	Emerging	Bulgaria
BR	Emerging	Brazil
CL	Emerging	Chile
CN	Emerging	China
CO	Emerging	Colombia
CZ	Emerging	Czech Republic

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EG	Emerging	Egypt
HU	Emerging	Hungary
ID	Emerging	Indonesia
IN	Emerging	India
KW	Emerging	Kuwait
MX	Emerging	Mexico
MY	Emerging	Malaysia
PE	Emerging	Peru
PH	Emerging	Philippines
QA	Emerging	Qatar
SA	Emerging	Saudi Arabia
TH	Emerging	Thailand
TR	Emerging	Turkey
ZA	Emerging	South Africa
AT	Europe/Developed	Austria
BE	Europe/Developed	Belgium
CH	Europe/Developed	Switzerland
DE	Europe/Developed	Germany
DK	Europe/Developed	Denmark
ES	Europe/Developed	Spain
FI	Europe/Developed	Finland
FR	Europe/Developed	France
GB	Europe/Developed	United Kingdom
GR	Europe/Developed	Greece
IE	Europe/Developed	Ireland*
IT	Europe/Developed	Italy
LU	Europe/Developed	Luxembourg*
NL	Europe/Developed	Netherlands
NO	Europe/Developed	Norway
PL	Europe/Developed	Poland
PT	Europe/Developed	Portugal

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SE	Europe/Developed	Sweden
AR	Frontier	Argentina
BD	Frontier	Bangladesh
EE	Frontier	Estonia
GE	Frontier	Georgia
GH	Frontier	Ghana
HR	Frontier	Croatia
KH	Frontier	Cambodia
KZ	Frontier	Kazakhstan
LB	Frontier	Lebanon
LK	Frontier	Sri Lanka
LT	Frontier	Lithuania
MA	Frontier	Morocco
MC	Frontier	Monaco
MO	Frontier	Macau
NG	Frontier	Nigeria
PG	Frontier	Papua New Guinea
PK	Frontier	Pakistan
RO	Frontier	Romania
SL	Frontier	Sierra Leone
TZ	Frontier	United Republic of Tanzania
UA	Frontier	Ukraine
VN	Frontier	Vietnam
ZW	Frontier	Zimbabwe
AU	Pacific/Developed	Australia
CA	Pacific/Developed	Canada
HK	Pacific/Developed	Hong Kong
IL	Pacific/Developed	Israel
JP	Pacific/Developed	Japan
KR	Pacific/Developed	South Korea
NZ	Pacific/Developed	New Zealand

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SG	Pacific/Developed	Singapore
TW	Pacific/Developed	Taiwan
US	USA/Developed	United States
RU	Unclassified	Russia

Appendix B

Of the approximately 17,000 listings that are screened, around 100 are assigned countries in disagreement with these stated rules, for various reasons. An override list is available upon request.

Rule Book Modifications

Effective Date	Previous	New	Note
Dec 21, 2007	KR Emerging South Korea	KR Pacific/Developed South Korea	
Dec 19, 2014	TW Emerging Taiwan	TW Pacific/Developed Taiwan	
Dec 18, 2020	KW Frontier Kuwait	KW Emerging Kuwait	
Dec 18, 2020	AE Frontier United Arab Emirates	AE Emerging United Arab Emirates	
Dec 17, 2021	QA Frontier Qatar	QA Emerging Qatar	
Dec 17, 2021	SA Frontier Saudi Arabia	SA Emerging Saudi Arabia	
Dec 17, 2021	MO Pacific/Developed Macau	MO Frontier Macau	
Dec 17, 2021	MC Europe/Developed Monaco	MC Frontier Monaco	
Dec 17, 2021	MA Emerging Morocco	MA Frontier Morocco	
Mar 7, 2022	RU Russia Emerging - Investable	RU Russia Emerging – Not Investable	
Dec 16, 2022	RU Russia Emerging – Not Investable	RU Russia Unclassified – Not Investable	
Dec 16, 2022	PL Poland Emerging VN Vietnam Emerging AR Argentina Emerging	PL Poland Europe/Developed VN Vietnam Frontier AR Argentina Frontier	

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