

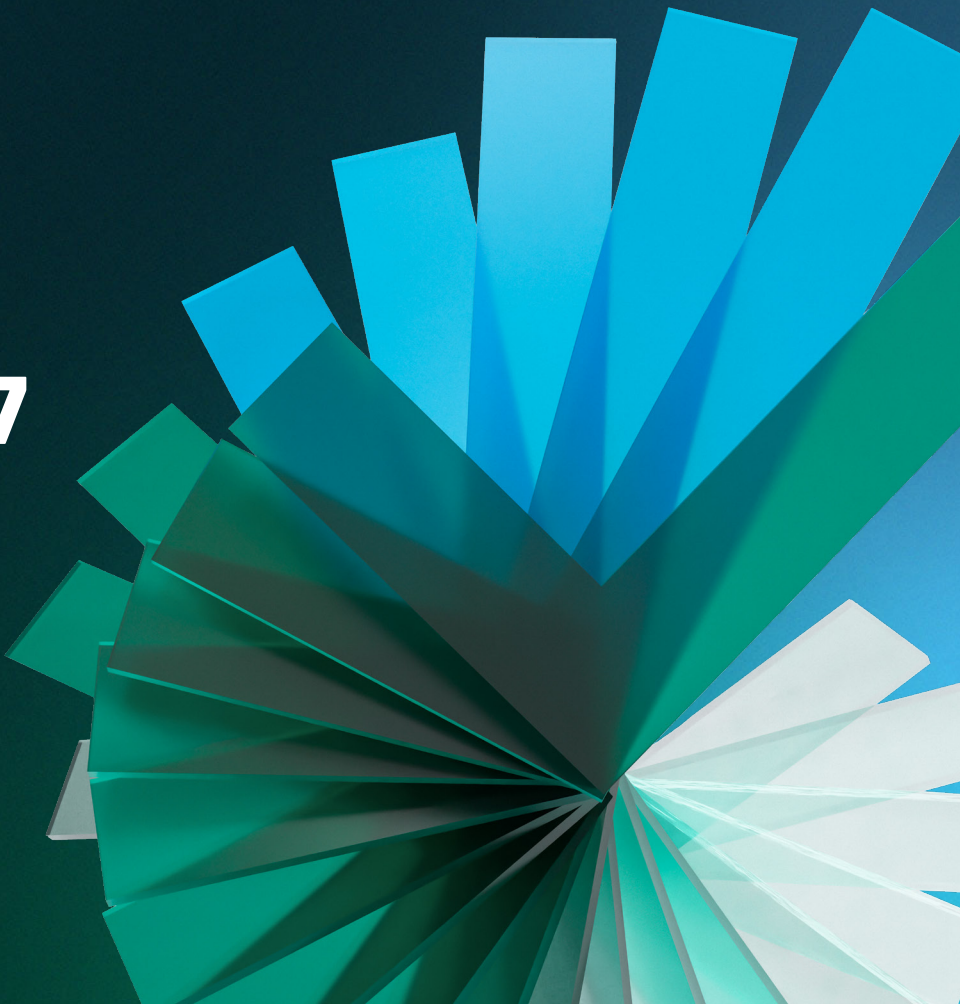
STRATEGIC PLAN

# Innovate for Growth 2027

November 2024



**EURONEXT**



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# Euronext at a glance

Euronext has grown through a unique track record of integration and operational leverage. We have created a powerful, integrated capital market infrastructure.

**We are now fully equipped to accelerate organic revenue growth**

**18 locations**

**3x number of employees since 2014**  
c.2,400 talents across the Group

**63 nationalities represented**

**+3 European exchanges since 2018**

**+1 Clearing house**

**+2 CSDs**

**+1 Power trading venue**

**+1 Fixed income trading venue**

## 7 EXCHANGES



Dublin



Oslo



Milan

in addition to



Amsterdam



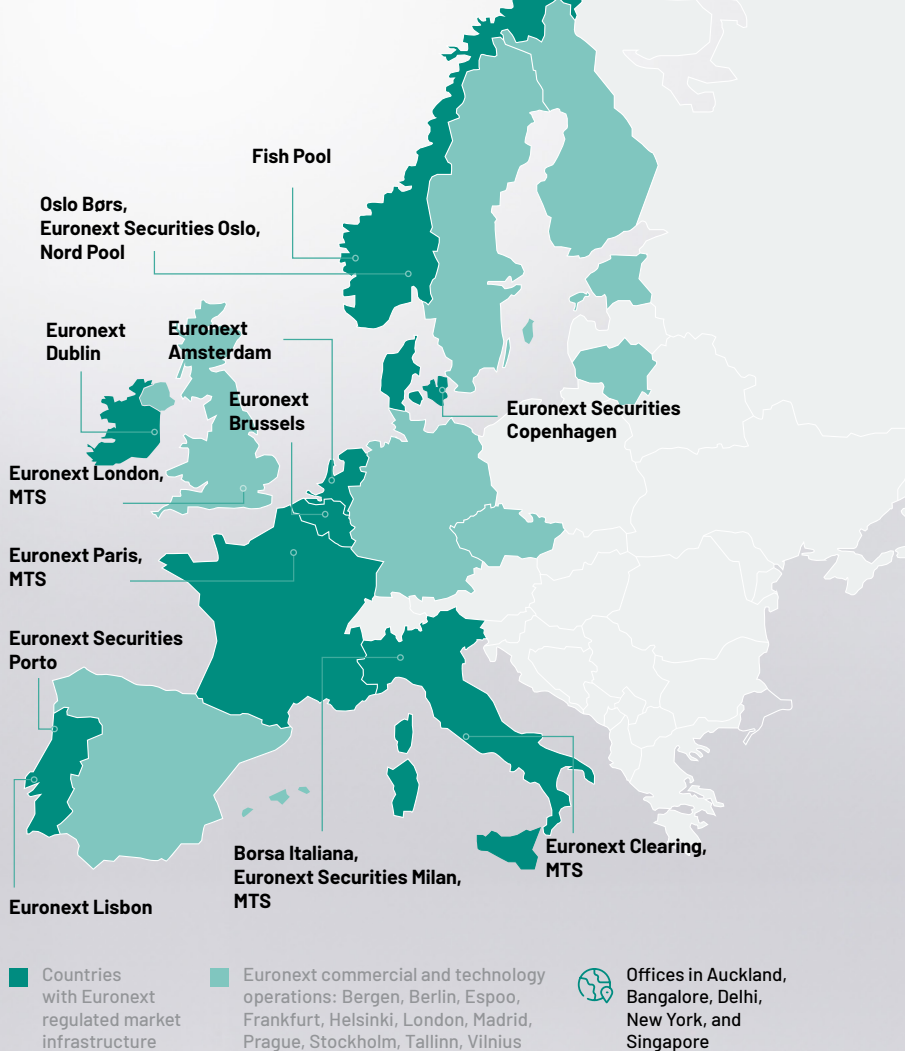
Brussels



Lisbon



Paris



# Euronext has built a powerful and integrated position across the value chain

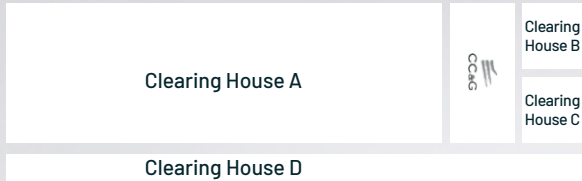
Value chain in 2020



Trading



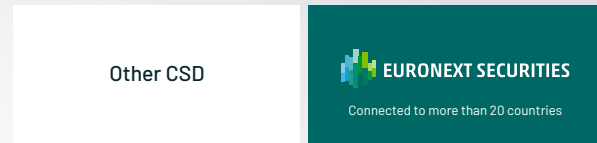
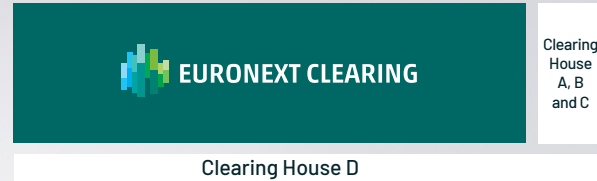
Clearing



CSD<sup>(1)</sup>



Value chain in 2024



(1) Central security depository

# A unique track record of integration and operational leverage

	Initial targets		Achievements	As % of initial targets	Timing
2014/2016 efficiency programme	€60 million	▶	€85 million	140%	1 year in advance
2016/2018 efficiency programme	€22 million	▶	€24 million	110%	1 year in advance
Euronext Dublin	€6 million <sup>1</sup>	▶	€8 million <sup>1</sup>	130%	1 year in advance
Oslo Børs VPS	€12 million <sup>1</sup>	▶	€14 million	115%	1 year in advance
VP Securities	€7 million <sup>2</sup>	▶	€8 million	109%	2 years in advance
Borsa Italiana Group	<b>€60 million</b> in April 2021 ▼ <b>€115 million</b> in February 2023		<b>€121 million</b> of run rate cumulated EBITDA synergies reached	<b>~2x initial targeted synergies</b> of €60 million announced in April 2021	
<b>Total</b>	<b>€167 million</b> (€223 million as revised in February 2023)	▶	<b>€260 million</b>		

(1) Run-rate cost synergies; (2) Run-rate cash cost synergies

# “Growth for Impact 2024” targets achieved thanks to exceptional integration capabilities, organic growth and cost discipline

	2024e targets	2024 achievements (1)
<b>Revenue growth</b>	<b>+3% to 4% CAGR<sub>2020PF-2024e</sub></b> ▶	<b>+4.1% CAGR<sub>2020PF-2024LTM</sub></b>
<b>Adjusted EBITDA growth</b>	<b>+5% to 6% CAGR<sub>2020PF-2024e</sub></b> ▶	<b>+5.3% CAGR<sub>2020PF-2024LTM</sub></b>

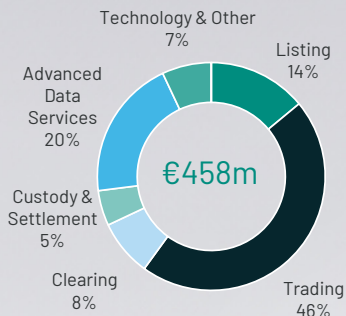
(1) Last twelve months as of 30 September 2024, supposed that Q4'24 is stable vs Q4'23. This figure will be adjusted at the end of 2024 but the achievements of the targets are confirmed.



# Successful diversification of the topline drove growth through cycles

Euronext has built a powerful and integrated European capital market infrastructure across the value chain

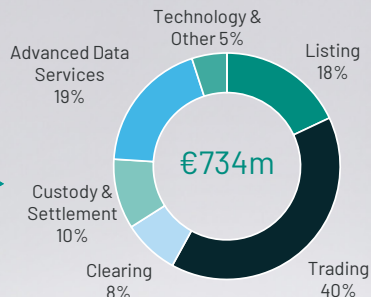
**FY2014 revenue**



Of which:

Cash equity trading 36%  
Derivatives trading 10%

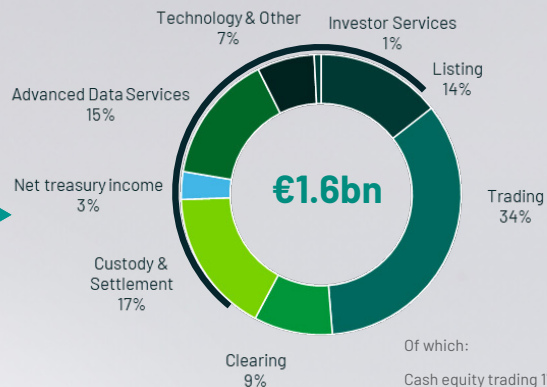
**FY2018 pro forma revenue**



**Non-volume related revenue**

**51%**

**Last twelve months 2024 revenue and income<sup>(1)</sup>**



Of which:

Cash equity trading 17%  
Fixed income trading 9%  
Derivatives trading 3%  
Power trading 3%  
FX 2%

**Non-volume related revenue**

**59%**

(1) Last twelve months as of 30 September 2024

# Innovate for Growth 2027

## Today, Euronext has

### an integrated, powerful set of assets...

- with scale and liquidity
- an unparalleled network of issuers, custodians, clearers and trading firms, across geographies
- and a unique coverage of the whole value chain

### ...supported by strong tailwinds

- with renewed client appetite for harmonised pan-European solutions across the board
- need for balance sheet optimisation
- and increasing demand for digitalisation and simplification

## Tomorrow, Euronext will

### I. Accelerate growth in non-volume business

### II. Expand the FICC trading and clearing franchisee

### III. Build upon our leadership in trading



# Strategic priorities of “Innovate for Growth 2027”



**Accelerate growth  
in non-volume  
business**



**Expand the FICC  
trading and clearing  
franchise**



**Build upon our  
leadership in  
trading**

**Empower sustainable finance through ambitious ESG commitments**

**Enhance operational excellence through AI**

**Deliver value-accretive M&A**

**By 2027, Euronext will be the undisputed backbone  
of the European Savings and Investments Union**

# I. Accelerate growth in non-volume business

Euronext's first strategic priority is to accelerate growth in non-volume business. Today, non-volume related revenue represents ~60% of our revenues, compared to 44% in 2014.

## Securities services

Position Euronext Securities as the CSD of choice in Europe

## Capital market & data solutions

Become a global champion in listing

Scale up SaaS offering

Ramp up the monetisation of Euronext's diversified datasets

# I. Accelerate growth in non-volume business

**3rd** largest CSD in Europe  
**€7 trillion** assets under custody

Access to capital markets across  
**20+ countries**

**#1** Equity listing venue in Europe  
c. **1,900** local and global issuers

**#1** debt listing venue worldwide  
**56,000+** listed bonds

**4,800+** corporate solutions clients in  
**30+** countries

**1,000+** capital markets participants connected to investor solutions

**1,600** licenced data clients worldwide

## Position Euronext Securities as the CSD of choice in Europe

- Expand European footprint through open architecture, existing network of links and T2S gateway
- Extend value-added services to capture further business along the value chain, especially on tax and data services
- Integrate the operating model of Euronext Securities to deliver best-in-class client experience

## Become a global champion in listing

- Grow Euronext's listing franchise globally on equity and debt
- Become the listing venue of reference for tech companies
- Improve access to capital with streamlined listing process
- Provide retail investors with simplified access to primary and secondary markets

## Scale up our SaaS offering

- Conquer European market leadership in corporate solutions through SaaS investments
- Enhance product portfolio with innovative solutions
- Launch a unified client portal
- Expand through strategic partnerships

## Ramp up the monetisation of Euronext's diversified datasets

- Scale and expand data business
- Expand calculated indices franchise
- Grow contributed indices and deploy new benchmark solutions

## II. Expand the FICC trading and clearing franchise

Euronext has become a strong pan-European clearing player. Euronext Clearing will be a cornerstone of the development and diversification of Euronext's derivatives franchise.

### FICC <sup>(1)</sup> markets

Leverage comprehensive clearing capabilities for growth



Expand the Repo clearing franchise

Further integrate the European energy market with power derivatives

Expand the leading fixed income franchise in Europe

(1) Fixed Income, currencies and commodities



## II. Expand the FICC trading and clearing franchise

**3rd** largest Clearing house in Europe

**800 million trades** cleared per year

**3rd** largest Repo clearing business in Europe in terms of notional cleared

The world's first power exchange Available in **16 countries**

**#1** in Italian Repo trading

**#1** in Europe for D2D European Government Bonds

### Leverage Euronext Clearing as a catalyst for growth and European expansion

- Launch a compelling European value proposition for Repo clearing and collateral management
- Expand and diversify cash equity, equity derivatives and commodities derivatives franchises
- Launch an innovative set of fixed income derivatives
- Expand the leadership of Nord Pool to derivatives contracts

### Expand the Repo clearing franchise

- Expansion of Repo clearing footprint across Europe to bring an efficient value offering to European and international clients
- Expand the coverage to multiple European govies
- Capture uncleared flows
- Offer sponsored access to buy-side clients
- Provide collateral optimisation solutions, notably through tri-party partnerships

### Further integrate the European energy market with derivatives

- Reinforce Nord Pool's leadership as the key marketplace for trading European power spot market
- Diversify the offering, including new geographies, new data products and services
- Expand the power derivatives contracts
- Scale-up to expand spot and derivatives trading and clearing across Europe

### Expand the winning model of the fixed income business

- Expand in Dealer-to-Client electronic trading through strategic partnerships
- Further activate MTS' winning model of electronic liquidity, transparency and efficiency in Europe
- Launch an innovative set of fixed income derivatives



# III. Build upon Euronext's leadership in trading

Euronext has integrated numerous trading markets and shown its ability to provide best-in-class integrated technology to customers.

## Equity markets

Expand cash equity leadership through new trading services

Build the leading ETF market in Europe

# III. Build upon Euronext's leadership in trading

**Leading cash trading venue  
in Europe<sup>(1)</sup>  
25% of European equity  
trading**

**A leading ETF  
platform in Europe**

**#1 in terms of  
contracts traded<sup>(2)</sup>**

## Expand cash equity leadership through new trading services

- Diversify trading offering with tailored solutions
- Offer cost-effective and best-quality EU wide services to retail investors
- Expand best-in-class liquidity management programmes

## Build the leading ETF market in Europe

- Launch a unique European listing, trading and post-trade solution for ETFs, leveraging on Euronext's value chain and retail network
- A unique European solution with a single order book, an efficient post-trade solution and an enhanced access, notably for local and retail investors

(1) Last twelve months as of September 2024, including EU and UK, by value traded, excluding block trading

(2) Last twelve months as of end of September 2024.

# Transversal enablers to deliver our strategic priorities

I.

**Accelerate growth  
in non-volume  
business**

II.

**Expand the FICC  
trading and  
clearing franchise**

III.

**Build upon our  
leadership in  
trading**

**Empower sustainable finance through ambitious ESG commitments**

**Enhance operational excellence through AI**

**Deliver value-accretive M&A**

# Empower sustainable finance through ambitious ESG commitments

Euronext has significantly stepped up its ESG commitments since 2021 and its science-based emission reduction targets have been approved by SBTi in 2023.

- Go beyond Euronext's previous "Fit for 1.5°" commitment by setting targets on achieving carbon neutrality by 2050
- Join the Net Zero Finance Service Providers Alliance as part of the global 'Race to Zero' coalition, a UN-backed initiative of over 10,000 companies worldwide
- Lead the way in sustainable finance and in developing products and services to accelerate the transition of Euronext clients to a European economy aligned with a 1.5-degree trajectory.

# Euronext will foster diversity and inclusion as a catalyst for growth

A work environment naturally designed for diversity

Home to **65+ nationalities in 18 countries**, embracing **all forms of diversity**

**A collaborative and entrepreneurial environment**

Where employees are empowered to develop their full-potential

**Access to cutting-edge technologies and expertise**, encouraging innovation and creativity

**Customised career growth, international opportunities and skills development**

**86% of our employees feel their job contributed to Euronext's purpose and strategy**

- Ensure fair opportunities for all, from recruitment, development to equal pay, with at least 30% female representation in local boards and senior management
- Engage our ecosystem with « Ring the Bell » and awareness sessions, embarking all our clients, employees and partners
- Prepare new generations from all backgrounds to join the capital markets ecosystem by leveraging the Euronext Foundation
- Empower employees to take the lead with two days dedicated to societal actions





# Tomorrow, Euronext will use AI as an enabler to enhance operational excellence across the organisation

Guarantee **resilience** and **improved efficiency** of Euronext operations

Improve **customer experience** through further **digitalisation**

**Accelerate product development cycles** to support growth



## Innovation

Predictive maintenance and real-time monitoring with anomaly detection

Personalised digital client experience and enhanced customer support through intelligent chatbots and virtual assistants

Speedier delivery process with introduction of AI in every step of the technology development lifecycle

# Continue to execute value-creative M&A

## M&A optionality to accelerate the delivery of strategic priorities

- Grow through high-value added acquisitions
- Focus on diversifying and strengthening the business, particularly in non-volume activities, market infrastructures and services

## Maintain a rigorous investment policy

- ROCE > WACC within 3 to 5 years
- Contribute to higher organic revenue growth
- Provide scalability and/or improved exposure to non-volume businesses

# Financial guidances

## 2027 targets

Revenue and income growth	Adjusted EBITDA growth	Capex / Sales	Target long-term net leverage	Capital distribution
above <b>5%</b> CAGR <sub>23-27e</sub>	above <b>5%</b> CAGR <sub>23-27e</sub>	<b>4-6%</b> Investments in growth	<b>Net debt / Adjusted EBITDA</b> TARGETED RANGE OF 1.0 - 2.0x <sup>(1)</sup>	<b>Dividend Payout</b> <b>50%<sup>(2)</sup> + special return</b> to shareholders depending on leverage level <sup>(3)</sup>
			<b>NEW</b>	<b>NEW</b>

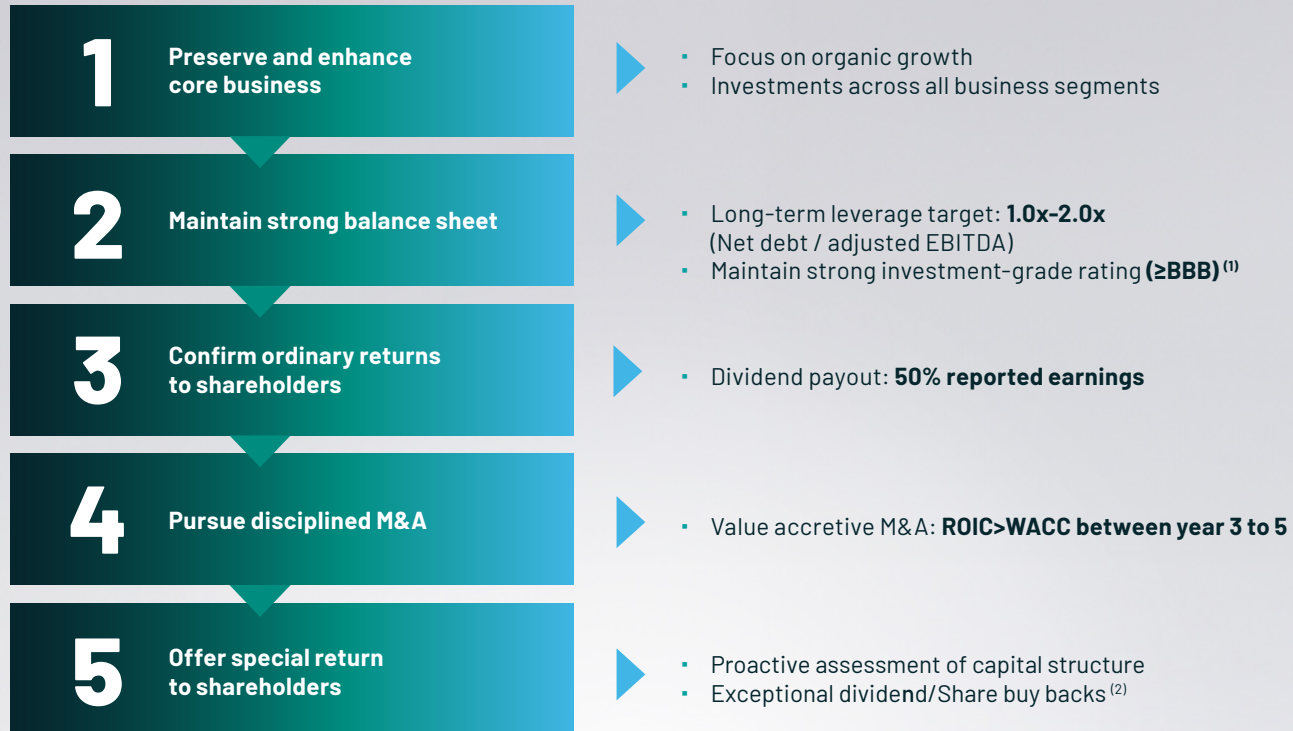
(1) In addition, at all times Euronext aims at maintaining a strong investment grade rating (≥BBB);

(2) 50% of reported net income

(3) Special shareholders' return to be periodically assessed considering Euronext's leverage, market developments and strategic opportunities



# Updated capital allocation policy with a focus on shareholders' returns and strategic flexibility



(1) At all times; (2) Special returns to be periodically assessed considering Euronext's leverage, market and strategic opportunities

## By 2027, Euronext will remain



**highly  
profitable**



**highly  
integrated**



## By 2027, Euronext will be



**more focused on innovation**



**more diversified, larger and stronger**



**more powerful to create M&A optionality**





# Shaping capital markets for future generations

euronext.com



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