

INDEX RULE BOOK

Euronext® Europe Sustainable 100 EW

Version 22-01

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indices.euronext.com

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For further information in relation to Euronext Indices please contact: index-team@euronext.com

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1. GENERAL

This document is applicable to the Euronext Europe Sustainable 100 EW ("Index Family"), which consists of all the Indices as mentioned in the Reference Table.

The Euronext Europe Sustainable 100 EW is designed to reflect the price level trends in the trading of shares listed in Europe.

Euronext Paris is the Administrator of this Index Family. For this Index Family no Independent Supervisor is appointed.

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VERSION NOTES

Version	Effective date	New or changed parts	Reference/announcement
21-01	15-12-2021	restyled version in view of newly published Calculation and Corporate Actions rulebooks	
22-01	08-09-2022	Addition of Review Weighting Date	EIA 2022-318

2. INDEX REVIEWS

2.1 REVIEW FREQUENCY AND RELEVANT DATES

Review frequency:	Quarterly
Review Effective Date:	After the market close of the third Friday of March, June, September and December.
Review Cut-Off Date:	After the market close of the penultimate Friday of February, May, August and November.
Review Announcement Date:	At least two trading days before the Review Effective Date.
Review Weighting Date:	Three trading days before the Review Effective Date.
Review Weighting Announcement Date:	Two trading days before the Review Effective Date.

2.2 REVIEW SELECTION

Step 1: Index Universe

Index Universe definition

The Index Universe consists of the 500 companies included in the Euronext Europe 500 index. At reviews this means included in the index after the Review Effective Date.

Step 2: Eligibility screening at reviews

Step 2a liquidity analysis

The Companies with an average daily turnover below 10 million € over a year are not eligible. Should this step lead to a number of Companies below 300, the Companies with the highest average daily turnover will be added until there are 300 Companies.

Step 2b ESG score

Companies in the Index Universe are ranked on Moody's ESG Solutions ESG score. The 200 best scoring Companies are eligible. In case of an equal score the Companies with the same score as the number 200 are also eligible.

The Euronext ESG Providers Methodologies document gives a detailed background on various scoring methodologies.

Step 3: Selection Ranking

The stocks are ranked by descending 1 year maximum percentage drawdown.

The annual maximum drawdown is defined as the peak-to-trough decline of an investment over a year. The prices used for the computation will be adjusted for corporate actions such as Stock Splits, Bonus issues, Rights issues, Special dividends and Spin-offs.

$$Max\ Drawdown = \min_{t \in [0, T]} \left\{ \frac{P_t}{\max P_{0 \rightarrow t}} - 1 \right\}$$

In case of an equal drawdown percentage, the company with the highest ESG score will rank higher. In case of an equal ESG Score, the Company with the highest free float market capitalisation will rank higher.

Step 4: Selection of constituents at the reviews

The 100 top ranked stocks are selected.

2.3 PERIODICAL WEIGHTING UPDATE

Weighting method

The index is Non-Market Capitalisation weighted, based on Equal Weight

The Weighting Factors are explained in the following paragraphs.

Number of shares

The Number of Shares will be calculated such that each Company will have an equal weight in the Index. The Number of Shares will be rounded to the nearest whole number.

The Number Of Shares are determined based on the closing prices of the Companies to be included in the Index on the Review Weighting Date.

Free Float factor

The Free Float Factor is not applied for this Index Family.

Capping Factor

The Capping Factor is not applied for this Index Family.

3. REFERENCES

3.1 REFERENCE TABLE

Index name	Isincode	Mnemo	Bloom- berg Code	Reuters code	Base date	Base value	Publication since	Index Type
Euronext® Europe Sustainable 100 EW	NL0012758627	ES1EP	E100ESGP	.ES1EP	24/02/2017	1 000	23/02/2018	Price
Euronext® Europe Sustainable 100 EW NR	NL0012758635	ES1EN	E100ESGN	.ES1EN	24/02/2017	1 000	23/02/2018	Net Return
Euronext® Europe Sustainable 100 EW GR	NL0012758643	ES1EG	E100ESGG	.ES1EG	24/02/2017	1 000	23/02/2018	Gross Return
Euronext® Europe Sustainable 100 EW Decrement 50 Points	NL0012758650	ES1ED	EU100ESG	.ES1ED	24/02/2017	1 000	23/02/2018	Decrement 50 points on GR

Note: The backtest history of these indices is available from 30/12/2005.

3.2 BASE CURRENCY

The Base Currency of this index family is Euro.

3.3 PUBLICATION

The index is calculated based on the most recent prices of transactions concluded on the main markets in each of the countries that are included in the index. The level of the index is in principle published every 15 seconds. The index is calculated from 09:00 hours until Euronext Markets stop regular daytime trading on the days when Euronext Markets are open for trading.

The opening level is calculated using the last known prices of traded constituents or in the case of constituents that have non-traded, halted or suspended status, the previous day reference prices or estimated prices (for IPOs, buyouts and swap offers). The opening index level is disseminated at the same time as the first index level.

The closing level is the last level disseminated on the trading day.

4. ESG DISCLOSURES

EXPLANATION OF HOW ESG FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY	
Item 1. Name of the benchmark administrator.	Euronext Paris
Item 2. Type of benchmark	Equity Benchmark
Item 3. Name of the benchmark or family of benchmarks.	Euronext Europe Pioneers 50 ESG EW
Item 4. Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	Yes
Item 5. If the response to Item 4 is positive, please find below the ESG factors that are taken into account in the benchmark methodology and how they are used for selection, weighting and exclusion	
a) List of environmental factors considered:	<p>ESG score</p> <p>Selection:</p> <p>All the companies part of the Universe are ranked by descending corporate responsibility score. The 200 highest-ranking ESG scores are pre-selected. Then the 100 stocks with the lowest 1 year drawdown are selected.</p> <p>In case of an equal drawdown percentage, the ranking is done by descending ESG Score. In case of an equal ESG Score, the ranking is done by descending free float market capitalization on the review cut-off. The 100 top ranked stocks are selected.</p>
b) List of social factors considered:	Please refer to a)
c) List of governance factors considered:	Please refer to a)
Item 6. Data and standards used.	
<p>a) Data input.</p> <p>(i) Describe whether the data are reported, modelled or, sourced internally or externally.</p> <p>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</p>	<p>Moody's ESG Solutions provides :</p> <ul style="list-style-type: none"> • ESG scores <p>The ESG score is based on a 2-step approach:</p> <p>Step 1:</p> <p>Moody's ESG Solutions assesses and rates the performances of companies according the Equitics® methodology based on 38 criteria, divided in to six key areas of corporate environmental, social and governance responsibility</p> <p>Step2 – Overall score</p> <p>Each issuer is assigned an overall score out of 100 (the higher the better) which is a weighted and consolidated score of all sustainability factors in a given sector.</p>
<p>b) Verification of data and guaranteeing the quality of those data.</p> <p>Describe how data are verified and how the quality of those data is ensured.</p>	<p>Moody's ESG Solutions represents and warrants that to the best of its knowledge the Methodology is robust and reliable, rigorous and capable of validating and verifying including, but not limited to, the following:</p> <ul style="list-style-type: none"> • shall promptly correct any errors made in its computations of the Data and inform Euronext thereof, immediately.

	<ul style="list-style-type: none"> periodically review the Methodology has clear written rules identifying how and when discretion may be exercised when deviating from the methodology will inform Euronext prior to making any material change to the Methodology and will provide Euronext with the rationale for such change.
<p>c) Reference standards</p> <p><i>Describe the international standards used in the benchmark methodology.</i></p>	<p>Moody's ESG Solutions: the methodology behind ESG performance indicators and the assessment of controversies severity is based on the following international standards :</p> <ul style="list-style-type: none"> Global Reporting Initiative (GRI) OECD Guidelines for Multinational Enterprises, and sectorial guidance G20/OECD recommendations on Corporate governance UN Conventions and recommendations, UN Global Compact Principles UN Sustainable Development Goals ILO Conventions , including the core ones, and recommendations TFCD recommendations Paris Agreement (UNFCCC)
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