

INDEX RULE BOOK

FAS IAS

Version 17-01

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indices.euronext.com

Index

1.	Index Summary	1
2.	Governance and Disclaimer	3
2.1	Indices	3
2.2	Supervisor	3
2.3	Compiler	3
2.4	Cases not covered in rules	3
2.5	Rule book changes	3
2.6	Liability	3
2.7	Ownership and trademarks	3
3.	Publication	4
3.1	Dissemination of index values	4
3.2	Exceptional market conditions and corrections	4
3.3	Announcement policy	4
4.	Calculation	5
4.1	Calculation of the price index	5
4.2	Currency conversion	5
4.3	Total return index calculation	5
5.	Index reviews	6
5.1	General aim and frequency of reviews	6
5.2	Index universe and selection principle	6
5.3	Periodical update of weighting	6
6.	Corporate Actions	7
6.1	General	7
6.2	Removal of constituents	7
6.3	Split up / spin-off	8
6.4	Early inclusion of non-constituents	8
6.5	Dividends	8
6.6	Rights Issues and Other Rights	8
6.7	Bonus Issues, Stock Splits and Reverse Stock Splits	9
6.8	Changes in the number of shares	9
6.9	Partial tender offers on own shares	9
7.	Index Calculation Formulas	10

1. INDEX SUMMARY

Factsheet	FAS IAS
Index names	FAS IAS
Index type	Price index; Net return index version is also available.
Index governance structure	<p>Euronext acts as the compiler of the index. The Compiler is responsible for the day-to-day management of the index and is also responsible for decisions regarding the interpretation of these rules.</p> <p>Euronext acts as supervisor of the index (“Supervisor”). The Supervisor is responsible for monitoring the selection of constituents for the index and ensuring that the index offers a reliable and representative view of the market.</p> <p>FAS is responsible for the calculation of the percentage of employees’ shareholders and capital hold by the employees.</p>
Eligible stocks	All companies included in the CAC All-Tradable index.
Selection	<p>FAS IAS index is composed of the companies included in the CAC All-Tradable index that fulfil the following condition:</p> <ul style="list-style-type: none">- at least 3% of the capital is controlled by employees,- a minimum of 25% of the workforce in France should own shares of the company- a minimum of 15% of the overall workforce should own shares of the company
Number of constituents	Variable
Weighting	At reviews, the number of shares included in the index for each company will be updated. The numbers of shares included in the index are based on the percentages of employees’ shareholdings, as determined by FAS.
Capping	15%
Review of composition	Quarterly after the close of the third Friday of March, June, September and December.
Base Currency	EUR

Note: the factsheet is a summary of the rule book for information purposes only. The text of the rulebook is leading.

Reference Data

Index name	Isincode	Mnemo	Bloomberg Code	Reuters code	Base date	Base value	Publication since
FAS IAS	FR0003999598	IAS	IAS	.IAS	31-12-02	3000	30-12-98
FAS IAS NR	QS0011227194	IASNR	NIAS	.IASNR	31-12-02	3000	30-12-98

2. GOVERNANCE AND DISCLAIMER

2.1 INDICES

This rule book applies to the following indices (hereinafter “index”) owned by Euronext N.V. or its subsidiaries (hereinafter jointly “Euronext”):

- FAS IAS

2.2 SUPERVISOR

Euronext acts as supervisor of the index (“Supervisor”). The Supervisor is responsible for monitoring the selection of constituents for the index and ensuring that the index offers a reliable and representative view of the market.

FAS acts as the Constituent Agent. Euronext and FAS are responsible for the periodical selection and reweighting of constituents for the index. FAS is responsible for calculating the percentage of employees’ shareholders and the capital held by the employees.

FAS, "Fédération Française des Associations d'Actionnaires Salariés et Anciens Salariés" is a non-profit organization gathering together all the French employees’ shareholders associations (<http://www.fas.asso.fr/index.php>).

2.3 COMPILER

Euronext acts as the compiler of the index. The Compiler is responsible for the day-to-day management of the index and is also responsible for decisions regarding the interpretation of these rules.

2.4 CASES NOT COVERED IN RULES

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 the Compiler, 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. The Compiler will report to the Supervisor if it took a decision about a case which is not specifically covered in the rules for comments and review.

2.5 RULE BOOK CHANGES

These rules may be supplemented, amended in whole or in part, revised or withdrawn at any time. Supplements, amendments, revisions and withdrawals may also lead to changes in the way the index is compiled or calculated or affect the index in another way. The Compiler will submit all decisions regarding supplementing, amending, revising or withdrawing these rules to the Supervisor for recommendations or approval.

2.6 LIABILITY

Euronext, FAS, the Compiler and the Supervisor are not liable for any losses resulting from supplementing, amending, revising or withdrawing the rules for the index.

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

2.7 OWNERSHIP AND TRADEMARKS

Euronext owns all intellectual and other property rights to the index, including the name, the composition and the calculation of the index.

3. PUBLICATION

3.1 DISSEMINATION OF INDEX VALUES

3.1.1 Opening

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.

If, for whatever reason, share prices are not available for all constituents 5 minutes after Euronext Markets started regular daytime trading, the official opening level will be published as soon as the companies whose share prices are available of the current trading day represent at least 80% of the value of the index at the close of the previous trading day.

3.1.2 Calculation and dissemination

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.

3.1.3 Closing level

The closing level is the last level disseminated on the trading day.

3.2 EXCEPTIONAL MARKET CONDITIONS AND CORRECTIONS

The Compiler retains the right to delay the publication of the opening level of the index. Furthermore, the Compiler retains the right to suspend the publication of the level of the index to mark the level of the index indicative if it believes that circumstances prevent the proper calculation of the index.

If prices are cancelled, the index will not be recalculated unless the Compiler decides otherwise.

3.3 ANNOUNCEMENT POLICY

The announcement policy is described in the Euronext Indices Announcement policy document that is available on indices.euronext.com/index-rules.

4. CALCULATION

4.1 CALCULATION OF THE PRICE INDEX

The index is calculated on a price return basis. The divisor was determined on the initial capitalization base of the index and the base level. The divisor is adapted as a result of corporate actions and composition changes.

4.2 CURRENCY CONVERSION

The base currency of the index is Euro (“Base Currency”). Share prices that are quoted in other currencies than the Base Currency will be converted to the Base Currency using the last known exchange rate observed on Reuters. Closing prices will be converted based on the most recent WM/Reuters spot rates, which are published each business day around 17:00 CET.

4.3 TOTAL RETURN INDEX CALCULATION

4.3.1 Return indices

A net total return index is calculated and disseminated at the same frequency as the price index. The return index is obtained by reinvesting the net dividends.

4.3.2 Withholding tax rate

The net dividend is calculated as the gross dividend minus the applicable withholding tax. A table detailing the percentages that are applied is available on the website of Euronext.

4.3.3 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.

4.3.4 Conversion of dividends declared in other currencies

If a dividend for a constituent is declared in another currency than the Base Currency of the index, then the Compiler will in first instance use the Base Currency amount if investors have the option to be paid in that currency. If the dividend amount is available only in currencies that deviate from the Base Currency, the Compiler will convert the dividend amount 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.

5. INDEX REVIEWS

5.1 GENERAL AIM AND FREQUENCY OF REVIEWS

5.1.1 General aim of the periodical review

The general aim of the periodical review of the index is to ensure that the selection and weighting of the constituents continues to reflect the underlying market or market segment it represents. Companies are selected according to the percentage of employees' shareholders as calculated by FAS.

5.1.2 Effective date of reviews

The reviews become effective after the market close of the third Friday of September, December, March, and June.

5.2 INDEX UNIVERSE AND SELECTION PRINCIPLE

5.2.1 Index universe

The universe of the index is defined as all the companies included in the CAC All-Tradable.

5.2.2 Exclusion of constituents

The shares of holding companies of companies admitted to listing on Euronext Paris are excluded from the index.

5.2.3 Selection principle

The index constituents are required to fulfil three criteria:

- at least 3% of the capital should be controlled by employees
- a minimum of 25% of the workforce in France should own shares of the company
- a minimum of 15% of the overall workforce should own shares of the company

If an index constituent does not fulfil both criteria at two consecutive review dates, the constituent will be excluded.

5.2.4 Selection of constituents at the quarterly reviews

The percentage of capital held by employees or former employees and the percentage of employees or former employees holding this capital.

5.2.5 Selected line

As only one listing – the most active one - is permitted per company, the listing representing the company's ordinary shares is generally used.

5.3 PERIODICAL UPDATE OF WEIGHTING

5.3.1 Update of number of shares

At reviews, the number of shares included in the index for each company will be updated. The numbers of shares included in the index are based on the percentages of employees' shareholdings, as determined by FAS.

5.3.2 Capping

A maximum weighting of 15% is applied to each index constituent at the quarterly reviews.

6. CORPORATE ACTIONS

6.1 GENERAL

The index may be adjusted in order to maintain the continuity of the index level and the composition. The underlying aim is that the index continues to reflect as closely as possible the value of the underlying portfolio.

Adjustments take place in reaction to events that occur with constituents in order to mitigate or eliminate the effect of that event on the index.

6.2 REMOVAL OF CONSTITUENTS

A constituent will be removed from the index if it has appeared that the liquid trading will be significantly affected due to a takeover, merger, bankruptcy or similar situations. In case of a takeover that is paid primarily in shares the constituent may be replaced by the acquiring company.

If a company is removed from the index, the divisor will be adapted to maintain the index level.

6.2.1 Mergers and acquisitions

In the event of a bid in cash, the target company will be removed from the index. In the event of a merger, acquisition or similar situation where the bid is made in the form of shares, the target company will be replaced by the company taking over, provided that this company complies with the requirements for inclusion in the index in line with the criteria defined in the index reviews section.

The removal or replacement will take place after the close of the first (full) business day after the offer is declared unconditional or successful. 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.

In case of a mixed bid of cash and shares the Compiler will treat the bid as a share bid 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.

The Compiler reserves the right to apply a specific treatment in non-standard situations including but not limited to:

- Competing bids with differing closing dates or structures;
- Offers made without the intention to gain full control.

A separate announcement detailing the specific treatment will be issued timely to the market.

6.2.2 Delistings, suspensions and company distress

If a constituent is suspended, the Compiler will consider whether the constituent should be removed on the understanding that a transitional period with a maximum of three months may be observed. When a constituent is removed following suspension, it will be removed at its suspension price unless otherwise decided by the Compiler.

If a constituent will be delisted, it will be removed from the index as soon as possible and on a day announced by the Compiler.

The company will be deleted from the index based on either the last known price established during regular daytime trading or else a price determined by the Compiler, whereby the company may also be deleted at EUR 0.

6.2.3 Pricing sources

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

6.3 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 qualify as an eligible company in their own right. The Supervisor will decide whether each of the resulting companies qualify. The index may then temporarily consist of fewer than, or more than the 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 the Compiler deems to be similar.

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.

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.

6.4 EARLY INCLUSION OF NON-CONSTITUENTS

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

6.5 DIVIDENDS

6.5.1 Distinction Ordinary and Special Dividend

The price index will be adjusted for dividends that are 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.

6.5.2 Adjustment for Special Dividend

The adjustment of the index takes place by the 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 amounts.

6.6 RIGHTS ISSUES AND OTHER RIGHTS

In the event of a rights issue 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.

The index will be adjusted only if the rights represent a positive value.

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.

6.7 BONUS ISSUES, 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. The Compiler may regard a bonus issue as the issue of an entitlement in lieu of an ordinary dividend and therefore treat this in accordance with 6.5.1.

6.8 CHANGES IN THE NUMBER OF SHARES

In between the periodical reviews there will be no change in the number of shares included in the index.

6.9 PARTIAL TENDER OFFERS ON OWN SHARES

The Compiler will adjust the divisor of the index if the premium represents more than 5% of the share price of the close on the penultimate 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.

7. INDEX CALCULATION FORMULAS

The general formula for the **price index** is:

$$I_t = \frac{\sum_{i=1}^N Q_{i,t} f_{i,t} C_{i,t} X_{i,t}}{d_t}$$

Where:

- t Time of calculation
- N Number of constituent equities in index
- Q_{i,t} Number of shares of equity i included in the index on day t
- f_{i,t} Capping factor of equity i ¹
- C_{i,t} Price of equity i on t
- X_{i,t} Current exchange rate on t ¹
- d_t Divisor of the index on day t

The **total return index** calculation takes two steps: the first step is to transpose the announced dividend payment into index points. This is called the XD adjustment. This uses the following formula:

$$\text{XD adjustment} = \sum_{i=1}^N \frac{g_i * w_i}{d}$$

Where:

- N Number of constituent equities in index
- g_i The announced dividend per share of the ith component stock (for net return index withholding tax is deducted from this dividend);
- w_i The weighting of the ith component stock in the index, based on number of shares included in the index, free float factor, capping factor and exchange rate;
- d Divisor of the index.

The second step of the calculation uses the figures calculated in step one (XD adjustment). The dividend is assumed to be reinvested at the close of the ex-date.

$$\text{TR}_t = \text{TR}_{t-1} \left(\frac{\text{IV}_t + \text{XD}}{\text{IV}_{t-1}} \right)$$

Where:

- TR_{t-1}: Total return index value yesterday;
- TR_t: Total return index value on t;
- IV_{t-1}: Underlying price index yesterday;
- IV_t: Underlying price index on t;