

## Technical Notice

23 July 2020

### Changes to Hang Seng Industry Classification System

The Hang Seng Industry Classification System (“HSICS”) currently classifies stocks into 12 industries, 31 sectors and 94 subsectors. To reflect the latest developments in Hong Kong and mainland China stock markets, two new subsectors will be added under Consumer Staples and Healthcare industries. As a result, the HSICS will have 12 industries, 31 sectors and 96 subsectors after the changes. All changes to the HSICS will take effect on 7 September 2020 (Monday).

#### Addition of New Subsectors

Industry	Sector	Subsector
25 - Consumer Staples	2510 - Food & Beverages	251010 - Packaged Foods
		251020 - Dairy Products
		251030 - Non-alcoholic Beverages
		251040 - Alcohol
		<b>&lt;NEW&gt; 251045 - Tobacco</b>
		251050 - Food Additives
28 - Healthcare	2810 - Pharmaceuticals & Biotechnology	281010 - Pharmaceuticals
		281020 - Biotechnology
		<b>&lt;NEW&gt; 281030 - Chinese Medicines</b>

In addition, the definitions of the “237010 - Automotive Retailers” and “350010 - Satellite & Wireless Communication” subsectors will be updated. For more details, please refer to the Appendix.

Should you have any enquiries, please e-mail [info@hsi.com.hk](mailto:info@hsi.com.hk).

# End #

## Hang Seng Industry Classification System

Industry		Sector		Subsector		Definition
00	Energy	0010	Oil & Gas	001010	Oil & Gas Producers	Companies involved in exploration for, refining, distribution and supply and production of oil and gas
				001020	Oil & Gas Equipment & Services	Manufacturers of equipment and providers of supplies and services to oil and gas producers
		0020	Coal	002010	Coal	Companies involved in mining, distribution and supply of coal
05	Materials	0510	Gold & Precious Metals	051010	Gold & Precious Metals	Companies engaged in exploration for and refining of gold and other precious metals as well as diamonds; and companies involved in the development of mines for the same
				052010	Iron & Steel	Producers, processors and traders of iron and steel and related products; includes companies that primarily mine for the same
		0520	Diversified Metals & Minerals	052020	Copper	Producers, processors and traders of copper and related products; includes companies that primarily mine for the same
				052030	Aluminium	Producers, processors and traders of aluminium and related products; includes companies that primarily mine for the same
				052040	Other Metals & Minerals	Producers, processors and traders of metals and minerals not classified elsewhere; and companies engaged in general mining
				053010	Fertilisers & Agricultural Chemicals	Producers and distributors of fertilisers, pesticides or other agriculture-related chemicals
		0530	Basic Materials	053020	Forestry & Timber	Manufacturers and distributors of timber and related wood products; owners and operators of timber tracts, forest nurseries and sawmills
				053030	Paper	Manufacturers and distributors of all grades of paper
				053040	Specialty Chemicals	Companies that produce and supply polymers (e.g. plastics and synthetic fibres), dyes, coatings and other chemicals for specialised applications
10	Industrials	1010	Industrial Engineering	101010	Commercial Vehicles & Trucks	Manufacturers and distributors of commercial vehicles such as trucks, buses, ferries and cruisers; container producers and companies that provide assemblies and parts of the related
				101020	Industrial Components & Equipment	Makers, distributors and installers of general industrial machinery and components such as casting and moulding equipment, laminates, printed circuit boards, electrical wires and glass
				101025	Electronic Components	Makers or distributors of electrical parts for high-technology products such as smartphones, computers and tablets. Include makers of camera modules, display modules and loudspeaker assembly
				101030	Environmental Engineering	Manufacturers of power-generating equipment and suppliers of environmental protection related products and services such as power turbines, waste treatment and pollution control equipment

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		101040	Heavy Industrial Machinery	Manufacturers & distributors of heavy machinery including construction equipment, heavy agricultural machinery and producers of related parts		
		101050	New Energy Materials	Producers and distributors of environmental friendly energy materials & devices such as solar cells and green energy storage devices		
		101060	Aerospace & Defence	Manufacturers of civil or military aerospace and defence equipment, parts or products		
	1020	Industrial Transportation	102010	Shipping & Port Operation	Owners and operators of ports and terminal facilities; providers of marine transportation for commercial use	
			102020	Railway & Tollroad Operation	Providers of industrial railway transportation and railway lines; companies that operate roads, highways, bridges and tunnels	
			102030	Air Freight & Logistics	Companies providing air freight transportation, courier and logistics services; providers of mail and package delivery services for commercial and consumer use	
	1030	Commercial & Professional Services	103010	Sourcing & Supply Chain Service	Providers of procurement service of diversified products for the commercial and industrial sectors; companies providing contract logistics solutions along the entire supply chain	
			103020	Printing & Packaging	Makers and distributors of cardboard, bags, boxes, cans and containers used for packaging; companies providing commercial printing services	
23	Consumer Discretionary	2310	Automobiles	231010	Automobiles	Companies that produce and distribute passenger automobiles and light trucks
				231020	Auto Parts	Manufacturers of parts and accessories for automobiles and motorcycles
		2320	Household Goods & Electronics	232010	Home Appliances	Manufacturers of electric household appliances and related products
				232020	Consumer Electronics	Manufacturers of consumer electronics, such as TVs and other audio-visual products
				232030	Toys & Leisure Products	Manufacturers of leisure products and equipment including sports equipment, bicycles and toys
				232040	Household Goods	Manufacturers of durable household products, including soft home furnishings or furniture, kitchenware and consumer specialties not classified elsewhere
		2330	Textiles & Clothing	233010	Textiles & Fabrics	Producers and traders of fabrics, yarns and related textile products; providers of related processing services
				233020	Apparel	Designers and makers of all types of clothing

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		233030 Footwear	Designers and makers of all types of footwear
		233040 Jewellery & Timepieces	Designers and makers of jewellery, jadeites, gemstones, watches, timepieces and similar items
		233050 Other Accessories	Manufacturers of leather goods, handbags, eyewear and other accessories not classified elsewhere
	2340 Travel & Leisure	234010 Transportation	Companies that provide passenger transportation, such as buses, taxis, rail and ferry companies
		234020 Airlines	Companies that provide passenger air transportation, including airport operators and service providers to airline companies
		234030 Casinos & Gaming	Owners and operators of casinos and gaming facilities including companies which provide lottery and betting services
		234040 Hotels & Resorts	Operators and managers of hotels, motels, lodges, resorts, spas and campgrounds
		234050 Travel & Tourism	Companies providing travel and tourism related services, including travel agents, online travel reservation services, cruise-ship operators and automobile rental firms
		234060 Restaurants	Owners and operators of restaurants, bars, coffee shops, fast-food facilities; providers of food catering services
		234070 Leisure & Recreational Facilities	Providers of leisure facilities and services, including fitness centres, sports team management and amusement parks
	2350 Media & Entertainment	235010 Advertising & Marketing	Companies providing advertising, marketing or public relations services
		235020 Broadcasting	Owners and operators of television or radio broadcasting systems
		235030 Movies & Entertainment	Companies engaged in the production and distribution of movies, television shows, music, artiste management and theatre operation
		235040 Publishing	Publishers of newspapers, magazines and books; providers of information via print or electronic media
	2360 Support Services	236010 Education	Companies that provide education related services (e.g. provision of formal education, tutorial classes, consultancy services, educational materials, vocational training, interest classes, and online training courses)
		236020 Other Support Services	Providers of non-financial services to consumer sectors not classified elsewhere (e.g. employment, cleaning and laundry, funeral services, multi-media contact services, auction and security services)

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25	Consumer Staples	2370	Specialty Retail	237010 Automotive Retailers	Owners and operators of stores specializing in automotive retail. Includes retailers of automotive accessories, equipment & parts.
				237020 Apparel Retailers	Retailers specialized in apparel and accessories
				237030 Home Improvement Retailers	Retailers and wholesalers concentrating on the sale of home improvement products, including garden equipment, carpets, wallpaper, paint, home furniture, blinds and curtains, and building materials
				237040 Diversified Retailers	Retail outlets and wholesalers offering a wide variety of products including both hard goods and soft goods
				237050 Other Retailers	Owners and operators of specialty retail stores not classified elsewhere. Include jewelry stores, toy stores, office supply stores, health & vision care stores, beauty supply stores and book & entertainment stores
	Consumer Staples	2510	Food & Beverages	251010 Packaged Foods	Producers and distributors of processed food, including noodles, snacks, fruit, vegetables and frozen food products
				251020 Dairy Products	Producers and suppliers of milk, ice cream and other dairy-related products
				251030 Non-alcoholic Beverages	Manufacturers and distributors of non-alcoholic beverages, such as soda, fruit juices, tea, coffee and bottled water
				251040 Alcohols	Producers and traders of beer, wine, spirits and other alcoholic beverages
				251045 Tobacco	Manufacturers and distributors of cigarettes and other tobacco products
				251050 Food Additives	Producers and distributors of food additives such as flavours and fragrances
		2520	Agricultural Products	252010 Poultry & Meat	Companies engaged in livestock raising, livestock slaughtering, and the production and supply of meat, poultry or fish products
				252020 Agricultural Products	Companies that grow, process and trade agricultural goods, such as crops, fruits, brewing materials, edible oil and corn-based-refined products
				252030 Animal Feeds	Companies engaged in the manufacturing, development and distribution of feedstock products and related activities
		2530	Consumer Staple Retailers	253010 Supermarkets & Convenience Stores	Owners and operators of stores offering diversified general merchandise
				253020 Personal Care	Manufacturers and distributors of personal care, including toiletries, personal-care and hygiene products

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28	Healthcare	2810	Pharmaceuticals & Biotechnology	281010	Pharmaceuticals	Companies engaged in the research, development, production or distribution of pharmaceuticals
				281020	Biotechnology	Companies engaged in the research, development and manufacturing of biological substances usually involving genetic analysis and engineering for medicine discovery and diagnostic development, such as providers of these medicines and diagnostic products
				281030	Chinese Medicines	Companies mainly engaged in the research, development, production or distribution of Chinese medicines
		2820	Healthcare Equipment & Services	282010	Medical Devices	Manufacturers and suppliers of healthcare equipment and devices
				282020	Medical & Aesthetic Services	Medical & aesthetic service providers including hospital, clinic and beauty shop
35	Telecommunications	3500	Telecommunications	350010	Satellite & Wireless Communication	Providers of satellite and wireless data communication solutions, telecommunication facilities constructions and related services not classified elsewhere.
				350020	Telecommunication Services	Operators of primarily mobile and fixed-line telecommunication networks
40	Utilities	4000	Utilities	400010	Electricity	Companies that produce or distribute electricity
				400020	Gas Distribution	Companies that distribute and transmit gas to end-users
				400030	Water	Companies that provide water to end-users, including operators of water treatment plants
				400040	Alternative/ Renewable Energy	Companies which develop, manage and operate clean energy projects such as hydropower and wind farms
50	Financials	5010	Banks	501010	Banks	Banks providing a broad range of financial services, including retail banking, loans and money transfer
		5020	Insurance	502010	Insurance	Insurance companies with diversified products in life, health and property and casualty insurance, including brokers and agencies which sell the same
		5030	Other Financials	503010	Securities & Brokerage	Non-bank institutions that provide financial services focused on securities broking and dealing and margin financing
				503020	Investment & Asset Management	Companies that invest in securities for earnings growth and capital appreciation; providers of custodial, trustee and other related asset management services
				503030	Financing	Non-bank institutions that provide financing services, including personal credit, credit cards, lease financing, travel-related money services and pawn shops
				503040	Other Financials	Companies engaged in financial activities not specified elsewhere, include stock exchanges, corporate finance advisory firms and other service providers to financial institutions

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60	Properties & Construction	6010	Properties	601010	Real Estate Agencies	Real estate service providers, such as real estate agents, brokers and appraisers
				601020	Property Development	Companies that develop and sell property
				601030	Property Investment	Companies engaged in property ownership mainly for the purpose of leasing and rental income
				601040	Real Estate Investment Trusts	Real estate investment trusts that focus investment in a portfolio of income-generating properties, such as shopping malls, offices, hotels and service apartments
				601050	Property Service and Management	Companies that provide property management and related services
		6020	Construction	602010	Construction Materials	Manufacturers and wholesalers of building materials including cement, concrete and tiles
				602020	Building Construction	Constructors of commercial and residential buildings and providers of building construction-related services such as renovation, fitting-out, general architecture, landscape architecture, interior design and other ancillary services
				602030	Heavy Construction & Engineering	Companies engaged in civil engineering projects such as construction of railways, roads, highways, reclamation dredging and slope works
70	Information Technology	7010	IT Hardware	701010	Telecommunication Equipment	Producers and distributors of telecommunication equipment, such as telephones, handsets and providers of repair and maintenance services for the same
				701020	Computers & Peripherals	Manufacturers and distributors of personal computers, servers, mainframes, workstations and related peripherals, such as mass-storage drives, mouse, keyboards, printers and smartcards
		7020	Software & Services	702010	System Applications & IT Consulting	Companies that provide consulting services relating to information technology, such as computer system design, systems integration, network and systems operations, data management and storage solutions
				702020	E-Commerce & Internet Services	Companies providing Internet-related services, such as Internet access providers, search engines and providers of website design, web hosting and e-mail services, including companies that provide solutions and platforms for e-commerce or electronic payments
				702030	Software	Companies engaged in developing and producing software designed for specialised applications such as providers of online game, information service, business software and mobile application
		7030	Semiconductors	703010	Semiconductors	Companies engaged in the manufacturing and distribution of semiconductors and semiconductor equipment

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Industry		Sector		Subsector		Definition
80	Conglomerates	8000	Conglomerates	800010	Conglomerates	Diversified companies engaged in three or more businesses classified in different sectors with each business contributing more than 10% but not substantially to turnover