

# **INDEX RULE BOOK**

**Euronext Vigeo Euro 120**

Version 21-01

Effective from 15 Dec 2021

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

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## 1. GENERAL

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This document is applicable to the Euronext® Vigeo Euro 120 (“Index Family”), which consists of all the Indices as mentioned in the Reference Table.

The objective of the Euronext Vigeo Euro 120 is 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.

Euronext N.V. or its subsidiaries (hereinafter jointly “Euronext”) owns all intellectual and other property rights to the index, including the name, the composition and the calculation of the index. Information regarding trademarks and intellectual property rights of Euronext is located at <https://www.euronext.com/terms-use> .

### 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

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### 2.1 REVIEW FREQUENCY AND RELEVANT DATES

**Review frequency:** semi-annually

**Review Effective Date:** After the market close of the last trading day of May and November.

**Review Cut-Off Date:** The market close on the last day in April and October.

**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 Eurozone Equitics Universe – covering the 500 issuers amongst the largest free-float market capitalizations in the Eurozone.

##### Continuous eligibility screening

For this index no specific continuous eligibility requirements apply.

#### Step 2: Eligibility screening at reviews

V.E may exclude companies if:

- Their level of commitment is insufficient with regard to their overall score or their score in one of six key areas reviewed in the Equitics methodology (please refer to the Euronext ESG Providers Methodologies for more details).
- They are subject to serious, proved, or recurrent controversies; seriously implicated in recent allegations which remain unresolved; or, face recent condemnation to which the company fails to provide corrective measures, or adopts an attitude of denial.

The index does not exclude companies on the basis of values or ethical based assessment, unless a company has a product or activity which is prohibited by law or international conventions.

#### Step 3: Selection Ranking

V.E assesses and rates the performances of companies according the Equitics® methodology based on 38 criteria, divided in to six key areas of corporate environmental, social and governance responsibility, namely:

- Environment.
- Human Rights
- Human Resources

- Community Involvement.
- Business Behaviour
- Corporate Governance

### **Overall score**

Each issuer is assigned an overall Equitics score out of 100 which is a weighted and consolidated score of all sustainability factors in a given sector.

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

Euronext Vigeo Euro 120 is composed of the 120 highest-ranking companies in the Index Universe.

## **2.3 PERIODICAL WEIGHTING UPDATE**

### **Weighting method**

The index is Non-Market Capitalisation weighted, based on Equitics scores.

The Weighting Factors are explained in the following paragraphs.

### **Number of shares**

The new weightings are calculated such that each constituent's weight reflects the score of the company divided by the total sum of the scores of all components.

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

### **Free Float factor**

The Free Float Factor is not applicable for the weighting of this Index Family.

### **Capping Factor**

A maximum weighting of 10% is applied to each index constituent at the reviews. The assessment and new capping coefficients are based on the Review Cut-Off Date.

### 3. REFERENCES

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#### 3.1 REFERENCE TABLE

Index name	Isincode	Mnemo	Bloomberg Code	Reuters code	Base date	Base value	Publication since	Index Type
Euronext Vigeo Euro 120 Index	QS0011256201	ENVEO						Price
Euronext Vigeo Euro 120 NR Index	QS0011256219	ENVON						Net Return
Euronext Vigeo Euro 120 GR Index	QS0011256227	ENVOG						Gross Return

#### 3.2 BASE CURRENCY

The Base Currency of this index family is Euro.

#### 3.3 PUBLICATION

The opening level is calculated using the last known prices of traded constituents or in the case of constituents that have non-traded, halted or suspended status, the previous day reference prices or estimated prices (for IPOs, buyouts and swap offers).

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

The level of the index is in principle published every 15 seconds starting from 09.00 hours until 18.35 (CET).

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 Paris
<b>Item 2.</b> Type of benchmark	Equity Benchmark
<b>Item 3.</b> Name of the benchmark or family of benchmarks.	<b>Euronext Vigeo Euro 120</b>
<b>Item 4.</b> Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	Yes
<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:	<p>Equitics score</p> <p>Selection:</p> <p>Euronext Vigeo indices are composed of the highest-ranking listed companies as evaluated by the V.E agency in term of their performance in corporate responsibility. All companies are included in the Equitics universe of the geographical zones in question.</p> <p>Exclusion:</p> <p>V.E may exclude companies if:</p> <ul style="list-style-type: none"> <li>- Their level of commitment is insufficient with regard to their overall score or their score in one of six key areas reviewed in the Equitics methodology.</li> <li>-They are subject to serious, proved, or recurrent controversies; seriously implicated in recent allegations which remain unresolved; or, face recent condemnation to which the company fails to provide corrective measures, or adopts an attitude of denial.</li> </ul> <p>Weighting:</p> <p>Companies weights are calculated accordingly to their respective Equitics scores. The weighting of each component at the review date reflects the score of the company divided by the total sum of the scores of all components.</p>
b) List of social factors considered:	Please refer to a)
c) List of governance factors considered:	Please refer to a)
<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>	<p>V.E provides:</p> <ul style="list-style-type: none"> <li>• Equitics/ESG score</li> </ul> <p>The ESG score is based on a 2-step approach:</p>



<p><i>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</i></p>	<p>Step 1: V.E assesses and rates the performances of companies according the Equitics® methodology based on 38 criteria, divided in to six key areas of corporate environmental, social and governance responsibility</p> <p>Step2 – Overall score Each issuer is assigned an overall score out of 100 ( the higher the better) which is a weighted and consolidated score of all sustainability factors in a given sector.</p>
<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>V.E represents and warrants that to the best of its knowledge the Methodology is robust and reliable, rigorous and capable of validating and verifying including, but not limited to, the following:</p> <ul style="list-style-type: none"> <li>• shall promptly correct any errors made in its computations of the Data and inform Euronext thereof, immediately.</li> <li>• periodically review the Methodology</li> <li>• has clear written rules identifying how and when discretion may be exercised when deviating from the methodology</li> <li>• will inform Euronext prior to making any material change to the Methodology and will provide Euronext with the rationale for such change.</li> </ul>
<p>c) Reference standards <i>Describe the international standards used in the benchmark methodology.</i></p>	<p>V.E : the methodology behind ESG performance indicators and the assessment of controversies severity is based on the following international standards :</p> <ul style="list-style-type: none"> <li>• Global Reporting Initiative (GRI)</li> <li>• OECD Guidelines for Multinational Enterprises, and sectorial guidance</li> <li>• G20/OECD recommendations on Corporate governance</li> <li>• UN Conventions and recommendations,</li> <li>• UN Global Compact Principles</li> <li>• UN Sustainable Development Goals</li> <li>• ILO Conventions , including the core ones, and recommendations</li> <li>• TFCFD recommendations</li> <li>• Paris Agreement (UNFCCC)</li> </ul>
<p><b>Information updated on:</b></p>	<p>April 2021</p>

## 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.