



# **ICE Uniform Entity Sector Methodology**

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# ICE Uniform Entity Sector

## 1. Overview

The ICE Uniform Entity Sector classification schema was designed in 2019 and provides deep insights into industry sectors with a current reflection of global markets.

The schema provides five levels of granularity with 14 Entity Sectors, 27 Entity Industry Groups, 73 Entity Industries, 118 Entity Sub-Industry Groups and 273 Entity Sub-Industries. Each classification level provides both a coded value and description.

Sample Schema

ICE Entity Sector	ICE Entity Industry Group	ICE Entity Industry	ICE Entity Sub-Industry Group	ICE Entity Sub-Industry
Consumer Discretionary	Consumer Goods	Apparel & Textiles	Apparel	Footwear
Media & Communications	Media	Media	Media Content	Video Content
Financials	Investments & Financial Services	Investments	Business Investments	Special Purpose Acquisition Company

Sectors are assigned to any company that issues equities, corporate or government securities globally, totaling over 182,000 companies as of August 2023.

## 2. Review process

The ICE Uniform Entity Sector methodology assigns each company to a Sub-Industry, and to a corresponding Sub-Industry Group, Industry, Industry Group and Sector, according to its principal business activity.

ICE reviews public primary sources to initially classify companies' Sub-Industry. The Sub-Industry Group, Industry, Industry Group and Sector classifications are applied based on the assigned Sub-Industry.

Public primary source types include documents such as the prospectus, annual filings, annual reports, financial statements, and investment research reports. ICE continues to review current documentation to determine whether changes in business classification are necessary.

A company is assigned the Sub-Industry with the definition that most closely describes its principal business activity, or in other words, the business activity that generate the majority of the company's revenues.

Companies that are engaged in two or more substantially different business activities are assigned the Sub-Industry that provides the majority of both the company's revenues and earnings.

When no Sub-Industry provides the majority of both the company's revenues and earnings, the classification will be determined based on further analysis and a diversified/miscellaneous category may be considered.

If an issuing company reports their own financials and has a distinct operating line of business from its parent, the subsidiary is assigned a distinct classification.

If an issuing company does not have a specified business function, it will be assigned its parent company's Sector, Industry Group, Industry, Sub-Industry Group, Sub-Industry.

## **3. Maintenance**

ICE Uniform Entity Sectors are reviewed by a dedicated global operations team that handles both the new issuer/IPO process and ongoing maintenance program.

The frequency with which a company's classification is reviewed depends on the number of its business segments.

Corporate actions are closely monitored for any material changes to companies' revenue breakdown that could indicate a change in classification may be needed.

### **3.1. Review process**

Client challenges are managed through our dedicated client support and data research teams.

A Weekly Internal Review committee meets to review sector assignment across IPOs, new issuers, corporate actions and client challenges.

### **3.2. Structure review**

The ICE Uniform Entity Sector schema is reviewed on a periodic basis to consider any evolving market trends that may lend themselves to schema updates. Any changes under consideration will be presented to the market for feedback. Any specific information on changes and/or enhancements to the service will be provided as appropriate through advisories and/or service bulletins.

## 4. ICE Uniform Entity Sector definitions

**Consumer discretionary** - Consumer discretionary is the sector given to goods and services that are considered non-essential by consumers, but desirable if their disposable income is sufficient to purchase them.

**Consumer staples** - Consumer staples sector includes companies that produce items such as food, beverages and non-durable household and personal products.

**Energy** - Companies involved in any energy services, ranging from the exploration, production, refining and marketing of different energy sources.

**Financials** - Companies in the financial segment that provide economic services ranging from money management, insurance, banking, and other financial services.

**Healthcare** - Companies that provide goods and services for the betterment of individuals health. Biotechnology and pharmaceutical companies are represented, as well as companies producing equipment or services for the healthcare industry.

**Industrials** - Companies that produce goods, services or component parts for use or consumption by other industries. Category includes building & construction, commercial services, capital goods and the transportation segment.

**Materials** - Companies involved in the discovery, development, or processing of raw materials.

**Media & communications** - Companies that convey information through a variety of communication channels. Category covers communication companies that facilitate information sharing across various network forms, as well as media companies that build and provide content.

**Quasi Government** - Quasi-Government category includes entities directly owned by or directed by a government entity.

**Real Estate & REITs** - Companies that either develop and manage real estate properties or operate as a Real Estate Investment Trust (REIT).

**Sovereign** - Sovereign entities are assigned to a country's central government.

**Technology** - Companies that are focused primarily on the development or manufacturing of technology or providing technology as a service. Excludes companies where the majority operating segment is in consumer electronics.

**Trust** - Company formed as a standalone entity to hold property or assets on behalf of a third party.

**Utilities** - Utilities segment include companies that provide basic services including water and sewage services, electrical power transmission, airports, dams, and natural gas delivery to consumers.

## 5. More information

Please **contact us** for access to our full schema.

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