

INDEX RULE BOOK

Euronext® Family Business Index

Version 21-01

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indices.euronext.com

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1. GENERAL

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

The Euronext Family business Index is designed to reflect the price level trends in the trading of shares listed in Euronext markets.

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	

2. INDEX REVIEWS

2.1 REVIEW FREQUENCY AND RELEVANT DATES

Review frequency: Annual

Review Effective Date: After the close of the last trading day of June.

Review Cut-Off Date: The penultimate Friday of May.

Review Announcement Date: At least two days prior to the Review Effective Date.

Review Weighting Announcement Date: Two days prior to the Review Effective Date.

2.2 REVIEW SELECTION

Step 1: Index Universe

Index Universe definition

The Index Universe consists of Companies admitted to listing on Euronext markets on compartments A, B, C and Euronext Growth.

Step 2: Eligibility screening at reviews

Companies that have been admitted less than one year on the Review Cut-Off Date are not eligible.

Within the universe the companies qualifying as a Family Business as assessed by EM Lyon Business School are eligible.

EM Lyon Business School analyses the companies from the Index Universe and determines whether or not they qualify as a family business based on the % shareholding belonging to a person or family, the capacity of the latter to influence the decisions, and the intent to transmit the business to the next generation.

EM Lyon follows the below criteria:

1. Ownership Presence of one family or more (directly or indirectly) in the business shareholders.
2. Control of the sovereign power Families must own at least 25% of the voting rights; if not, a gap in ownership of the voting rights or of the capital, superior to twice the ownership of the next shareholder.
3. Control of the power of supervision A significant and directly effective influence within the supervisory body, characterized by the presence of family shareholders or their representatives within the governing body, owing the majority of seats outside of the employee board members and those said to be independent.
4. Control of the executive power A significant and directly effective influence within the executive body, characterized by the family owning at least the CEO position, and if not, by family members owning the majority of the executive positions.
5. Generational transmission or the determination to pass on to the next generation Effective transmission is validated if family shareholders are descendants of the founders. Whereas the determination to pass on is identified by the presence of family members within the supervisory or the executive board, with a generational gap with the oldest family member.

Step 3: Selection Ranking

Three categories are defined as follows: large for compartment A, medium for compartment B and small for compartment C and Euronext Growth

Companies are ranked within each category based on median daily turnover as observed in the 12 months up to and including the Review Cut-Off Date. In case of equal median daily turnover the Company with the higher average daily turnover is preferred.

A secondary ranking is made based on full market capitalisation.

Step 4: Selection of constituents at the reviews

The set of companies that are among the 80% highest ranking companies will form the selection ranking. If fewer than 30 Companies qualify for the selection ranking in a given category, the Companies with highest median daily turnover will be added until there are 30 companies in each category. Subsequently, the selection is conducted such that the index is composed of 90 companies: the 30 highest ranking companies based on full market capitalisation in each category are selected.

2.3 PERIODICAL WEIGHTING UPDATE

Weighting method

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

The Weighting Factors are explained in the following paragraphs.

Number of shares

The new weightings are calculated such that each constituent will have an Equal weight per category.

Categories	Number of components(n)	Weight per category(w)	Components weight rounded	Components weight unrounded
Large	30	50%	1.67%	50/30
Medium	30	35%	1.17%	35/30
Small	30	15%	0.50%	15/30

If the number of components(n) deviates from 30 within a Category (due to a takeover, split up or similar event), the Component weight will be determined as w/n . The Weight per category will be maintained as pictured above.

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

Free Float factor

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

Capping Factor

The Capping Factor is not applied for the weightings of this Index Family.

3. REFERENCES

3.1 REFERENCE TABLE

Index name	Isincode	Mnemo	Bloom-berg Code	Reuter s code	Base date	Base value	Publication since	Index Type
Euronext® Family Business	NL0012171292	ENFAM	ENFAM	.ENFAM	15/04/2016	1000	21/02/2017	Price
Euronext® Family Business NR	NL0012171300	ENFAN	ENFAN	.ENFAN	15/04/2016	1000	21/02/2017	Net Return
Euronext® Family Business GR	NL0012171318	ENFAG	ENFAG	.ENFAG	15/04/2016	1000	21/02/2017	Gross Return

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 Family Business
Item 4. Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	No
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:	Not applicable
b) List of social factors considered:	Not applicable
c) List of governance factors considered:	Not applicable
Item 6. 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
Information updated on:	April 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.