



## SPONSORED INDICES

Exclusive Partnership with Natixis

### SRI/CLIMATE INDEX

- EUROPE
- 50 STOCKS - EQUALLY WEIGHTED

OCTOBER 2017

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# EURONEXT® CLIMATE OBJECTIVE 50 EQUAL WEIGHT DECREMENT 5% Index

## SUMMARY



Bloomberg Ticker:  
**ECO50EW Index**

Launch Date:  
**29<sup>th</sup> May 2017**

Index Sponsor/  
 Calculation Agent:  
**Euronext®**

Investment &  
 Reference Universe:  
**Europe  
 (50 low carbon stocks)**

Weighting Method:  
**Equally Weighted**

Synthetic Dividend:  
**5.00% p.a.**

Return:  
**Excess Return**

Currency:  
**EUR**

Benchmark:  
**SX5E Index**

## OVERVIEW

The Euronext® Climate Objective 50 Equal Weight Decrement 5% (EWD5) Index by Euronext® was launched on the 29<sup>th</sup> of May 2017. The index was designed by Euronext® with the support of two climate and low carbon experts, Carbone 4 and CDP. The index consists of 50 low carbon European stocks. The 50 stocks in the index are equally weighted.

### Selection methodology of the index, aligned with the Natixis Global Markets SRI Team's approach:

- Reduce the risk that the climate imposes on assets under management.
- Reduce the impact from climate issues of assets under management.
- Participate in the financing of products and solutions that contribute to the energy transition.

As the result, components of the Euronext® Climate Objective 50 EWD5 Index carries a reduced carbon footprint when compared with the investment universe.

The excess return index is calculated with all real net dividends reinvested and at the same time deducting a stable synthetic dividend of 5% per annum, the fixed amount of 5% corresponds to the median level of dividends observed over previous years. The 5% synthetic dividend serves to tackle the uncertainties of future dividends and it offers improvement of pricing for investment solutions.

### What makes the Euronext® Climate Objective 50 EWD5 Index different?

An unique climate scoring process is applied to the selection process to score each of the stocks based on their carbon performance, climate commitments and their ability to offer products and services which are compatible to a low-carbon economy.

The specificity of the methodology is to provide a measure for all « high stake » sectors of induced gas emissions, both direct and indirect, for each company (scopes 1 to 3)\* and the level of avoided emissions\*\* achieved through the innovation effort (on products and services) undertaken by the company. This methodology provides a more representative assessment by sector (excluding companies responsible for high carbon emissions such as the coal industry and overweighting on « high stake » sectors) of each company's carbon footprint.

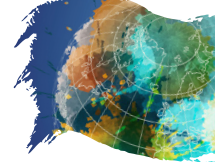
### Euronext® calculates their climate score by combining the Carbone 4 score and the CDP performance score. The Carbon Impact Analytic methodology of Carbone 4 is based on:

- A sectorial bottom-up analysis focused on « high stake » sectors: energy sectors, suppliers of equipment with a low carbon potential (energy, transport, building, industry and IT), and carbon intensive sectors (heavy industry, real estate, transport, forests & papers, agriculture & agribusiness).
- A measure of induced and avoided emissions, as well as an assessment of the company's impact on climate change. The higher the ratio of avoided emissions/induced emissions, the more the company contributes to the energy transition.
- An evaluation of the company's initiative to: (1) lower the carbon intensity of their energy mix, (2) develop low carbon innovations, (3) lower the carbon intensity of their operations.

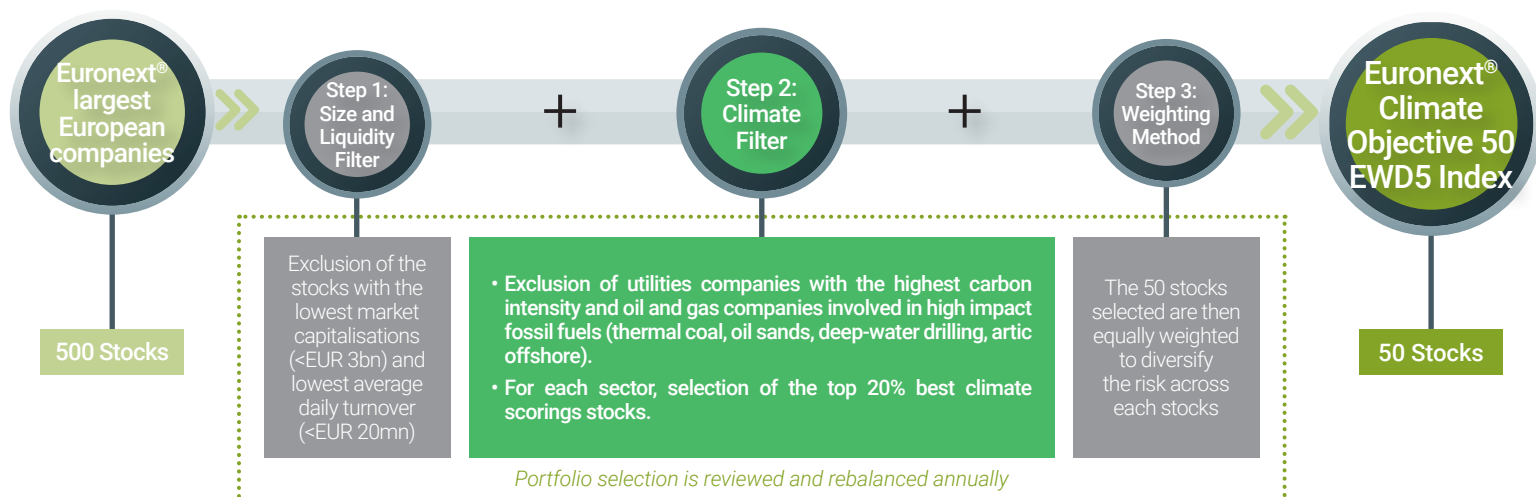
CDP, in turn, provides an analysis for the « low stake » sectors. The CDP performance score assesses the company's effort to mitigate and adapt to climate change, as well as the transparency of its reporting.

*\* Scope 1 - direct emissions, Scope 2 - indirect emissions from energy use in production, Scope 3 - emissions from the supply chain and the use of products and services.*

*\*\* Avoided emissions are those not actually emitted by the firm's operations. Avoid emissions are «virtual» emissions which would exist unless the company actively made an effort to decrease them.*



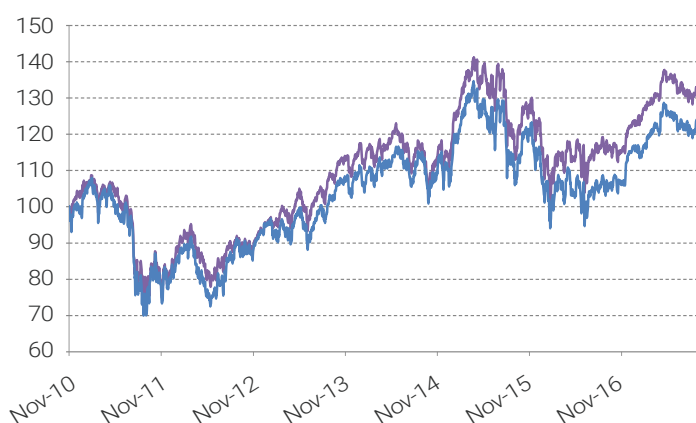
## THE CREATION PROCESS OF THE EURONEXT® CLIMATE OBJECTIVE 50 EWD5 INDEX



## COMPARISON WITH EURO STOXX 50® INDEX (SX5E)<sup>(1)</sup> (base 100)

— ECO50EW Index — SX5E Index

**Statistics** (calculated between 19 Nov. 2010 and 29 Sept. 2017)

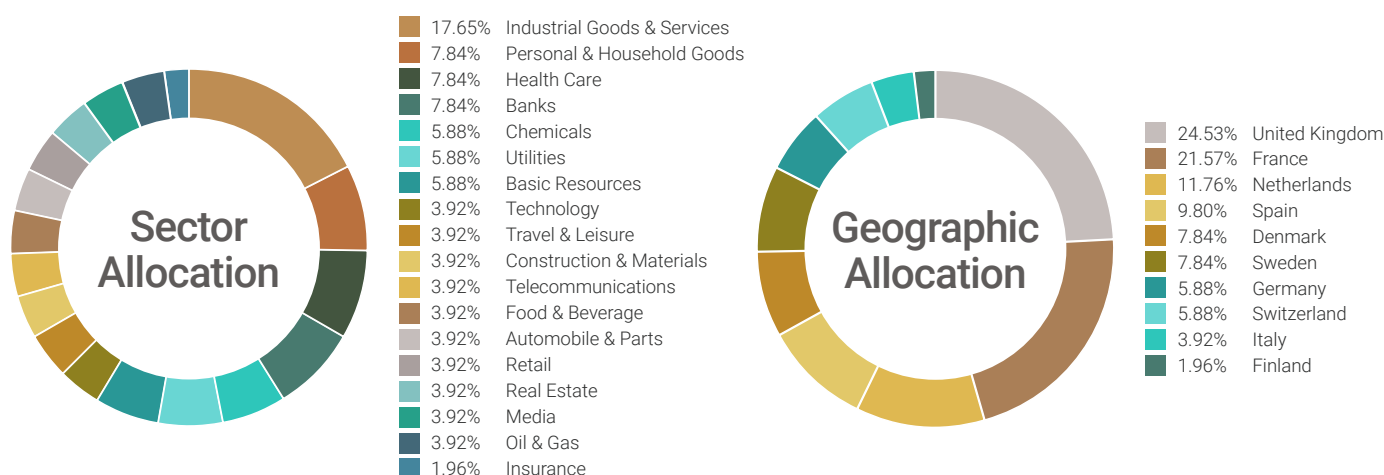


	Euronext® Climate Objective 50 Equal Weight Decrement 5% Index	EURO STOXX 50® Index
<b>YTD</b>	10.36%	9.25%
<b>Annualised Return</b>	4.49%	3.46%
<b>Annualised Volatility</b>	17.75%	20.50%
<b>Sharpe Ratio</b>	0.25	0.17
<b>Max Drawdown</b>	-31.05%	-34.97%

Past performances and simulations of past performances are not an indicator or a guarantee of future results.

(1) Euronext® Climate Objective 50 Equal Weight Decrement 5% Index was launched on the 29 May 2017 and past performances has been backtested from 19 Nov. 2010 to 26 May 2017.

## SECTOR AND GEOGRAPHIC ALLOCATIONS<sup>(2)</sup>



(2) Last rebalancing as of 21 Nov. 2016  
Sources: Natixis, Euronext, Bloomberg

## INDEX CONTRIBUTORS

Natixis SRI team partnered with the Euronext®, Carbone 4 and CDP, which provided Natixis with a selection of stocks that composed the Euronext® Climate Objective 50 Equal Weight Decrement 5% Index.



Set up in March 2008, Natixis SRI team has a recognised expertise in Europe on the integration of ESG stakes to the fundamental analysis of corporates and issuers.



Carbone 4 is a leading consulting firm specialised in carbon strategy. The firm's name refers to the Factor 4 concept, the name given to France's objective of cutting greenhouse gas (GHG) emissions by 75% by 2050.



CDP is an international non-profit organisation offering companies the only global platform that measures and shares environmental data linked to climate, water and deforestation.

## COMPONENTS OF THE INDEX<sup>(3)</sup>

All the components in the Euronext® Climate Objective 50 Equal Weight Decrement 5% Index are equally weighted.

Name	Bloomberg Ticker	Sector (ICB) <sup>(4)</sup>
Airbus SE	AIR FP	Industrial Goods & Services
Akzo Nobel NV	AKZA NA	Chemicals
Amadeus IT Group SA	AMS SM	Industrial Goods & Services
AP Moller - Maersk A/S	MAERSKB DC	Industrial Goods & Services
Atos SE	ATO FP	Technology
Carnival PLC	CCL LN	Travel & Leisure
Cie de Saint-Gobain	SGO FP	Construction & Materials
Compass Group PLC	CPG LN	Travel & Leisure
Covestro AG	1COV GY	Chemicals
Deutsche Post AG	DPW GY	Industrial Goods & Services
Deutsche Telekom AG	DTE GY	Telecommunications
Diageo PLC	DGE LN	Food & Beverage
DSV A/S	DSV DC	Industrial Goods & Services
Electricite de France SA	EDF FP	Utilities
Essity AB	ESSITYB SS	Personal & Household Goods
Fiat Chrysler Automobiles NV	FCA IM	Automobile & Parts
GlaxoSmithKline PLC	GSK LN	Health Care
HSBC Holdings PLC	HSBA LN	Banks
Iberdrola SA	IBE SM	Utilities
Industria de Diseno Textil SA	ITX SM	Retail
ING Groep NV	INGA NA	Banks
Koninklijke DSM NV	DSM NA	Chemicals
Koninklijke Philips NV	PHIA NA	Health Care
Land Securities Group PLC	LAND LN	Real Estate
Legrand SA	LR FP	Industrial Goods & Services
Lloyds Banking Group PLC	LLOY LN	Banks

Name	Bloomberg Ticker	Sector (ICB) <sup>(4)</sup>
L'Oreal SA	OR FP	Personal & Household Goods
Mondi PLC	MNDI LN	Basic Resources
Novo Nordisk A/S	NOVOB DC	Health Care
Pernod Ricard SA	RI FP	Food & Beverage
Peugeot SA	UG FP	Automobile & Parts
RELX PLC	REL LN	Media
Roche Holding AG	ROG VX	Health Care
Schneider Electric SE	SU FP	Industrial Goods & Services
Siemens Gamesa Renewable Energy SA	SGRE SM	Oil & Gas
Skanska AB	SKAB SS	Construction & Materials
Sky PLC	SKY LN	Media
STMicroelectronics NV	STM IM	Technology
Svenska Cellulosa AB SCA	SCAB SS	Basic Resources
Swiss Re AG	SREN VX	Insurance
Taylor Wimpey PLC	TW/ LN	Personal & Household Goods
Telefonica SA	TEF SM	Telecommunications
Tesco PLC	TSCO LN	Retail
Thales SA	HO FP	Industrial Goods & Services
UBS Group AG	UBSG VX	Banks
Unibail-Rodamco SE	UL NA	Real Estate
Unilever NV	UNA NA	Personal & Household Goods
UPM-Kymmene OYJ	UPM1V FH	Basic Resources
Veolia Environnement SA	VIE FP	Utilities
Vestas Wind Systems A/S	VWS DC	Oil & Gas
Volvo AB	VOLVB SS	Industrial Goods & Services

<sup>(3)</sup> Last rebalancing as of 21 Nov. 2016

<sup>(4)</sup> The Industry Classification Benchmark (ICB) is a system for categorising companies worldwide on four levels: 10 industries, 19 supersectors, 41 sectors and 114 subsectors. The sector diversification of the index is applied based on the second level comprised of 19 supersectors.

Sources: Natixis, Euronext, Bloomberg



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