

CONSULTATION SUMMARY

Consultation subject:	BEL 20 minimum Free Float Velocity criteria
Consultation started:	January 2024
Summary published:	6 March 2024

Summary:

A consultation took place in January and February 2024 related to the Free Float Velocity criterium applicable for the BEL 20 Index.

Euronext will lower the Free Float Velocity threshold for current constituents to remain eligible for Index inclusion from 25% to 15%. For companies currently not included in the BEL 20 Index the Free Float Velocity threshold will be lowered from 35% to 25%. No changes are made to the Free Float Velocity thresholds of the BEL Mid and BEL Small.

Number of Responses:

Between 10 and 15 responses were received to the consultation.

Feedback received in the consultation

A majority of responses were in favour of the proposed changes. See below for a summary of all received comments.

Follow up:

The new thresholds regarding the Free Float Velocity criterium was approved by the Independent Supervisor and will be applicable per 6 May 2024. This means that this change is applicable for the first time at the June 2024 Review of the BEL 20.

All details of the new rules can be found below.

Details new rules

Liquidity analysis

Companies currently included in the BEL 20 with Free Float Velocity of at least 15% over the 12 months up to and including the Review Cut-Off Date are eligible. For the BEL Mid and BEL Small the threshold for currently included Companies is 10%, including Companies coming from the BEL 20.

Companies not currently included in the BEL 20 with a Free Float Velocity of at least 25% over the 12 months up to and including the Review Cut-Off date are eligible. For the BEL Mid and BEL Small, Companies currently not included in the BEL 20, BEL Mid or Bel Small with a Free Float Velocity of at least 15% are eligible.

Summary of received comments

Do you agree with the proposal to change the Free Float Velocity threshold for current constituents of the BEL 20 Index from 25% to 15%?

- Yes, the proposed new threshold is acceptable for me
- Either no change or a gradual move with 5% at first instance
- No, the current threshold should be unchanged
- 15% is a drastic drop, I would propose 20%

Do you agree with the proposal to change the Free Float Velocity threshold for companies not included in the BEL 20 Index from 35% to 25%?

- Yes, the proposed new threshold is acceptable for me
- Either no change or a gradual move with 5% at first instance
- No, the current threshold should be unchanged
- 25% is a drastic drop, I would propose 30%

Do you agree with the proposal to keep the current thresholds for the BEL Mid and BEL Small the same?

- Yes, I agree to keep the current thresholds in place
- They could be lowered if the thresholds in other Euronext small cap indices are lower

Do you have any other feedback regarding the methodology of the BEL Indices?

- No, I have no further feedback
- The Belgian market has some specifics that should be kept in place
- Exclude non-Belgian companies