EURONEXT DERIVATIVES NOTICE

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CLARIFICATION OF DIVIDEND RULES APPLICABLE TO SINGLE STOCK DIVIDEND FUTURES

Executive Summary

At the request of members, this Notice clarifies the dividend rules applicable to the Single Stock Dividend Futures, in a specific scenario where the declared dividends are not equal to the amount actually paid by the issuer.

As a reminder, the current dividend rules applicable to Single Stock Dividend Futures (SSDFs) are specified in the ANNEX of this Notice, as well as on the Euronext website. As mentioned in Rule 6, '*for cases not covered by these rules, Euronext will determine an appropriate adjustment or repayment to be made*'.

At the request of members, this Notice clarifies the dividend rules applicable to the Single Stock Dividend Futures, in a specific scenario where the declared dividends are not equal to the amount actually paid by the issuer. In consistency with the current rules and contract specifications established, the treatment of this scenario will depend on the timing when the event materializes:

I. If dividend payment cancellation or reduction materializes before or on the SSDF contract expiry date:

The amount corresponding to the cancellation or reduction will be excluded in the EDSP (Exchange Delivery Settlement Price), which is the final settlement value established on the expiry day.

II. If dividend payment cancellation or reduction materializes after the SSDF contract expiry date:

As the contract has expired and settled at this time, in principle no retrospective adjustment will be performed by the exchange.

Further information:

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The Euronext Markets comprise the markets operated by Euronext Amsterdam, Euronext Brussels, Euronext Dublin, Euronext Lisbon, Euronext London and Euronext Paris, referred to respectively as the Amsterdam, Brussels, Dublin, Lisbon, London and Paris markets, as relevant. Euronext refers to Euronext N.V. and its affiliates.

ANNEX - Dividend rules applicable to Single Stock Dividend Futures (SSDFs):

1. For the purpose of determination of the final settlement value (EDSP) of SSDFs, the declared ordinary dividends are taken into account if their ex-date falls on or between the start and end date of the reference period of the relevant expiry. The dividend amount taken into account will be the amount as declared by the issuer without an adjustment for withholding taxes, tax credits or tax repayments.
2. Dividends that are declared special or extraordinary by the issuer are normally excluded.
3. If a dividend is distributed in the form of shares only and if this is regarded as ordinary dividend, the cash equivalent is taken into account. If no cash value is declared by the issuer, the cash value will be determined based on the official closing price of the share on the relevant cash market on the cum-day (the business day prior to the ex-dividend date).
4. If shareholders may choose between cash or shares, the cash option is chosen.
5. A dividend future refers to a dividend that is paid in the same currency as the trading currency of the dividend future. If a dividend is declared in another currency than the futures contract currency, the published equivalent amount in the futures contract currency will be used ("equivalent dividend amount"); for clarification, the published equivalent amount should not be a converted value that is shown for informational purposes.
   If on the ex-date the published dividend amount is only available in a currency that deviates from the futures contract currency, the dividend amount will be converted ("converted dividend amount") using the reference rate for the cum-day (the business day prior to the ex-date). In principle the reference rate will be based on the foreign exchange reference rates as published daily by the ECB. When on or after the ex-date, but before the SSDF expiry date, the equivalent dividend amount is known (the amount is published by the company) the SSDF dividend amount is adjusted by replacing the converted dividend amount by the equivalent dividend amount.
   When the ex-date is before the SSDF expiry date but the equivalent dividend amount is not known before the SSDF expiry date, the converted dividend amount will be recalculated on the expiry date by using the reference rate of the previous business day.
6. For cases not covered by these rules, Euronext will determine an appropriate adjustment or repayment to be made.