

EURONEXT INDICES

CORPORATE ACTIONS GUIDE

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indices.euronext.com

VERSION NOTES

Version	Effective date	New or changed parts	Reference/announcement
21-01	15 Dec 2021	Initial version based on rules previously in individual index rulebooks	EIA_2021-367
21-02	15 Dec 2021	Small textual updates	
21-03	15 Dec 2021	Inclusion Liability clause in Introduction	
22-01	9 May 2022	Adjustment of 3.3 (Rights issues: changes following consultation); Addition to 4.1 (Split up / Spin off: clarification); Addition to 4.2 (M&A in shares: treatment in case not eligible)	EIA_2022-040
22-02	29 June 2022	Addition of cancelled or changed dividend	
22-03	05 Aug 2022	Small textual update on 3.3 rights issues	
22-04	4 Oct 2022	Addition of the glossary	
22-05	28 Nov 2022	Adjustment of 4.2 (Mergers and Acquisitions: changes following consultation)	EIA_2022-464
22-06	21 Dec 2022	Small lay out update	
23-01	11 Jan 2023	Clarification of 4.2 Mergers and Acquisitions: unconditional offers - country specific situations	
23-02	8 May 2023	Addition of Spin-off Company not tradeable on ex-date to 4.1 Split up / Spin-off	
23-03	25 May 2023	Textual update from Oslo Tradeable Indices to Oslo Free Float Market Capitalisation Weighted Indices	
23-04	23 Oct 2023	3.5, 4.6: Explanation of corporate actions with effective date of Sunday or other non-trading days	
24-01	13 Feb 2024	Addition of Norwegian mandatory offers to 4.2 Mergers and Acquisitions: unconditional offers - country specific situations	

24-02	14 May 2024	Update on highly dilutive rights issues treatment	EIA_20240314-00254
24-03	30 July 2024	Clarification on highly dilutive rights issues treatment	

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Index

1. Introduction	2
2. Exceptional circumstances	3
3. Corporate Actions Affecting Weighting	4
3.1 Dividends	4
3.2 Stock splits and reverse stock splits	5
3.3 Rights issues	5
3.4 Partial tender offers on own shares	6
3.5 Adjustments due to corporate actions on a non-trading day	7
4. Corporate Actions Affecting Composition	8
4.1 Split up / spin off	8
4.2 Mergers and acquisitions	9
4.3 Inclusion of new companies	13
4.4 Suspensions, Company distress and Delistings	13
4.5 Delisting and Fast Exit for failing continuous eligibility criteria	13
4.6 Composition changes due to corporate actions on a non-trading day	14
5. Glossary of the key terms	15

1. INTRODUCTION

This document provides a description of the rules followed in Euronext Indices for the treatment of Corporate Actions and other events effecting constituents of indices. This document applies to all indices for which Euronext is the Administrator.

Corporate Actions are implemented on the Price Return Indices as per the methodologies described below. For specific Corporate Actions a difference in treatment can be applied depending on the type of Index (Free Float Market Capitalisation Weighted, Full Market Capitalisation Weighted or Non-Market-Capitalisation Weighted).

The type of index is described in each index family rulebook and also in the List of indices per benchmark family available on the [Euronext Website](#).

LIABILITY

Euronext and -where applicable- the Independent Supervisor are not liable for any losses resulting from supplementing, amending, revising or withdrawing the rules for the Euronext indices.

Euronext will do everything within its power to ensure the accuracy of the composition, calculation, publication and adjustment of the indices in accordance with relevant rules. However, neither Euronext, nor the Independent Supervisor are liable for any inaccuracy in index composition, share prices, calculations and the publication of an index, the information used for making adjustments to an index and the actual adjustments. Furthermore, Euronext and the Independent Supervisor do not guarantee the continuity of the composition of the index, the continuity of the method of calculation of an index, the continuity of the dissemination of the index levels, and the continuity of the calculation of the index.

2. EXCEPTIONAL CIRCUMSTANCES

In cases which are not expressly covered in these rules, operational adjustments will take place along the lines of the aim of the index. Operational adjustments may also take place if, in the opinion of Index Design, it is desirable to do so to maintain a fair and orderly market in derivatives on this index and/or this is in the best interests of the investors in products based on the index and/or the proper functioning of the markets. Index Design will report to the Independent Supervisor if it took a decision about a case which is not specifically covered in the rules for comments and review.

In exceptional circumstances, the Administrator reserves the right to deviate from the rules in this Index rulebook. This may be the case when, Index Design's opinion, a potential risk exists that application of the rules may result in an Index no longer accurately and reliably representing the market or economic reality it is intended to measure or, where this may have an unintended impact on stakeholders of the index. Where Index Design deems such deviation appropriate, it will submit the rationale for its decision to the Independent Supervisor of the Index if applicable.

3. CORPORATE ACTIONS AFFECTING WEIGHTING

3.1 DIVIDENDS

Adjustment for special dividend

Price Return Indices are adjusted only for dividends that are deemed special. The following criteria will be applied to decide whether a dividend should be considered a special dividend:

- a) The declaration of a company of a dividend additional to those dividends declared as part of the company's normal results and dividend reporting cycle; merely an adjustment to the timing of the declaration of a company's expected dividend would not be considered as a special dividend circumstance; or
- b) The identification of an element of a dividend paid in line with a company's normal results and dividend reporting cycle as an element that is unambiguously additional to the company's normal payment.

For the purpose of clarification, no adjustment will be made for the following situations:

1. Payment of ordinary dividends, irrespective of how they are financed;
2. Issue of redeemable shares or any other entitlement in lieu of an ordinary dividend; or
3. Unexpected increase or decrease, resumption or cessation, or change in frequency to an ordinary dividend.

The adjustment of the index takes place by a reduction of the closing price of the share in question. Subsequently the divisor will be adapted in order to maintain the index level. The adjustments will be based on gross declared dividend amounts.

Dividends declared in other currencies

If a dividend is declared in a currency other than the currency the Company is traded in, if there is an option to receive the dividend in the trading currency then this amount will be used. If the dividend amount is available only in other currencies than the traded currency, the dividend amount is converted to traded currency 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.

Dividends for Companies trading in other currencies

If a Company trades in a currency other than the Base Currency of the Index, the dividend will be converted to the Base Currency of the Index using the exchange rates as published by the ECB, for Indices that have a Base Currency other than Euro the applicable WM reference rate is to be used.

Ordinary dividends in shares

If a dividend is distributed in the form of shares only and if this is regarded as ordinary dividend, the return index will be reinvesting a cash equivalent of the dividend. If shareholders may choose between cash or shares the amount which is reinvested will be based on the cash option.

Bonus issues

For bonus issues the number of shares included in the index will be adjusted in accordance with the ratio of the bonus issue. The divisor will not be changed because of this.

In case a bonus issue is regarded as an entitlement in lieu of an ordinary dividend it will be treated as an ordinary dividend.

Cancelled or changed dividend

In case a company announces that it will change or cancel a dividend after the ex-date, the index will be adjusted by way of a reinvestment of the dividend. The adjustment will be

effective the day after the change or cancellation is announced by the company and, will be based on the index composition and divisor of the effective date of the adjustment. Note that this reinvestment can be negative or positive.

Index levels published before the adjustment, will not be recalculated.

3.2 STOCK SPLITS AND REVERSE STOCK SPLITS

For bonus issues, stock splits and reverse stock splits, the number of shares included in the index will be adjusted in accordance with the ratio given in the corporate action. The divisor will not be changed because of this.

3.3 RIGHTS ISSUES

In the event of a rights issue the treatment depends on how the index is weighted, a distinction is made between Free Float Market Capitalisation weighted indices, Non-Market Capitalisation Weighted indices and Full Market Capitalisation weighted Indices. Furthermore an exception exists for Oslo Investable Indices.

For rights issues subsequent to private placements, in which only shareholders not participating in the private placement can participate, Euronext will make no adjustment. Rights issues subsequent to private placements are referred to as repair issues in Norway.

The Indices will only be adjusted if the rights represent a positive value on the close before the ex-date. An adjusted closing price will be applied for the Company performing the rights issue based on the value of the rights, the value of the right is calculated as per the following formula:

$$\text{Value of the right} = \frac{\text{Close price cum date} - \text{dividend*} - \text{subscription price}}{\left(\frac{\#Rights}{\#New\ shares}\right) + 1}$$

**only applicable if dividend has the same ex-date*

Free Float Market Capitalisation Weighted Indices

Any adjustment will be made based on the shares currently in the index.

Dilutive rights issues

If less than 2 shares are added for every share that is currently held and if the new shares are fungible with the existing line of shares (e.g. no dividend disadvantage), the new shares are added to the index on the ex-date. The divisor will be adapted in such a way that the level of the index remains the same.

Highly dilutive rights issues

If two or more than two shares are added for every share that is currently held (highly dilutive), a separate temporary line to track the market value of the rights and a temporary subscription cash line will be included in the index on the ex-date. Underlying assumption for the addition of the temporary subscription cash line would be that the cash needed to buy the new shares will take place during the subscription period. The divisor will change at the ex-date as a result of the addition of the temporary subscription cash line.

If the rights are tradeable and traded on the ex-date, the traded price will be used for the market value of the rights. In case the rights are tradeable but are not traded on the ex-date, Euronext will use the theoretical value of the rights up till the moment the rights are traded. If the rights are not tradeable on the ex-date, Euronext will use the theoretical value of the rights.

After the subscription period has ended Euronext will use the last traded price for the valuation of the temporarily rights line.

The temporary lines are included within the index calculation and are deleted from the index after the close of the day the new shares are listed. The new shares are also consolidated into the existing share line against the subscription price after the close of the day the new shares are listed. This would effectively mean that the new shares will be part of the index on the second trading day of the new shares. The temporary rights line will be deleted at a price of zero. The divisor does not change at the moment the rights and cash are removed, and the new shares are included.

In case the rights hold no value at the end of the rights subscription period, Euronext holds the right to apply a different treatment.

Non-Market Capitalisation Weighted Indices

On the close before the ex-date the close price of the Company issuing the rights will be adjusted for the value of the rights. Subsequently the number of shares of the Company that is included in the index will be increased in order to maintain the weight of the Company in the index. The divisor will not change due to this adjustment.

Full Market Capitalisation Weighted Indices

For Full Market Capitalisation weighted indices, the index is adjusted based on the value of the rights only. The divisor will be adapted in such a way that the level of the index remains the same. Any shares coming from the Rights Issue will be added to the index once listed.

Oslo Free Float Market Capitalisation Weighted Indices (formerly known as Oslo Investable Indices)

For Free Float Market Capitalisation Weighted Indices with Oslo Børs as Administrator, the new shares will be included in the index on the ex-date of the rights issue and an adjusted closing price will be applied. The adjustment will be made based on the shares currently in the index. The divisor will be adapted in such a way that the level of the index remains the same. A full list of Oslo Free Float Market Capitalisation Weighted Indices is available [here](#).

Other Rights

The index will also be adjusted if a value can be attributed to a subscription right for convertible bonds, bonds with warrants or warrants with preferential rights for shareholders or similar situations.

If the value cannot be attributed straightforward, the Administrator may also decide to include the detached instrument for one day and adjust the index at the close based on the closing price for that instrument on that day.

3.4 PARTIAL TENDER OFFERS ON OWN SHARES

In the event of a partial tender offer on own shares, a distinction is made in the adjustment between Free Float Market Capitalisation weighted indices, Non-Market Capitalisation Weighted Indices and Full Market Capitalisation weighted Indices.

The Indices will only be adjusted in case the premium represents more than 5% of the share price of the close on the penultimate trading day before the ex-date (the day prior to the last day before the ex-day). The premium is calculated as the difference between the offered price and the closing price, multiplied by the percentage of the share capital targeted in the offer.

Free Float Market Capitalisation weighted Indices

For Free Float Market Capitalisation weighted indices, an adjusted close is calculated for the Company and the Number of Shares will be adjusted in line with the terms of the tender offer.

Non-Market Capitalisation Weighted Indices

For Non-Market Capitalisation weighted indices, an adjusted close is calculated for the Company in line with the terms of the tender offer.

Full market Capitalisation weighted indices

For Full Market Capitalisation weighted indices, an adjusted close is calculated for the Company in line with the terms of the tender offer.

If the divisor is adjusted, the number of shares in the index will be adjusted as well.

3.5 ADJUSTMENTS DUE TO CORPORATE ACTIONS ON A NON-TRADING DAY

In case a corporate action that is relevant for the weighting within an index has an effective date of Sunday or another non-trading date, the necessary price or divisor adjustment will be carried out after the close of the trading day prior to the effective date; in case not all information is available on this day, the adjustment will be carried out before the opening of the following day (after the effective date). Ordinary dividends are also carried out within the return calculation of the trading day after the effective date.

4. CORPORATE ACTIONS AFFECTING COMPOSITION

4.1 SPLIT UP / SPIN OFF

In the event that a Company included in the index is split up, the Companies resulting from the split, including the original Company where appropriate will continue to be included in the index providing they still meet the criteria for the Index Universe. The index may then temporarily consist of fewer than, or more than its standard number of constituents until the next periodical review takes place.

For the purposes of these rules a split up is taken to mean a legal demerger, a spin off or another situation which Index Design deems to be similar.

For the Company that is spun off, the number of shares included in the index will be adjusted in accordance with the ratio given in the corporate action. The Free Float Factor and Capping Factor of the spin-off company will be included with the same factors as the original Company. The Number of Shares, Free Float Factor and Capping Factor of companies resulting from the split, including the original company, will be updated in line with the Individual Index Rules at the next periodical Reviews.

For the purposes of these rules a split up is taken to mean a legal demerger, a spin off or another situation which Index Design deems to be similar.

The distribution by an index constituent of shares in a Company which is already listed is in principle treated as a spin off unless the distribution takes place in lieu of an ordinary dividend.

In the situation that the Company that is distributed is already a constituent of the Index, this will lead to a weight increase and where needed a correction factor applied for any difference in Free Float Factor.

In case the shareholder of the Company which was originally included in the index does not automatically receive shares in a Company which is created as a result of the split up, this Company is considered to be a newly listed Company and not a spin off.

The removal of any non-qualifying company resulting from a split up will take place after the close of the first day of trading in the shares of that Company. If all Companies resulting from the split are to be removed, the removal will take place at the close of the last trading day before the split.

Full market Capitalisation weighted indices

For full market-cap weighted Indices that are reviewed on a daily basis, the Number Of Shares of the resulting Companies will be updated to the listed number of shares as of the day after the ex-date.

In addition the Companies resulting from the split will be included in the Full Market weighted cap indices that are reviewed on a daily basis to which the Company is eligible as of the day after the Ex-date of the transaction.

Spin-off company not tradable on ex-date

In case the spin-off Company will not be tradeable on the ex-date, this Company will still be added to the Index. It will continue to be included in the index provided that they meet the criteria for the Index Universe. If the spin-off Company will be a non-qualifying Company, the removal will take place after the close of the actual first day of trading.

For the Company that is spin-off, the number of shares included in the index will be adjusted in accordance with the ratio given in the corporate action. The spin-off company will be included with the same Free Float Factor and Capping Factor as the original Company.

An estimated price will be assigned to the spin-off Company after close on the cum-day (the business day prior to the ex-date). This estimated price will be based on the following sources (not in order of preference):

- The "When-issued" price
- The price estimate of the relevant exchange
- A valuation from the Company
- A Broker estimate
- Other relevant sources established by Euronext

Euronext retains the right to adjust the estimated price at the open of the ex-date in case difference between the close price of the original company on the cum-day and the opening price of the parent company on the ex-date is not in line with the estimated price as assigned on the cum-day.

In case the spin-off Company is still not tradeable after 20 business days following the ex-date and no final trading date can be established by Index Design, Index Design will usually remove the spin-off Company from the index against a price of zero.

If a Review takes place while the spin-off Company is not tradeable and no final trading date can be established by Index Design, Index Design will usually remove the spin off company from the index against a price of zero at this Review. If a Review takes place while the spin-off Company is not tradeable but a final trading date has been established, the spin-off company is (potentially) eligible for Index inclusion. If removed at this Review it is done against the estimated price assigned by Index Design as described above.

All above mentioned specific treatments and possible exceptions will be announced via the usual communication channels to the market in a timely manner.

4.2 MERGERS AND ACQUISITIONS

For Mergers and Acquisitions, a distinction is made in treatment between Free Float Market Capitalisation weighted indices, Non-Market Capitalisation Weighted indices and Full Market Capitalisation weighted Indices and between a situation where a bid is made in cash and a situation where a bid is done in shares. In addition, Euronext will make adjustments to the index as from the moment an offer is considered unconditional.

Unconditional offer

Euronext considers an offer unconditional if three general conditions are fulfilled. Besides that, country specific situations may apply.

General

An offer is seen as unconditional when all of the following conditions are fulfilled:

- 1) All authorities have approved the transaction, there are no pending regulatory approvals anymore.
- 2) The acquirer deems the offer as successful (i.e. The minimum acceptance threshold as set by the acquirer has been achieved).
- 3) The acquirer has obtained control over more than 50% of the share capital.

Country specific situations

- France: For French offers, the official final result announcement by the AMF is the reference to consider the offer as successful
- United States and Canada: For US and Canadian companies, if the only condition left is regulatory approval and if the expected completion date is made public, the offer is considered unconditional
- Great Britain, Australia, New Zealand, Hong Kong and Singapore: In case of a Scheme of Arrangement, if the only condition left is Court hearing sanctioning the Scheme and if the expected completion date is made public, the offer is considered unconditional. The offer being considered unconditional will follow the expected completion date timeline.

- Norway: For Norwegian mandatory offers we consider the preliminary result after the offer period as the reference for considering the offer unconditional

Acquisitions in cash

Free Float Market Capitalisation weighted Indices

In case an offer is seen as unconditional and the acquirer has obtained control over more than 85% of the shares of the target company, the target company will be removed from the index. The removal will take place with effect after the close of the first full business day following the offer becoming unconditional. If a company is removed from the index, the divisor will be adapted to maintain the index level.

In case an offer is seen as unconditional and the acquirer has obtained between 50% and 85% (including 85%) of the shares of the target company, the target company will remain in the Index but a potential update of the Free Float Factor will take place. Euronext will conduct a new Free Float Factor analysis for the target company and takes into account the changes as result of the offer. In case the rounded Free Float Factor changes with 5% or more, this will be reflected in the index. This change will take place with effect after the close of the second full business day following the offer becoming unconditional. Note that Euronext rounds the Free Float Factor to the nearest 5%.

Euronext will use public sources and the published result of the offer to determine the new Free Float Factor. In case Euronext cannot determine from which shareholders the acquirer has obtained the shares, the Free Float Factor adjustment will just reflect all shares that are controlled by the acquirer.

If the acquirer extends the offer period while the acquirer has obtained between 50% and 85% (including 85%) of the shares of the target company after the initial offer period, Euronext will not make any adjustments and will wait for the end of the extended offer period to make any (potential) adjustment.

In case the acquirer has obtained more than 85% of the shares of the target company after the initial offer period while the offer period is also being extended, Euronext will remove the target company in line with the initial offer period. Note that these principles apply to every extension of the offer period, but does not apply to new offer periods after the (initial) offer has become unconditional. In this case the offer is treated as a new offer.

For Indices that have a Free Float Factor of 1 for all constituents, the target Company will not be removed from the index. The Company will only be removed at delisting.

For the non-standard situations of mandatory offers and offers with a tendered and untendered line specific treatments are required. These treatments are described below. For other non-standard situations Index Design can also apply a specific treatment. These specific treatments and details will be announced via the usual communication channels to the market in a timely manner.

Mandatory offers

For mandatory offers (whereby the bid is triggered by the crossing of a certain ownership threshold), Index Design will use the same thresholds as mentioned above.

Replacing ordinary line by tendered line

In the event that a tender offer results in an additional listed and active "tendered" line prior to the tendered shares being accepted and exchanged for settlement, Index Design will decide to switch to the tendered line if all the following conditions are met:

- 1) The offer is considered successful by the acquirer (i.e. the minimum acceptance threshold set by the acquirer has been achieved).
- 2) The acquirer obtained control over more than 50% of the share capital of the target company
- 3) An additional offer period is launched to tender shares
- 4) The tendered shares will still trade after the expiration of the additional offer period.

The switch to the tendered line will be announced two full business days in advance. In case the offer is later cancelled and the original shares are returned to the shareholders who did tender their shares, the Administrator will decide to include the original shares in the index again. This switch will also be announced two full business days in advance.

Non-Market Capitalisation Weighted Indices

In case an offer is seen as unconditional and the acquirer has obtained control over more than 85% of the shares of the target company, the target company will be removed from the index. The removal will take place with effect after the close of the first full business day following the offer becoming unconditional. If a company is removed from the index, the divisor will be adapted to maintain the index level. No changes will apply when an offer is seen as unconditional and the acquirer has obtained between 50% and 85% (including 85%) of the shares of the target company.

For Indices that are based on the PAB objective or CTB weighting procedure, in case the offer is seen as unconditional and the acquirer has obtained control over more than 50% of the shares of the target company, the target company will be removed from the Index. The removal will take place with effect after the close of the first full business day following the offer becoming unconditional. If a company is removed from the index, the divisor will be adapted to maintain the index level.

For the non-standard situations of mandatory offers and offers with a tendered and untendered line specific treatments are required. These treatments are described below. For other non-standard situations Index Design can also apply a specific treatment. These specific treatments and details will be announced via the usual communication channels to the market in a timely manner.

Mandatory offers

For mandatory offers (whereby the bid is triggered by the crossing of a certain ownership threshold), Index Design will use the same thresholds as mentioned above.

Replacing ordinary line by tendered line

In the event that a tender offer results in an additional listed and active "tendered" line prior to the tendered shares being accepted and exchanged for settlement, Index Design will decide to switch to the tendered line if the following conditions are met:

- 1) The offer is considered successful by the acquirer (i.e. the minimum acceptance threshold set by the acquirer has been achieved).
- 2) The acquirer obtained control over more than 50% of the share capital of the target company
- 3) An additional offer period is launched to tender shares
- 4) The tendered shares will still trade after the expiration of the additional offer period.

The switch to the tendered line will be announced two full business days in advance. In case the offer is later cancelled and the original shares are returned to the shareholders who did tender their shares, the Administrator will decide to include the original shares in the index again. This switch will also be announced two full business days in advance.

Full market Capitalisation weighted indices

For full market Capitalisation weighted indices, the target Company will not be removed from the index. The Company will only be removed at delisting.

Price used for removal

A Company removed from the index following an acquisition in cash will be removed using the last known traded price. In case the Company is suspended on the day of removal the price of the offer will be used.

Re-inclusion of a removed company

In the event that a company has been deleted from the index but retains a listing with a Free Float Factor of at least 10% (rounded) it will be considered for index eligibility following a period of three months after it has been removed from the index. The same logic will apply for companies that are taken over but were not part of a particular index, these companies will be eligible for index inclusion three months after they otherwise would have been removed from that index. All relevant data will be gathered based on the period after the offer situation has ended. Note that index specific eligibility rules can be applicable here as well.

Mergers and takeovers in shares

Free Float Market Capitalisation weighted Indices and Non-Market Capitalisation Weighted Indices

In the event of a merger, acquisition or similar situation where the bid is made in the form of shares, the constituent will be replaced by the newly formed company, provided that the offer is unconditional and such company will be included in the Index Universe and complies with continuous eligibility criteria as defined in the index reviews section, if applicable. The replacement will take place in line with the schedule of the transaction. The replacement of the shares of the relevant index constituent by the shares of the newly formed company will be executed on the basis of the bid ratio.

In case the company will not be included in the Index Universe or does not comply with the continuous eligibility criteria as defined in the index review section while the bid has become unconditional, the target company will be removed from the index. The removal will take place with effect after the close of the first full business day following the offer becoming unconditional.

Full market Capitalisation weighted indices

For full market Capitalisation weighted indices, the target Company will not be removed from the index. The Company will only be removed at delisting.

Mixed transactions

In case a of a mixed bid of cash and shares the bid will be treated as merger in shares if the share part amounts to at least 75% of the offer price, on the day of the publication of the terms of the offer. The replacement of the shares of the relevant index constituent by the shares of the company that continues to be traded will be executed on the basis of the bid ratio. The divisor will be adapted only for the cash part of the offer price.

Other non-standard situations

Index Design reserves the right to apply a specific treatment in non-standard situations. This includes (but is not limited to) competing bids with differing closing dates or structures and takeovers in which a company as result of the transaction lacks any meaningful assets (as determined by Index Design in its sole discretion), whether effected by way of a direct acquisition by the issuer or a subsidiary, an acquisition by a new holding company of the issuer, a legal merger, demerger or otherwise, of a business, a company or assets which in substance

results in a fundamental change in the business. A separate announcement detailing the specific treatment will be issued timely to the market.

4.3 INCLUSION OF NEW COMPANIES

Free Float Market Capitalisation weighted Indices and Non-Market Capitalisation Weighted Indices

As a rule newly listed companies are considered for inclusion in the index at the time of the periodical index review.

Full market Capitalisation weighted indices

For Full Market Capitalisation weighted Indices newly listed companies may be considered for inclusion on a daily basis.

4.4 SUSPENSIONS, COMPANY DISTRESS AND DELISTINGS

Suspension

In the event that the trading in shares is suspended, the last known price established during regular daytime trading will be used for the calculation of the index.

Free Float Market Capitalisation weighted Indices and Non-Market Capitalisation Weighted Indices

If a constituent is suspended, Index Design will consider whether the constituent should be removed or not within five trading days. If it is decided to maintain the constituent a further reassessment date will be set. Index Design reserves the right to take action before that date if new developments give reason to do so.

In case a constituent is removed following suspension, it will be removed from the index as soon as possible and on a day determined by Index Design. The company will be removed from the index after the close of the markets assuming a price of zero unless Index Design sets a different price, where possible supported by an objective source.

Full market Capitalisation weighted indices

For Full market Capitalisation weighted indices removal of suspended Companies will take place at the moment of delisting or, if applicable, on the occasion of a periodical review.

4.5 DELISTING AND FAST EXIT FOR FAILING CONTINUOUS ELIGIBILITY CRITERIA

Delisting

Free Float Market Capitalisation weighted Indices and Non-Market Capitalisation Weighted Indices

If it has been announced that a constituent will be delisted from the relevant market, it will be removed from the index after the close of the fifth (full) business day after the (official) announcement. In case of short time notice Index Design may determine an earlier date of removal. The constituent will be removed from the index based on either the last known price established during regular daytime trading or on a price determined by Index Design, whereby the company may also be removed at a price of zero.

Removing assuming a price of zero implies no divisor change because of the removal. If another price is set, the divisor will change based on the removal of the value of that company from the index portfolio when applying that price.

Full market Capitalisation weighted indices

For full market capitalisation weighed indices, the removal will take place at the close of the last day of trading before the delisting using the last traded price.

Not meeting continuous eligibility criteria

Constituents for which it has been established that they do not meet the continuous eligibility criteria formulated for the Index Universe will be removed after the close of the fifth (full) business day after the relevant event. The constituent will be removed from the index based on the last known price established during regular daytime trading.

4.6 COMPOSITION CHANGES DUE TO CORPORATE ACTIONS ON A NON-TRADING DAY

In case a corporate action that is relevant for the composition of an index has an effective date of Sunday or another non-trading date, any necessary changes to the index will only be reflected after the close of the trading day prior to the effective date. In case not all information is available on this day, the adjustments will be carried out before the opening of the day following the effective date.

Moreover, for cases where a day count is required (e.g. a removal of a company after five full business days after the official delisting announcement), only Monday-to-Friday business days are considered.

5. GLOSSARY OF THE KEY TERMS

Term	Definition
Acquisition of a company	In an acquisition, one company purchases another outright. An acquisition is when one company purchase most or all of another company's shares to gain control of that company.
Administrator	<p>Administrator means a natural or legal person that has control over the provision of a benchmark. Each Euronext Market operator ("Euronext") was registered as a EU Benchmark Administrator with their relevant competent authority. Within Euronext there are 5 administrators:</p> <ul style="list-style-type: none"> • Euronext Amsterdam NV • Euronext Brussels NV/SA • The Irish Stock Exchange plc, trading as Euronext Dublin • Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A. • Euronext Paris SA <p>Note: Oslo Børs ASA will be added in due course.</p>
Capping Factor	The capping factor aims to adjust the weight of companies weighting more than a specific maximum value.
Corporate Actions	Corporate action embrace operations that will affect a security. More details on the treatment in Euronext Indices can be found in the Corporate Actions Rulebook available on the website of Euronext: euronext.com/index-rules .
Free float market capitalization	Free Float Market Capitalization, is a measure of the size of a Company and is calculated by multiplying the listed shares of a Company with the Free Float Factor of a Company and the closing price of a Company.
Free Float Factor	The Free Float Factor is the percentage representing all listed securities of the selected line of the relevant company eligible for index inclusion, minus any shareholdings that are considered non-free float. The Free Float Factor is based on public information available on the Review Cut-Off Date. The Free Float Factor will be rounded to the nearest 5%.
Full market capitalization	Full market capitalization is a measure of the size of a company in which all the outstanding shares of a company are considered while calculating its market capitalization.

Independent Supervisor	The Independent Supervisor (also known as the Steering Committee) is an external committee that is responsible for the majority of index families and in particular approves changes relating to the constituent methodology of them.
Index	An Index measures the performance of a basket of securities intended to replicate a certain area of the market using a standardized metric and methodology.
Index Design	The Index Design department, also referred to as "Index Design" is responsible for the creation, development, review and interpretation of index methodologies.
Index universe	The Index universe specifies the markets or regions that form the starting point of the index composition. In addition to this specific eligibility criteria may be formulated that companies need to comply with on an ongoing basis.
Merger of a company	A merger is an agreement that unites two existing companies into one new company.
Reverse stock split	A reverse stock split is a type of corporate action that consolidates the number of existing shares of stock held by shareholders into fewer (higher-priced) shares. A reverse stock split does not directly impact a company's value (only its stock price).
Spin off	A spin off is meant to be a corporate event where existing shareholders receive shares in a newly listed Company.
Stock split	A stock split is a corporate action in which a company divides its existing shares into multiple shares. A stock split does not directly impact a company's value (only its stock price).

Overview of Rulebooks and other documents applicable for Euronext Indices

The following documents, all available on or via the following link: <https://www.euronext.com/en/indices/index-rules> should be read in conjunction with this document or provide other relevant information for the reader.

BENCHMARK STATEMENT

The Benchmark Statement identifies the primary features of an index family or families of indices in the context of the EU Benchmark regulation. For ESG based indices it also contains disclosure of ESG factors and reporting of scores.

COMPLIANCE STATEMENT

The Compliance Statement provides details, for both significant and non-significant benchmarks, for which provisions the Administrator has chosen not to apply, and offers an explanation as to why it is appropriate not to apply each provision.

GOVERNANCE EURONEXT INDICES

The purpose of the 'Governance Euronext Indices' is to describe the role and responsibilities of each of the governance bodies that are part of the Benchmark Administrators of Euronext.

RULEBOOK OF EACH FAMILY OF INDICES

Each index is part of an index family that shares the basis for selection (universe) and which is managed in a comparable way. A separate rulebook is provided for each index family that will describe the specific features of that index family as well as specific elements of each index within that family.

INDEX CALCULATION AND PERIODICAL REVIEW Euronext Indices

The Methodology Euronext describes all common aspects that apply for the

- periodical reviews, and
- the calculation of indices

EURONEXT INDICES CORPORATE ACTION RULES

- treatment of corporate actions

of indices provided by Euronext Indices.

EURONEXT ESG PROVIDERS METHODOLOGIES

An overview of various methods applied by providers of ESG scorings and labels

PROCEDURES EURONEXT INDICES

These rulebooks describe the various procedures that are applied for all Euronext Indices:

- Correction Policy
- Announcement Policy
- Complaints Procedure
- Consultations Procedure
- Procedure For Cessation of Indices

RULES OF PROCEDURE INDEPENDENT SUPERVISORS

For each Independent Supervisor Euronext publishes a 'Rules of Procedure' that describes the responsibilities and composition of each Independent Supervisor.

BENCHMARK OVERSIGHT COMMITTEE CHARTER

The Benchmark Oversight Committee Charter describes the role and responsibilities of the Benchmark Oversight Committee.