

INDEX RULE BOOK

Euronext Water and Ocean Europe 40 EW

Version 21-01

Effective from 15 Dec 2021

indices.euronext.com

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1. GENERAL

This document is applicable to the Euronext Water and Ocean Europe 40 EW family ("Index Family"), which consists of all the Indices as mentioned in the Reference Table.

The Euronext Water and Ocean Europe 40 EW family is designed to reflect the price level trends in the trading of shares listed in Europe.

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 market close of the third Friday of December.

Review Cut-Off Date: After the market close of the penultimate Friday of 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 the Companies included in the Euronext Europe 500 index and trading in the following currencies: EUR, DKK, SEK and NOK. At reviews this means included after the Review Effective Date.

Step 2: Eligibility screening at reviews

Companies with a free float market capitalization below €3B at the Review Cut-off Date and Companies with an average daily turnover below €25M over the last 100 trading days before the Review Cut-off Date are not eligible.

Step 3: Selection Ranking

The eligible Companies are ranked according to the Water & Ocean performance score, as evaluated by ISS-ESG. In case of an equal score the Company with the highest free float market capitalisation will rank higher.

The Euronext ESG Providers Methodologies document gives a detailed background on various scoring methodologies.

Step 4: Selection of constituents at the reviews

The top 40 ranked in terms of Water & Ocean score are selected.

2.3 PERIODICAL WEIGHTING UPDATE

Weighting method

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

The Weighting Factors are explained in the following paragraphs.

Number of shares

The Number of Shares will be calculated such that each Company will have an equal weight in the Index. The Number of Shares will be rounded to the nearest whole number.

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 this Index Family.

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 Water and Ocean Europe 40 EW	NL0013908825	WATPR	WATERPR	.WATPR	21/12/2009	1000	02-10-2019	Price
Euronext Water and Ocean Europe 40 EW NR	NL0013908833	WATNR	WATERNR	.WATNR	21/12/2009	1000	02-10-2019	Net Return
Euronext Water and Ocean Europe 40 EW GR	NL0013908841	WATGR	WATERGR	.WATGR	21/12/2009	1000	02-10-2019	Gross Return
Euronext Water and Ocean Europe 40 EW Decrement 5%	NL0013908858	WAT5D	WATER5D	.WAT5D	21/12/2009	1000	02-10-2019	Decrement 5% on NR
Euronext Water and Ocean Europe 40 EW Decrement 4%	NL0013908866	WAT4D	WATER4D	.WAT4D	21/12/2009	1000	02-10-2019	Decrement 4% on NR

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 level of the Indices are in principle published every 15 seconds starting from 09:00.

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

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 Water and Ocean Europe 40 EW 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:	Water and Ocean score Selection : The 40 highest-ranking Water & Ocean score are selected.
b) List of social factors considered:	not applied
c) List of governance factors considered:	not applied
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>	ISS-ESG provides : • Water & Ocean score The scoring methodology includes a risk and opportunity approach. The Water & Ocean score is computed as a weighted average of three sub-scores: Contribution - how products and services offered by the company contribute to the achievement of SDG 6 (Water and Sanitation). The pillar is measured with the percentage of net sales: to achieve a high sub-score, the company should have a high share of net sales with positive impact on the SDG 6. Managing scarcity: this pillar assesses the performance of a company in the management of water resources. It includes notably the historical evolution of freshwater use (measured by water withdrawal over time), the efficiency of water risk management, and, for companies involved in the food production chain, the performance of its water conservation system in agricultural production, etc. Curbing pollution: this pillar measures the performance of a company in the preservation of the quality of water resources and oceans. It includes different aspects of water pollution
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>	ISS ESG 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:

	<ul style="list-style-type: none"> • shall promptly correct any errors made in its computations of the Data and inform Euronext thereof, immediately. • periodically review the Methodology • has clear written rules identifying how and when discretion may be exercised when deviating from the methodology • will inform Euronext prior to making any material change to the Methodology and will provide Euronext with the rationale for such change.
<p>c) Reference standards <i>Describe the international standards used in the benchmark methodology.</i></p>	
<p>Information updated on:</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.