

# Indice Euronext® Eurozone ESG Large 80

Supporting the transition  
to a sustainable economy

The world is undergoing a profound shift by reshaping both geopolitical and economic dynamics, and creating new risks and opportunities for investments. To support this long-term transition, Euronext and Moody's ESG Solutions have partnered to develop innovative solutions in response to expectations and challenges of the future.



**-57%**  
of carbon  
intensity\*



The Euronext® Eurozone ESG Large 80 index aims to become a reference tool for all who wish to give meaning to their savings.



\*carbon intensity weighted as follows:  $\sum_{i=1}^n Weight_i \times \frac{Carbon\ Footprint\ Scope\ 1\&2_i}{Revenues\ (in\ M.)_i}$

# How is the Euronext® Eurozone ESG Large 80 Index Built?

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Created to **support climate action**, this index is designed to accelerate the transition towards new investment norms and enables European investors to finance sustainable initiatives.

Its methodology aims at meeting investors' need for transparency regarding sustainable finance.

01



## Euronext Eurozone 300 Index

The index targets the sectorial repartition of the Reference Index Universe, composed of the 300 biggest blue chips in the Eurozone: the Euronext Eurozone 300 index, on which we apply 4 exclusion filters (negative screening):

02



## Exclusion Filters

- The 20% lowest-ranking companies in terms of Social assessment
- The 20% lowest-ranking companies in terms of Governance assessment
- The companies facing critical controversies with regards to the United Nations Global Compact (UNGC)
- The companies involved in coal, tobacco or weapons (landmines and cluster munitions)

03



## Sectorial Repartition

Then, a selection of the 80 most virtuous companies (**best in class**) in energy transition is made in their respective sectors (ICB). This enables a diversified index while reducing the climate impact.

04



## Euronext® Eurozone ESG Large 80 Index

Weighted by free float market caps.

# Environmental Criteria



Focus is on a company's capacity to manage its different levels of risks and opportunities linked to the environment, in terms of internal management, supply chain and product safety.

**Assessment of precise sustainable criteria:**

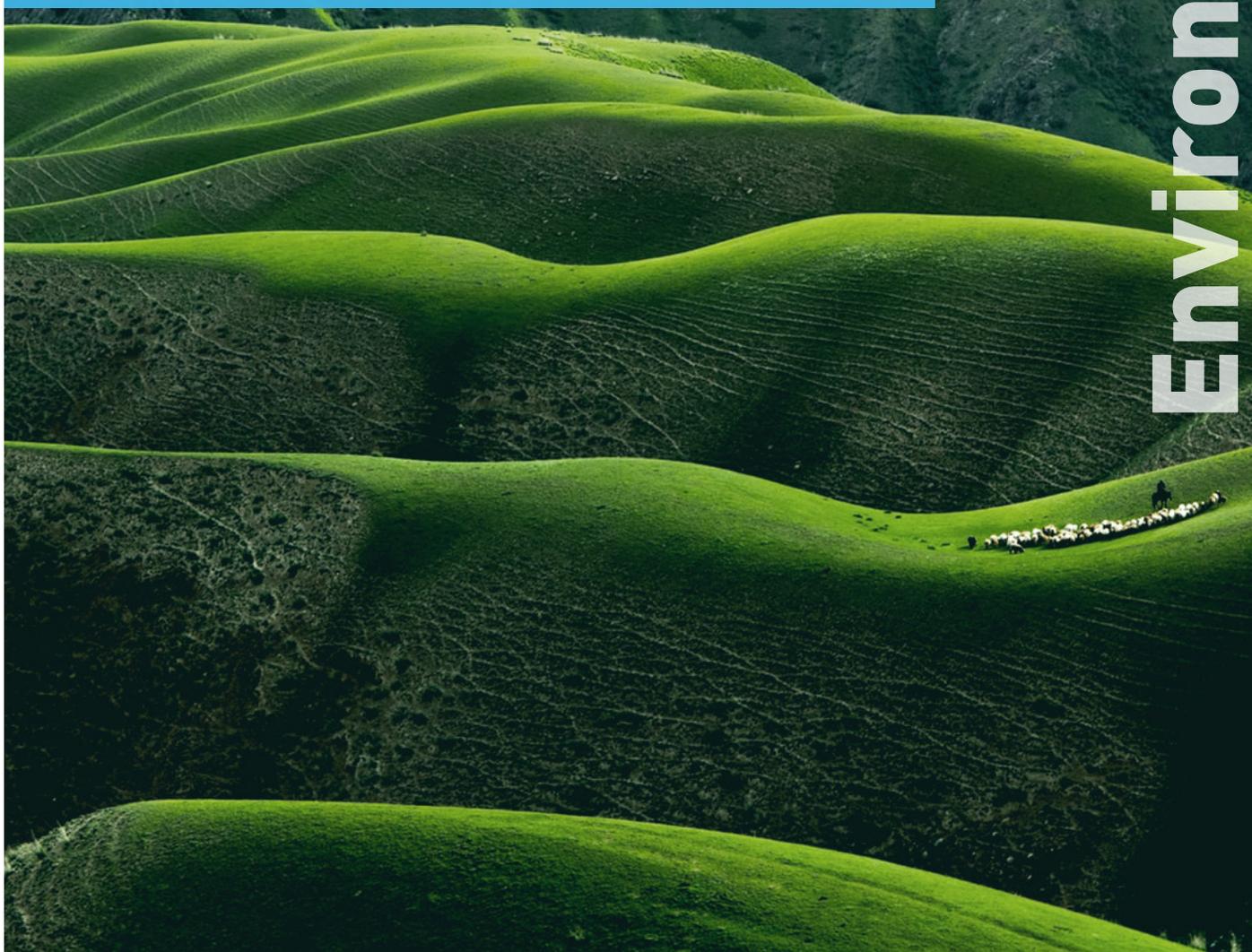
**Environmental and political strategy**

**Means to prevent and control air pollution**

**If the company makes and/or distributes sustainable goods/services:**

- Impact on biodiversity and energy management
- Amount of air emissions
- Capacity to manage waste and local air pollution (noise, vibrations)
- Impact management of product lifecycle
- Management of supply chain, water and transportation

Environment



# Social Criteria



Capacity for a company to manage risks and opportunities surrounding two key stakeholders: the workforce and society in which it interacts:

## Assessment criteria based on:

- Relationships in the workplace
- Employee engagement
- Responsible reorganisations
- Career management
- Local economic development
- Salary, health and safety systems
- Non-discrimination
- Child and forced labour
- Fundamental labour rights
- Product safety
- Information quality to customers
- Supply chain labour standards quality

Society



# Corporate Governance Criteria



Assessment of a company's capacity to manage risks and opportunities linked to its responsibilities in terms of corporate governance and business ethics.

Several criteria can be analysed:

- Independance of the board of directors
- Audit and internal controls
- Shareholders' rights
- Executives' remuneration
- Anti-corruption measures
- Anti-competition and responsible lobbying politics

**Governance**



## Why Include ESG in your Investments?

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This index helps you opt for more socially-responsible investments by including Environmental, Social and Governance (ESG) criteria. On top of the financial performance, the index thus allows you to allocate capital to support the energy transition.

## How to Invest on the ESG 80 Index?

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Investing on the Euronext® Eurozone ESG Large 80 index is possible via Standard and Mini Options created by Euronext:

- The most attractive pricing in the industry to ease the trading access
- Dedicated liquidity ensured by market maker Susquehanna, who is committed to facilitating the development of sustainable finance
- Maturity cycles to fit your trading strategy
- Strong clearing efficiencies at portfolio level in partnership with LCH SA clearing house

Benefit from effective hedging tools with high standards to support energy transition within the Eurozone.

**Interested? Ask your broker/bank to trade the ESG80 Standard and Mini Options.**

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