


**FTSE QUALITY OF MARKETS CRITERIA (EUROPE Developed) as at September 2018**

CRITERIA	COUNTRY NAMES																
	DEV	Austria	Belg/Lux	Denmark	Finland	France	Germany	Ireland	Italy	Netherlands	Norway	Poland*	Portugal	Spain	Sweden	Switzerland	UK
<b>World Bank GNI Per Capita Rating, 2017</b>		High	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
<b>Credit Worthiness</b>		Investment	Investment	Investment	Investment	Investment	Investment	Investment	Investment	Investment	Investment	Investment	Speculative	Investment	Investment	Investment	Investment
<b>Market and Regulatory Environment</b>																	
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Fair and non-prejudicial treatment of minority shareholders	X	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Restricted	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass
No or selective incidence of foreign ownership restrictions	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
No objection to or significant restrictions or penalties applied to the investment of capital or the repatriation of capital and income	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Free and well-developed equity market	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Free and well-developed foreign exchange market	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
No or simple registration process for foreign investors	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
<b>Custody and Settlement</b>																	
Settlement - Rare incidence of failed trades	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Custody-Sufficient competition to ensure high quality custodian services	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Clearing & Settlement - T+2 / T+ 3	X	T+2	T+2	T+2	T+2	T+2	T+2	T+2	T+2	T+2	T+2	T+2	T+2	T+2	T+2	T+2	T+2
Settlement - Free delivery available	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass
Custody - Omnibus and segregated account facilities available to international investors	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass
<b>Dealing Landscape</b>																	
Brokerage - Sufficient competition to ensure high quality broker services	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Liquidity - Sufficient broad market liquidity to support sizeable global investment	X	Pass	Restricted	Restricted	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted
Stock Lending is permitted	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass
Short sales permitted	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass
Off-exchange transactions permitted	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Efficient trading mechanism	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Transparency - market depth information / visibility and timely trade reporting process	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
<b>Derivatives</b>																	
Developed Derivatives Market	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass

 Shading indicates a rating change from March 2018

\*Poland reclassified as Developed from September 2018