

# **INDEX RULE BOOK**

## **EURONEXT® France Développement 40**

Version 24-01  
Effective from 16 August 2024  
[indices.euronext.com](http://indices.euronext.com)

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For further information in relation to Euronext Indices please contact: [index-team@euronext.com](mailto:index-team@euronext.com)

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## **1. GENERAL**

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This document is applicable to the Euronext® France Developpement 40 Index ("Index Family"), which consists of all the Indices as mentioned in the Reference Table.

The Euronext® France Developpement 40 Index aims to track French Listed companies and companies that have announced investments or jobs creation in France within the last 3 years that satisfy specific social and environmental criteria.

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
24-01	16 August 2024	Initial version	

## 2. INDEX REVIEWS

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### 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 Date:** Three 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 the Companies included in the Euronext® Developed Market Index at review.

At review means included in the Index Universe after the Review Effective Date.

We define two regions:

- Region 1: Companies with a Main Listing as Euronext Paris
- Region 2: Companies with a Main Listing different from Euronext Paris.

#### Step 2: Eligibility screening at reviews

The list of Companies is reduced by a series of screens. The Companies with any of the following characteristics at Review Cut-off Date are Not eligible:

- Companies that do not have an Invest\_In\_France\_Layoff\_Score as provided by SESAMM.
- Companies with a **3-months Average Daily Traded Value lower than 10 Million EUR.**

The following Exclusions as assessed by ISS-ESG and SESAMM:

- **Breaches of international standards:**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Breaches of international standards	Flagged "Red"	NBSOverallFlag

- **Controversial Weapons:**

<b>Exclusion topic</b>	<b>Exclusion criteria</b>	<b>ISS-ESG Field Name</b>
Biological Weapons	Flagged "RED" or "Amber"	BiologicalWeaponsOverallFlag
Chemical Weapons	Flagged "RED" or "Amber"	ChemicalWeaponsOverallFlag
Nuclear Weapons	Flagged "RED" or "Amber"	NuclearWeaponsOverallFlag
Nuclear Weapons Outside NPT	Flagged "RED" or "Amber"	NuclearWeaponsNonNPTOverallFlag
Cluster Munitions	Flagged "RED" or "Amber"	ClusterMunitionsOverallFlag
Depleted Uranium	Flagged "RED" or "Amber"	DepletedUraniumOverallFlag
Anti-personnel Mines	Flagged "RED" or "Amber"	APMinesOverallFlag
White Phosphorus	Flagged "RED" or "Amber"	WhitePhosphorusOverallFlag

- **Energy Screening:**

<b>Exclusion topic</b>	<b>Exclusion criteria</b>	<b>ISS-ESG Field Name</b>
Coal Mining and Power Gen - Maximum Percentage of Revenues (%)	Derived turnover $\geq 1\%$	CoalMiningAndPowGenRevShareMax
Fossil Fuel	Fossil Fuel Production Percentage of revenues + Fossil Fuel Distribution Percentage of revenues $\geq 10\%$	FossilFuelProdMaxRev FossilFuelDistMaxRev
Power Generation - Thermal Maximum Percentage of Revenues (%)	Derived turnover $\geq 50\%$	PowGenRevShareThermalMax

- **SBT Alignment:**

<b>Exclusion topic</b>	<b>Exclusion criteria</b>	<b>ISS-ESG Field Name</b>
SBT Alignment	Companies Not 'Approved SBT' as assessed by ISS-ESG that are classified in the NACE High Climate Impact section	ClimateGHGReductionTargets

Grouping of companies based on NACE section classification (Annex I to EC Regulation No 1893/2006) into two sections:

- High Climate Impact section
  - NACE Sections A to H and Section L
- Low Climate Impact section
  - NACE Sections that are not part of the High Climate Impact section

<b>NACE Section</b>	<b>NACE Section Name</b>	<b>Climate Impact Section Group</b>
A	AGRICULTURE, FORESTRY AND FISHING	High
B	MINING AND QUARRYING	High
C	MANUFACTURING	High
D	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLIES	High
E	WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	High
F	CONSTRUCTION	High
G	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	High
H	TRANSPORTATION AND STORAGE	High
I	ACCOMMODATION AND FOOD SERVICE ACTIVITIES	Low
J	INFORMATION AND COMMUNICATION	Low
K	FINANCIAL AND INSURANCE ACTIVITIES	Low
L	REAL ESTATE ACTIVITIES	High
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	Low
N	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	Low
O	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	Low
P	EDUCATION	Low
Q	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	Low
R	ARTS, ENTERTAINMENT AND RECREATION	Low
S	OTHER SERVICE ACTIVITIES	Low
T	ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS; UNDIFFERENTIATED GOODS- AND SERVICES- PRODUCING ACTIVITIES OF HOUSEHOLDS FOR OWN USE	Low
U	ACTIVITIES OF EXTRATERRITORIAL ORGANISATIONS AND BODIES	Low

#### - Tobacco Screening:

<b>Exclusion topic</b>	<b>Exclusion criteria</b>	<b>ISS-ESG Field Name</b>
Tobacco - Production Maximum Percentage of Revenues (%)	Derived turnover > 0%	TobaccoProdMaxRev
Tobacco - Distribution Maximum Percentage of Revenues (%)	Derived turnover >= 15%	TobaccoDistMaxRev

#### - Layoff Screening:

<b>Exclusion topic</b>	<b>Exclusion criteria</b>	<b>SESAMm Field Name</b>
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Companies investing in France that announced layoffs on the last 6 months.	Score > 0	Invest_In_France_Layoff_Score
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- **Staff Rating Screening:**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Worst Companies in term of Staff rating by Region and Super Sector As assessed By ISS-ESG	Score < 20 <sup>th</sup> Percentile by Geographical region and Super Sector of the Index Universe.	CRStaffRatingNum

Geographical regions :

- NA: Companies in the Euronext North America 500.
- EU: Companies in the Euronext Europe 500 or Companies in the Euronext Eurozone 300.
- AS : Companies in the Euronext Asia 500.

The Staff rating is based on an assessment BY ISS-ESG of performance across key social sustainability metrics, including freedom of association, equal opportunities, health and safety, work-life balance, employment security, and training and education.

The remaining Companies are eligible for inclusion.

Should this list count **less than 50 companies** the threshold on the Invest\_In\_France\_Layoff\_Score will be increased until reaching 25 companies in each Region.

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 Constituents that pass the exclusions filter are ranked by their SESAMm France Job Creation Score in each Region on the Review Cut-Off Date.

SESAMm France Job Creation Score is a factor that calculates the number of job creation in France during the last 3 years. In case, two companies have the same SESAMm France Job Creation Score, we give priority to the company with the highest CRStaffRatingNum Score.

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

The index consists of 40 Companies.

The 20 highest ranking Companies per Region.

## 2.3 PERIODICAL WEIGHTING UPDATE

### Weighting method

The index is Free Float Market Capitalisation weighted, with specific geographical zone weights. The Weighting Factors are explained in the following paragraphs.

The Weighting Factors are explained in the following paragraphs.

### Number of Shares

The Number Of Listed Shares are determined based on the Review Cut-Off Date.

## **Free Float Factor**

The Free Float Factor is updated at each review based on the Review Cut-Off Date.

## **Capping Factor**

The Capping Factors are determined such that the weight of the Region 1 and Region 2 Companies sums each to 50%. Furthermore a maximum weighting of 10% is applied to each constituent. The surplus weight (weight above the capping for a specific company) is allocated to all the other index components within the same Region, proportional to their weights, subject to the capping constraint. The Capping Factors are determined based on the closing prices of the trading day prior to the Review Weightings Announcement Date, generally the Tuesday.

### **3. REFERENCES**

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#### **3.1 REFERENCE TABLE**

<b>Index name</b>	<b>Isincode</b>	<b>Mnemo</b>	<b>Bloom-berg Code</b>	<b>Reuters code</b>	<b>Base date</b>	<b>Base value</b>	<b>Publication since</b>	<b>Index Type</b>
Euronext France Developpement 40	FRIX00003031	FRD4P	FRDEV40P	.FRD4P	31/12/2009	1000	16/08/2024	Price Return
Euronext France Developpement 40 NR	FRIX00003049	FRD4N	FRDEV40N	.FRD4N	31/12/2009	1000	16/08/2024	Net Return
Euronext France Developpement 40 GR	FRIX00003056	FRD4G	FRDEV40G	.FRD4G	31/12/2009	1000	16/08/2024	Gross Return
Euronext France Developpement 40 D5%	FRIX00003064	FRD4D	FRDEV40	.FRD4D	31/12/2009	1000	16/08/2024	Decrement

#### **3.2 BASE CURRENCY**

The Base Currency of this index family is EUR.

#### **3.3 PUBLICATION**

The index is calculated based on the most recent prices of transactions concluded on the main markets in each of the countries that are included in the index. The level of the index is in principle published every 15 seconds. The index is calculated from 09:00 hours until US Markets stop regular daytime trading on the days when Euronext Markets are open for trading. 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	
<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 France Developpement 40 Index</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:	<ul style="list-style-type: none"> <li>• UNGC factors / NBS Overall flag</li> <li>• CR Staff Rating</li> <li>• Thermal Coal mining factors</li> <li>• Thermal Coal Power generation factors</li> <li>• Fossil Fuel Involvement factors</li> <li>• Animal Welfare</li> <li>• Animal Testing</li> </ul>
b) List of social factors considered:	<ul style="list-style-type: none"> <li>• Controversial weapons factors</li> <li>• UNGC factors / NBS Overall flag</li> <li>• Tobacco Involvement factors</li> </ul>
c) List of governance factors considered:	<ul style="list-style-type: none"> <li>• UNGC factors</li> </ul>
<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>  <i>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</i>	<p><b>ISS ESG provides :</b></p> <ul style="list-style-type: none"> <li>• <b>NBS OVERALL FLAG</b>  This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's link with any breaches of international standards.</li> <li>• <b>CR STAFF RATING NUM</b>  This factor provides a numeric score from 1 (D-) to 4 (A+) linked to the rated entity's Staff rating.  The Staff rating is based on an assessment of performance across key social sustainability metrics, including freedom of association, equal opportunities, health and safety, work-</li> </ul>

	<p>life balance, employment security, and training and education.</p> <ul style="list-style-type: none"> <li>• <b>ANTI-PERSONNEL MINES – OVERALL FLAG:</b> This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any anti-personnel mines program.</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>BIOLOGICAL WEAPONS – OVERALL FLAG</b> This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any biological weapons program.</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>CHEMICAL WEAPONS – OVERALL FLAG</b> This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any chemical weapons program.</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>CLUSTER MUNITIONS – OVERALL FLAG</b> This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any cluster munitions program.</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>DEPLETED URANIUM – OVERALL FLAG</b> This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any depleted uranium program.</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>INCENDIARY WEAPONS – OVERALL FLAG</b> This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any incendiary weapons program.</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>NUCLEAR WEAPONS OUTSIDE NPT – OVERALL FLAG</b> Nuclear Weapons Outside NPT - Overall Flag: This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any nuclear weapons program outside of the Non-Proliferation Treaty (NPT)</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>WHITE PHOSPHORUS WEAPONS –</b></li> </ul>

OVERALL FLAG
<p>This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any white phosphorus weapons program.</p>
<ul style="list-style-type: none"> <li>• <b>POWER GENERATION - THERMAL MAXIMUM PERCENTAGE OF REVENUES (%)</b></li> </ul>
<p>This factor provides the maximum percentage of recent-year revenues for the issuer's involvement in the generation of electric power using fossil fuels.</p>
<ul style="list-style-type: none"> <li>• <b>COAL MINING AND POWER GEN - MAXIMUM PERCENTAGE OF REVENUES (%)</b></li> </ul>
<p>This factor provides the maximum percentage of recent-year revenues for the issuer's involvement in both coal mining, including thermal and metallurgical coal, and the generation of electric power using coal. The maximum percentage of revenues values are based on the best available data, which may include reported revenues, reported percentage of revenues, or estimated revenues based on available information.</p>
<ul style="list-style-type: none"> <li>• <b>FOSSIL FUEL - TOTAL MAXIMUM PERCENTAGE OF REVENUES (%)</b></li> </ul>
<p>This factor provides the maximum percentage of recent-year revenues for the issuer's total involvement in fossil fuel, including any exposure in Production, Exploration, Distribution, and Services. The maximum percentage of revenues values are based on the best available data, which may include reported revenues, reported percentage of revenues, or estimated revenues based on available information.</p>
<ul style="list-style-type: none"> <li>• <b>ANIMAL WELFARE</b></li> </ul>
<p>This factor identifies issuers engaged in operations related to animal welfare. The "Animal Testing" factor includes issuers that perform animal testing for pharmaceutical and non-pharmaceutical purposes. The "Factory Farming" factor includes issuers involved in intensive agricultural operations with the purpose of producing food, including meat, eggs and dairy. The "Fur &amp; Exotic Leather" factor identifies companies involved in raising, trapping or slaughtering animals for their fur and exotic leather. The "Live</p>

	<p>"Export" factor includes issuers engaged in the export of animals for the purpose of selling live animals for slaughter, husbandry and breeding subjects, including specialized transportation services specifically designed to facilitate live exports. The "Aquaculture" factor includes issuers involved in aquaculture, covering breeding, raising, and harvesting of fish, shellfish, and other sea food (excluding aquatic plants, algae etc.)</p> <ul style="list-style-type: none"> <li>• <b>ANIMAL TESTING</b></li> </ul> <p>This factor includes issuers that perform animal testing for pharmaceutical and non-pharmaceutical purposes. The "Pharmaceutical" factor refers to the use of live animal testing as part of the development of pharmaceutical products. The "Non-Pharmaceutical" factor refers to the use of live animal testing as part of the development of non-pharmaceutical products.</p> <ul style="list-style-type: none"> <li>• <b>TOBACCO - PRODUCTION MAXIMUM PERCENTAGE OF REVENUES (%)</b></li> </ul> <p>This factor identifies the maximum percentage value of revenue derived from involvement in the production of tobacco.</p> <ul style="list-style-type: none"> <li>• <b>TOBACCO - DISTRIBUTION MAXIMUM PERCENTAGE OF REVENUES (%)</b></li> </ul> <p>This factor identifies the maximum percentage value of revenue derived from involvement in the distribution of tobacco.</p> <p><b>SESAMm provides:</b></p> <ul style="list-style-type: none"> <li>• <b>INVEST_IN_FRANCE_LAYOFF_SCORE</b></li> </ul> <p>This factor provides the number of articles identifying layoffs over the last 6 months for companies that are announcing investments in France.</p> <ul style="list-style-type: none"> <li>• <b>FRANCE_JOB_CREATION_SCORE</b></li> </ul> <p>This factor provides the number of job creation in France leveraging on databases from Business France and Trendeo.</p>
	<p>ISS ESG represents and warrants that to the best of its knowledge the Methodology is robust and reliable,</p>

	<p>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>
c) Reference standards <i>Describe the international standards used in the benchmark methodology.</i>	<ul style="list-style-type: none"> <li>• ISS ESG Norm-Based Research is aligned with the Principles of the U.N. Global Compact and the OECD Guidelines for Multinational Enterprises. These globally endorsed standards translate obligations established in international norms into expectations of what constitutes Responsible Business Conduct. Principles of international law referenced and translated for business in leading global frameworks for Responsible Business Conduct include the following: <ul style="list-style-type: none"> <li>• Human rights (among others):</li> <li>• The International Covenant on Civil and Political Rights (ICCPR)</li> <li>• The International Covenant on Economic, Social and Cultural Rights (ICESCR)</li> <li>• The Geneva Conventions</li> <li>• Labour rights:</li> <li>• International Labour Organization (ILO) Conventions</li> <li>• Environmental standards (among others):</li> <li>• The Rio Declaration on Environment and Development</li> <li>• The Convention on Biological Diversity</li> <li>• The UN Framework Convention on Climate Change</li> <li>• The Paris Agreement</li> <li>• Anti-corruption standards:</li> <li>• The UN Convention against Corruption</li> <li>• Regarding Controversial Weapons, these are the relevant standards:</li> <li>• Anti-personnel mines: Convention on the Prohibition of the Use, Stockpiling,</li> </ul> </li> </ul>

	<p>Production and Transfer of Anti-Personnel Mines and on Their Destruction</p> <ul style="list-style-type: none"> <li>• Biological weapons: Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction</li> <li>• Chemical weapons: Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction</li> <li>• Cluster munitions: Convention on Cluster Munitions</li> <li>• Nuclear weapons: Treaty on the Non-Proliferation of Nuclear Weapons and the International Court of Justice's Advisory Opinion on the Legality of the Threat or Use of Nuclear Weapons as well as the Treaty on the Prohibition of Nuclear Weapon</li> </ul>
<b>Information updated on:</b>	13-05-2024