



Country Classification System

March 2021

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. 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.

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

Appendix A

SNCN	Region	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
AR	Emerging	Argentina
BG	Emerging	Bulgaria
BR	Emerging	Brazil
CL	Emerging	Chile
CN	Emerging	China
CO	Emerging	Colombia

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CZ	Emerging	Czech Republic
EG	Emerging	Egypt
HU	Emerging	Hungary
ID	Emerging	Indonesia
IN	Emerging	India
KW	Emerging	Kuwait
MA	Emerging	Morocco
MX	Emerging	Mexico
MY	Emerging	Malaysia
PE	Emerging	Peru
PH	Emerging	Philippines
PL	Emerging	Poland
RU	Emerging	Russian Federation
TH	Emerging	Thailand
TR	Emerging	Turkey
VN	Emerging	Viet Nam
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*
MC	Europe/Developed	Monaco

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NL	Europe/Developed	Netherlands
NO	Europe/Developed	Norway
PT	Europe/Developed	Portugal
SE	Europe/Developed	Sweden
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
NG	Frontier	Nigeria
PG	Frontier	Papua New Guinea
PK	Frontier	Pakistan
QA	Frontier	Qatar
RO	Frontier	Romania
SA	Frontier	Saudi Arabia
SL	Frontier	Sierra Leone
TZ	Frontier	United Republic of Tanzania
UA	Frontier	Ukraine
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	Korea, Republic of
MO	Pacific/Developed	Macau

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NZ	Pacific/Developed	New Zealand
SG	Pacific/Developed	Singapore
TW	Pacific/Developed	Taiwan, Province of China
US	USA/Developed	United States

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.

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