

INDEX RULE BOOK

Euronext[®] Biodiversity Screened Eurozone 50

Version 21-01

Effective from 15 Dec 2021

indices.euronext.com

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1. GENERAL

This document is applicable to the Euronext® ESG Biodiversity Screened Eurozone 50 ("Index Family"), which consists of all the Indices as mentioned in the Reference Table.

The Euronext ESG Biodiversity Screened Eurozone 50 is designed to reflect the price level trends in the trading of shares listed in the Eurozone.

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 Dec 2021	Restyled version in view of newly published Calculation and Corporate Actions rulebook	

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 days before the Review Effective Date.

Review Weighting Announcement Date: Two days before the Review Effective Date.

2.2 REVIEW SELECTION

Step 1: Index Universe

Index Universe definition

The index universe consists of all companies included in the Euronext Eurozone 300 Index at reviews.

At reviews this means included in the reference index after the close of the Review Effective Date.

Step 2: Eligibility screening at reviews

The list of Companies is reduced by a series of screens. The Companies with any of the following characteristics, as provided by Sustainalytics, are excluded:

- Companies with a Free float market capitalisation lower than 2 Billion euros.
- Companies with Biodiversity scores of 5 or 6, as provided by Iceberg Datalab
- Companies among the worst 25% ESG Risk score, as provided by Sustainalytics, from the starting universe
- Tobacco:
 - o Companies with % of turnover derived from Production of tobacco > 0%, as provided by Sustainalytics
 - o Companies with % of turnover derived from the Distribution of tobacco > 10%, as provided by Sustainalytics
- Thermal Coal:
 - o Companies with % of turnover derived from Thermal Coal Mining >0%, as provided by Sustainalytics
 - o Companies with % of turnover derived from Thermal Coal Fuel Power Generation >10%, as provided by Sustainalytics
- Oil and Gas:
 - o Companies with % of turnover derived from Oil Sands Extraction >0%, as provided by Sustainalytics

- Companies with % of turnover derived from Shale Energy Extraction >5%, as provided by Sustainalytics
- Companies with % of turnover derived from Companies involved in Oil & Gas Exploration, Production >10%, as provided by Sustainalytics
- Companies with % of turnover derived from Electricity Generation from Oil & Gas >10%, as provided by Sustainalytics
- Controversial Weapon
 - Civilian Firearms (Assault and Non-assault) Weapons, as provided by Sustainalytics
 - Evidence of activity in Anti-Personnel Mines, Biological and Chemical Weapons, Cluster Weapons, Depleted Uranium, Nuclear Weapons, or White Phosphorus, as provided by Sustainalytics
- United Nation Global Compact:
 - Companies flagged Non-compliant, as provided by Sustainalytics

The remaining companies are eligible for inclusion.

The Euronext ESG Providers Methodologies document gives a detailed background on various scoring methodologies, controversial activities and controversies assessments.

Step 3: Selection ranking

The eligible companies are ranked by Free float market capitalisation.

Step 4: Selection of constituents at the review

The 50 highest ranked companies are selected.

2.3 PERIODICAL WEIGHTING UPDATE

Weighting method

The index is Free Float Market Capitalization weighted. The Weighting Factors are explained in the following paragraphs.

Number of shares

At each review, the number of shares included in the index will be updated with the number of shares listed on the Review Cut-Off Date.

Free Float factor

All Free Float Factors are updated at each review.

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 ESG Biodiversity Screened Eurozone 50	FRESG0000090	EBSEP	ESGBIOEP	.EBSEP	01/01/2010	1000	18/11/2021	Price
Euronext ESG Biodiversity Screened Eurozone 50 NR	FRESG0000108	EBSEN	ESGBIOEN	.EBSEN	01/01/2010	1000	18/11/2021	Net Return
Euronext ESG Biodiversity Screened Eurozone 50 GR	FRESG0000116	EBSEG	ESGBIOEG	.EBSEG	01/01/2010	1000	18/11/2021	Gross Return
Euronext ESG Biodiversity Screened Eurozone 50 Decrement 4%	FRESG0000124	EBSE4		.EBSE4	01/01/2010	1000	18/11/2021	Decrement 4% on NR
Euronext ESG Biodiversity Screened Eurozone 50 Decrement 5%	FRESG0000132	EBSE5	ESGBIOE5	.EBSE5	01/01/2010	1000	18/11/2021	Decrement 5% on NR

3.2 BASE CURRENCY

The Base Currency of this index family is Euro.

3.3 PUBLICATION

The opening index level is disseminated at the same time as the first index level.

The index is calculated based on the most recent prices of transactions concluded on the relevant markets. 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 the Euronext Markets are open for trading.

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 ESG Biodiversity Screened Eurozone 50 Index
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:	<ul style="list-style-type: none"> • ESG Risk score • Revenue involvement in Production of tobacco • Revenue involvement in Distribution of tobacco • Revenue involvement in Thermal Coal Mining • Revenue involvement in Thermal Coal Fuel Power Generation >10% • Revenue involvement in Oil Sands Extraction • Revenue involvement in Shale Energy Extraction • Revenue involvement in Oil & Gas Exploration, Production • Revenue involvement in Electricity Generation from Oil & Gas • Revenue involvement in Civilian Firearms (Assault and Non-assault) Weapons • Evidence of activity in Anti-Personnel Mines, Biological and Chemical Weapons, Cluster Weapons, Depleted Uranium, Nuclear Weapons, or White Phosphorus • United Nation Global Compact compliance assessment • Biodiversity score
b) List of social factors considered:	<ul style="list-style-type: none"> • ESG Risk score • United Nation Global Compact compliance assessment
c) List of governance factors considered:	<ul style="list-style-type: none"> • ESG Risk score • United Nation Global Compact compliance assessment

Item 6. Data and standards used.

a) Data input.

(i) Describe whether the data are reported, modelled or, sourced internally or externally.

(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.

Sustainalytics:

- ESG Risk score
- Revenue involvement in Production of tobacco
- Revenue involvement in Distribution of tobacco
- Revenue involvement in Thermal Coal Mining
- Revenue involvement in Thermal Coal Fuel Power Generation >10%
- Revenue involvement in Oil Sands Extraction
- Revenue involvement in Shale Energy Extraction
- Revenue involvement in Oil & Gas Exploration, Production
- Revenue involvement in Electricity Generation from Oil & Gas
- Revenue involvement in Civilian Firearms (Assault and Non-assault) Weapons
- Evidence of activity in Anti-Personnel Mines, Biological and Chemical Weapons, Cluster Weapons, Depleted Uranium, Nuclear Weapons, or White Phosphorus
- United Nation Global Compact compliance assessment

Sustainalytics applies several measures to ensure consistency in application of the methodology. Firstly, all analysis is conducted in line with our methodology and guidelines. This ensures that research, particularly when qualitative in nature, remains consistent. The data we use includes publicly disclosed, Artificial Intelligence (AI) and assessments by our experienced analysts.

Artificial Intelligence: Sustainalytics sources issuer disclosures through the use of artificial intelligence. Once the sources have been identified, they are thoroughly assessed by our analyst team for completeness and consistency, and for interpretation. In addition, before publication of the ESG Risk Ratings and Research, issuers are contacted for feedback. Issuers are also contacted in case of a significant or severe Controversy. When issuers can provide sufficient proof for management indicators, this will be taken into consideration.

	<p>Publicly disclosed information: Sustainalytics' issuer research is based on publicly disclosed information. On a daily basis we screen over 80,000 media sources using artificial intelligence, sourced by LexisNexis. As part of our research cycle, we do give issuers the opportunity to give feedback on our findings. If they can provide sufficient proof, we will take this into consideration. The response rate of issuers has increased substantially over the recent years, reflecting the recognition of corporates that ESG issues are material and affect their ability to attract investors.</p> <p>Analyst Research: Sustainalytics have over 650 data analysts and specialists focused on fund collection and processing, quality assurance, fund company relationships, and client support which is a significantly larger team than our closest competitor. This team is situated across our global offices in 27 countries and the local presence ensures that we understand the distinct nuances of the underlying content and our customer needs in every country and region.</p> <p>To maximise our data processing speed and efficiency, we take advantage of our geographical dispersion to collect the most relevant data by country and investment type and to keep our "data factory" working 24 hours a day</p> <p>Iceberg Datalab:</p> <ul style="list-style-type: none"> • Biodiversity score The CBF score is derived from the Corporate Biodiversity Footprint financial ratio (km².MSA/€Mn). This indicator was developed and is calculated by Iceberg Data Lab. It results from the use of an internal model
<p>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></p>	<p>Sustainalytics:</p> <p>Data Quality</p> <p>- Operational Management: Business processes and tools are in place for universe maintenance, research planning, monitoring of timely publication and tracking of production targets.</p>

- Productivity Tools: Our internal research platforms and databases are continuously enhanced to ensure research data integrity as well as efficient data collection and processing.

- Data Management: Systems are in place for the periodic collection and verification of non-research data (e.g. company identifiers) and ensuring the integrity of all data points from backend to front-end.

- Automated end-of-gate quality checks: Daily automated quality control systems are in place to ensure the accuracy and integrity of ESG Ratings pre-publication, flagging outliers and unusual patterns to avoid unwarranted rating volatility.

- Data Delivery Systems: Our online client portal (Global Access) and data services are maintained daily and continuously improved to give a comprehensive and accurate representation of our products.

- Data Deliverables: Automated and manual quality assurance checks are run on all periodic and on-off custom client deliverables.

Product/Service Quality

- Research Product Innovation: As we continuously expand and improve our offering, the client impact of any structural product changes is thoroughly assessed prior to implementation.

- Service Innovation: As we continuously expand and improve our digital services to clients, any new features are thoroughly tested before being released to clients.

- New Product Launches: A well-defined Stage-Gate process has been put in place to carefully manage product launches and ensure quality, at the launch and beyond.

Iceberg Datalab:

Each analyst is trained on the methodology and cannot validate an analysis until his/her probation period is over.

Each file is controlled by a second pair of eyes, either a Senior Analyst or the Managing Director

Every error is monitored through an internal tracking tool (Youtrack) ensuring the traceability of errors, the fact that they are corrected and following up onto recurring mistakes or methodological bias

c) Reference standards

Describe the international standards used in the benchmark methodology.

Sustainalytics:

Through our norms based screening, Global Standard Screening, we cover a broad range of international norms and standards including; UN Global Compact Principles (UNGC), UN Guiding Principles on Business and Human Rights (UNGPs), OECD Guidelines for Multinational Enterprises and Related Conventions.

Iceberg Datalab

The CBF was developed using state of the art academic studies about the quantitative assesment of Biodiversity impact. A comprehensive list of the bibliography can be provided on demand. Other sources or standards used are the Globio model, IEA and FAO scenarios and dataset.

Information updated on:

17/11/2021

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.