

## Overview of FTSEurofirst 80 index methodology

The FTSEurofirst 80 index measures the performance of companies with registered offices in European countries that are members of the European Monetary Union. It consists of the 60 highest value stocks on the FTSE Eurozone index (which are traded on eligible markets) in terms of market capitalisation calculated on the basis of free-float and 20 stocks selected in accordance with their sector weight in order to obtain a global sector representation as close as possible to the FTSE Eurozone index.

### I- Rules of review for the FTSEurofirst 80 index

#### Review dates

The FTSEurofirst 80 index is reviewed annually in September, based on data at the close of the last trading day of August. The changes made to the FTSEurofirst 80 index are applied on the first trading day following the third Friday in September.

#### Eligible stocks

1. Every stock in the FTSEurofirst 80 index must be included in the FTSE Eurozone index.
2. The stocks selected must come from markets whose market capitalisation calculated on the basis of free-float represents at least 2% of the free-float capitalisation of the FTSE Developed Europe index. Markets that are currently eligible for the FTSEurofirst 80 index are Belgium, Finland, France, Germany, Italy, the Netherlands, Portugal, and Spain.
3. Stocks whose monthly turnover is lower than 0.5% of their issued shares, after the restrictions on free-float are applied, are not eligible to be included in the FTSEurofirst 80 index.
4. Companies whose free-float is lower than 15% (or lower than 5% if their market capitalisation is above USD 5 billion) are not eligible.

#### Annual review of the FTSEurofirst 80 index

1. Eligible stocks that are included in the FTSE Eurozone index are classified in descending order in terms of market capitalisation calculated on the basis of free-float.
2. Stocks that are already part of the FTSEurofirst 80 index are identified.
3. Stocks that are not part of the sample but which rank at least 60th in terms of market capitalisation calculated on the basis of free-float are also included.
4. If the number of stocks on the list is greater than 80, the smallest stocks in terms of market capitalisation calculated on the basis of free-float are removed until the number of stocks included returns to 80. If the number is less than 80, stocks that are not constituents are added, beginning with stocks with the highest market capitalisation calculated on the basis of free-float, until the number of stocks included reaches 80.
5. The weighting of each economic group within the FTSE Eurozone index and the sample are calculated. The stocks in the sample above 60th place are admitted for review, beginning with the smallest. When one of these stocks comes from an economic group that is underweighted in relation to the FTSE Eurozone index, it is determined if there is a stock that does not belong to the sample whose market capitalisation calculated on the basis of free-float is at least twice the value of the stock in the sample under consideration. If so, this stock replaces the stock in the sample in question.

## Events occurring between annual revisions

If a stock in the FTSEurofirst 80 index ceases to be included in the FTSE Eurozone index, or is removed from the list or delisted, or is the object of a takeover that was declared unconditional, it is removed from the index.

Some new issues are so large that it becomes necessary to take them into account so that the effectiveness of the index as a market indicator is not significantly and unfavourably altered. These also are included in the index after the close of trading on the first day of official trading.

## II- FTSEurofirst 80 index calculation method

### General characteristics

A price index and a return index are calculated for the FTSEurofirst 80 index.

The value of each stock in the index is weighted by the number of shares issued, corrected by the free-float factor.

The FTSEurofirst 80 index is displayed every 15 seconds from 9.00 am to 5.30 pm (cet) and is based on the most recent prices available.

The FTSEurofirst 80 index is calculated and issued in euros, pounds sterling, yen, and US dollars.

### Change in the weighting of the stocks included in the index

The number of shares for each stock in the index is updated quarterly whenever the total number of shares included in the index is changed by more than 1% on a cumulative basis.

Adjustments related to a change that represents at least 10% of the number of shares issued are made before the beginning of the calculation of the index on the day when the changes take effect.

## III- Restrictions on free-float

Restrictions on free-float are applied to determine the market capitalisation that is retained in relation to the total capitalisation of the market.

The initial weighting of an eligible stock within the index is equal to the percentage of its free-float rounded up to the following: 20%, 30%, 40%, 50%, 75%, or 100%. If the company has a free-float of above 5% but below 15%, the weighting is equal to the free-float expressed as a percentage rounded up to the next whole number.

The FTSEurofirst 80 index is subject to a periodic review to take into account changes that have occurred in the free-floats. These reviews coincide with the reviews for all countries conducted by FTSE for the FTSE All-World indices. Changes are applied after the close of the calculation of the index, on the third Friday of March, June, September, and December.

Following the initial application of a restriction on the free-float, the free-float of the stocks in the FTSEurofirst 80 index sample is modified only if its actual level varies by more than 5 points above or below one of the two adjacent thresholds (15%, 20%, 30%, 40%, 50%, 75%, 100%).