

INDEX RULE BOOK

Euronext Euro Large Cap Biodiversity Leaders 30

Version 22-02

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Index

1. General		2
Version notes	2	
2. Index reviews		3
2.1 Review frequency and relevant dates	3	
2.2 Review Selection	3	
2.3 Periodical Weighting Update	4	
3. References		5
3.1 Reference Table	5	
3.2 Base currency	5	
3.3 Publication	5	
4. ESG Disclosures		6

1. GENERAL

This document is applicable to the Euronext® Euro Large Cap Biodiversity Leaders 30 ("Index Family"), which consists of all the Indices as mentioned in the Reference Table.

The Euronext® Euro Large Cap Biodiversity Leaders 30 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
22-01	26 Jan 2022	Index launch	
22-02	07 Apr 2022	Launch of 4% Decrement	

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 trading days before the Review Effective Date.

Review Weighting Announcement Date: Two trading 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

Top 60 Free Float Market Capitalization companies are eligible at reviews.

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

- Liquidity:
 - o Companies having a 3-month average Volume < 30M EUR
- United Nation Global Compact:
 - o Companies flagged Non-compliant, as provided by Sustainalytics
- High ESG Risk:
 - o Companies with an ESG Risk score above 30, as provided by Sustainalytics
- 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
 - o Companies with % of turnover derived from tobacco Related products and services > 10%, as provided by Sustainalytics
- Thermal Coal:
 - o Companies with % of turnover derived from Thermal Coal Mining >1%, as provided by Sustainalytics

- Companies with % of turnover derived from Thermal Coal Fuel Power Generation >5%, as provided by Sustainalytics
- Oil and Gas:
 - Companies with % of turnover derived from 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
- Palm Oil
 - Companies with % of turnover derived from Palm Oil Production and distribution > 0%, as provided by Sustainalytics
- Controversial Weapon
 - Civilian Firearms (Assault and Non-assault) Weapons, as provided by Sustainalytics
 - Evidence of activity in controversial weapons (Tailor-made and Non tailor-made), 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 the biodiversity score as provided by Carbon4 Finance. In case two companies have the same biodiversity score, the company with the highest free float market cap is ranked higher.

Step 4: Selection of constituents at the review

Selection of the companies ranked first **per ICB Industry** in terms of biodiversity score as provided by Carbon4 Finance.

At this point, a maximum of 11 companies are selected (there are 11 ICB industries)

Then, select the top ranked companies in terms of biodiversity score (regardless of their ICB industry) until reaching 30 companies.

2.3 PERIODICAL WEIGHTING UPDATE

Weighting method

The index is Free Float Market Capitalisation 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

At each review, the constituents are subject to a maximum weighting of 8%. The capping factors are determined based on closing prices observed on the Review Weighting Announcement Date.

3. REFERENCES

3.1 REFERENCE TABLE

Index name	Isincode	Mnemo	Bloomberg Code	Reuters code	Base date	Base value	Publication since	Index Type
Euronext Euro Large Cap Biodiversity Leaders 30	FRESG0000306	BIOEP	BIOEZ3PR	.BIOEP	01/01/2016	1000	26/01/2022	Price
Euronext Euro Large Cap Biodiversity Leaders 30 GR	FRESG0000314	BIOEG	BIOEZ3GR	.BIOEG	01/01/2016	1000	26/01/2022	Gross Return
Euronext Euro Large Cap Biodiversity Leaders 30 NR	FRESG0000322	BIOEN	BIOEZ3NR	.BIOEN	01/01/2016	1000	26/01/2022	Net Return
Euronext Euro Large Cap Biodiversity Leaders 30 Decrement 5%	FRESG0000330	BIOEZ	BIOEZ	.BIOEZ	01/01/2016	1000	26/01/2022	Decrement 5% on NR
Euronext Euro Large Cap Biodiversity Leaders 30 Decrement 4%	FRESG0000488	BIOE4	BIOE4	.BIOE4	01/01/2016	1000	07/04/2022	Decrement 4% 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 Eurozone Biodiversity 30 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>Carbon4 Finance:</p> <ul style="list-style-type: none"> Data input coming from the Factset database for turnover (sourced externally), CIA database for GHG emissions (modeled), use of the Global Biodiversity Score, a tool developed by CDC Biodiversité
<p>b) Verification of data and guaranteeing the quality of those data.</p> <p><i>Describe how data are verified and how the quality of those data is ensured.</i></p>	<p>Sustainalytics:</p> <p>Data Quality</p> <ul style="list-style-type: none"> - Operational Management: Business processes and tools are in place for universe maintenance, research planning, monitoring of timely publication and tracking of production targets. - 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.

Carbon4 Finance:

Data quality is an integrated process across the different steps of analysis and data generation.

- Entity-level data is updated twice a year by the data team, who checks consistency of the data generated by the automated tools in SQL databases and runs additional scripts to aggregate data at portfolio level.

- Carbone 4 IT team has implemented a workflow to keep track of data versioning and store historical data directly in the SQL databases.

	<p>For CIA emissions data, it is modeled by an analyst, then systematically reviewed by a senior analyst before validation.</p> <p>A critical review was conducted by an external committee in 2020 on the Global Biodiversity Score.</p>
<p>c) Reference standards</p> <p><i>Describe the international standards used in the benchmark methodology.</i></p>	<p>Sustainalytics:</p> <p>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.</p> <p>Carbon4 Finance:</p> <p>No international standards have been set up on Biodiversity. CDC B is a member of several international initiatives (TNFD, SBTN, ALIGN, Finance for Biodiversity).</p>
<p>Information updated on:</p>	<p>26/01/2022</p>