

# INDEX RULE BOOK

## ISEQ® FAMILY

ISEQ 20®, ISEQ® Small and ISEQ® 20 Capped

Version 21-03

Effective from 15 December 2021

[indices.euronext.com](https://indices.euronext.com)

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## 1. GENERAL

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This document is applicable to the ISEQ® family ("Index Family"), which consists of all the Indices as mentioned in the Reference Table.

The ISEQ family is designed to reflect the price level trends in the trading of shares listed on Euronext Dublin.

Euronext Dublin is the Administrator of this Index Family. The ISEQ Committee is appointed as independent supervisor of the ISEQ index family ("Independent Supervisor").

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### Previous version Notes

18-01: First version of rulebook as per Euronext method

19-01: Minor textual adjustments

19-02: Change of capping factor to quarterly capping

20-01: Integration of ESG Disclosures

21-01: Update of selection rules

21-02: Minor textual adjustments

### VERSION NOTES

Version	Effective date	New or changed parts	Reference/announcement
21-01	15 Dec 2021	restyled version in view of newly published Calculation and Corporate Actions rulebooks	

## 2. INDEX REVIEWS

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### 2.1 REVIEW FREQUENCY AND RELEVANT DATES

<b>Review frequency:</b>	Quarterly, with an Annual review in March
<b>Review Effective Date:</b>	After the market close of the third Friday of March, June, September and December.
<b>Review Cut-Off Date:</b>	After the market close of the penultimate Friday of February, May, August and November.
<b>Review Announcement Date:</b>	At least six trading days before the Review Effective Date.
<b>Review Weighting Announcement Date:</b>	Two trading days before the Review Effective Date.

### 2.2 REVIEW SELECTION

#### Step 1: Index Universe

##### Index Universe definition

The universe of the index is defined as companies that have been admitted to listing on the Euronext Dublin markets (Main securities market and Enterprise securities market) that has:

- Euronext Dublin as its market of reference; And
- Incorporated in the Republic of Ireland; or
- Incorporated in Northern Ireland; or
- Have its centre of economic interest in Ireland.

Companies that have been a constituent for more than two years in one of the ISEQ indices, whose businesses have developed so that their centre of economic interest could be deemed to be outside Ireland will remain eligible for inclusion to the ISEQ family.

#### Step 2: Eligibility screening at reviews

No liquidity screening

#### Step 3: Selection Ranking

Companies are ranked based on a combination of two rankings:

- The value of Regulated Turnover observed over a 12-month period; and
- The free float adjusted market capitalisation on the Review Cut-Off Date.

In case of equal combined ranking the preference is for the Company with higher free float adjusted market capitalisation.

#### Step 4: Selection of constituents at the reviews

##### ISEQ 20 annual review (in March)

The 18 highest ranking companies are selected. A buffer zone, where current constituents have priority over companies that currently do not form part of the ISEQ 20 consists of the companies ranked 19th to 22nd .

The ISEQ 20 Capped contains all the companies included in the ISEQ 20.

##### ISEQ 20 quarterly reviews (in June, September and December)

The following changes will occur to the ISEQ 20 at the occasion of the quarterly reviews:

The 15 highest ranking companies are selected. A buffer zone, where current constituents have priority over companies that currently do not form part of the ISEQ 20 consists of the companies ranked 16<sup>th</sup> to 25<sup>th</sup>.

The ISEQ 20 Capped contains all the companies included in the ISEQ 20.

#### **ISEQ Small annual reviews (in March)**

The ISEQ Small contains all the eligible companies with a free float market capitalisation smaller than 150 million Euro that are not to be included in the ISEQ 20.

#### **ISEQ Small quarterly reviews (in June, September and December)**

The ISEQ Small contains all the eligible Companies with a free float market capitalisation smaller than 150 million Euro that are not to be included in the ISEQ 20.

### **2.3 PERIODICAL WEIGHTING UPDATE**

#### **Weighting method**

The index is Free Float Market Capitalisation weighted.

The Weighting Factors are explained in the following paragraphs.

#### **Annual Review:**

##### **Number of shares**

The Number of Shares of a company included in the Index Family will be updated to the listed Number of Shares on the Review Cut-Off Date, taking into account adjustments due to Corporate Actions.

##### **Free Float factor**

The Free Float Factor of a Company included in the Index Family will be updated to the Free Float Factor on the Review Cut-Off Date.

##### **Capping Factor**

A Capping Factor is calculated based on the Review Weightings Announcement Date such that the Companies included in the index have a maximum weight of 20%. For the ISEQ 20 Capped the maximum weight is 9%.

#### **Quarterly Reviews:**

##### **Number of shares**

The Number of Shares of a Company included in the Index will be updated to number of shares listed on the Review Cut-Off Date if the Free Float Factor on the Review Cut-Off date deviates by 2 or more bands ( $\geq 10\%$ ) from the Free Float Factor currently applied in the index and/or if the number of shares listed on the Review Cut-Off Date deviates by more than 20% from the current number of shares included in the index.

In the case of an update the new numbers of shares are based on the number of shares listed on the Review Cut-Off Date, taking into account adjustments due to Corporate Actions. The new Free Float Factors are determined on the basis of the information relevant at the Review Cut-Off Date.

Index Design may decide not to update the number of shares for companies after a merger or similar situation. For Companies, if any, to be added to an index the number of shares will be the number of shares listed on the Review Cut-Off Date.

##### **Free Float factor**

The Free Float Factor of a Company included in the Index will be updated to Free Float Factor on the Review Cut-Off Date if the Free Float Factor on the Review Cut-Off date deviates by 2 or more bands ( $\geq 10\%$ ) from the Free Float Factor currently applied in the index and/or if the number of shares listed on the Review Cut-Off Date deviates by more than 20% from the current number of shares included in the index.

For Companies, if any, to be added to an index the Free Float Factor will be the Free Float Factor on the Review Cut-Off Date.

##### **Capping Factor**

For Companies, if any, to be added to an Index, a Capping Factor is calculated based on the Review Weighting Announcement Date such that the companies have a maximum weight of 20% (9% for the ISEQ Capped).

### 3. REFERENCES

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#### 3.1 REFERENCE TABLE

Index name	Isincode	Mnemo	Bloom- berg Code	Reuters code	Base date	Base value	Publication since	Index Type
ISEQ 20®	IE00B0500264	ISE20	ISEQ20P	.IETP	31-12-2004	1000	07-03-2005	Price
ISEQ 20® GR	IE00B0500488	ISE2G	ISEQ20R	.IETR	31-12-2004	1000	07-03-2005	Gross Return
ISEQ® Small	IE0000506299	ISESM	-	.ISCI	04-01-1999	1000	01-12-1999	Price
ISEQ® Small GR	IE0000506745	ISESG	-	.ISCT	04-01-1999	1000	01-12-1999	Gross Return
ISEQ 20 ® Capped	IE00B2QF4Z54	ISECA	ISEQCAPP	.IEOE	31-12-2004	1000	02-06-2009	Price
ISEQ 20 ® Capped GR	IE00B2QF5075	ISECG	ISEQCAPR	.IEOF	31-12-2004	1000	02-06-2009	Gross Return

#### 3.2 BASE CURRENCY

The Base Currency of this index family is Euro.

#### 3.3 PUBLICATION

The level of the Indices are in principle published every 15 seconds starting from 09:00. Index levels published before the official opening level is published are considered pre-opening index levels.

The official opening level is the first level published after a share price is available for all Companies included in the Index.

If share prices are not available for all constituents five minutes after Euronext Markets started regular daytime trading, the official opening level will be published as soon as the companies whose share prices are available of the current trading day represent at least 80% of the value of the index at the close of the previous trading day.

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	
<b>Item 1.</b> Name of the benchmark administrator.	Euronext Dublin
<b>Item 2.</b> Type of benchmark	Equity Benchmark
<b>Item 3.</b> Name of the benchmark or family of benchmarks.	<b>ISEQ Index family</b>
<b>Item 4.</b> Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	No
<b>Item 5.</b> 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:	Not applicable
b) List of social factors considered:	Not applicable
c) List of governance factors considered:	Not applicable
<b>Item 6.</b> Data and standards used.	
a) Data input. <i>(i) Describe whether the data are reported, modelled or, sourced internally or externally.</i> <i>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</i>	Not applicable
b) Verification of data and guaranteeing the quality of those data. <i>Describe how data are verified and how the quality of those data is ensured.</i>	Not applicable
c) Reference standards <i>Describe the international standards used in the benchmark methodology.</i>	Not applicable
<b>Information updated on:</b>	Oct 2021