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BNP PARIBAS HIGH DIVIDEND PLUS INDEX

Bloomberg ticker: BNPIHDPL | Reuters ticker: US_BNPIHDPL | FT.com ticker: BNPIHDPL
For further information on the BNP Paribas High Dividend Plus Index, please visit www.hdplusindex.com



Index Philosophy

The combination of a high dividend-focused stock selection methodology with a risk reduction mechanism

Investing in large cap U.S. stocks has been popular for generations. As investment strategies have developed over time, a focus on **yield enhancement** and **risk reduction** has become increasingly important to many sophisticated investors.

Selecting consistently **high dividend paying stocks** is one such way of potentially enhancing a portfolio's yield. The **BNP Paribas High Dividend Plus Index** selects stocks with high and stable yields, and has proven to demonstrate better returns than many other dividend-focused strategies⁽¹⁾.

In addition, the Index includes a **risk control mechanism** which seeks to reduce volatility and large drawdowns.

Index Overview

High Dividend Stock Selection:

The equity component of the Index uses a rules-based stock selection methodology to identify companies that, based upon historical metrics and future estimates, are more likely to pay higher dividends relative to their peers in the future. See Stock Selection Methodology Factsheet for further information.

Yield Enhancement:

To enhance yield further, the Index includes exposure to an S&P 500® Index call option selling strategy.

Risk and Drawdown Reduction:

To reduce the strategy's overall volatility and to minimize potential drawdowns, the Index includes exposure to an S&P 500® Index put option buying strategy, and allocates a portion of its components to cash in high volatility environments.

BNP Paribas High Dividend Plus Index



The BNP Paribas HD Plus Index is an excess return⁽²⁾ index and a servicing cost of 1% per annum is deducted on a daily basis.

(1) BNP Paribas High Dividend Plus Index shows Hypothetical Past Performance Data ('PPD'), prior to July 28, 2014. These simulations are the result of calculations made by BNP Paribas at a given moment on the basis of the parameters selected by BNP Paribas, of market conditions at a given moment and of historical data which should not be used as an indicator of future performance, which may be better or worse than prior results. Past performance is not an indicator of future returns. The presentation of hypothetical data reflects the deduction of fees and charges.

(2) The index is calculated on an excess return basis over an equivalent cash investment, which means that the index level reflects the deduction of the 3-month USD Libor interest rate that would apply to such a cash investment.

Index Return Summary⁽¹⁾⁽²⁾

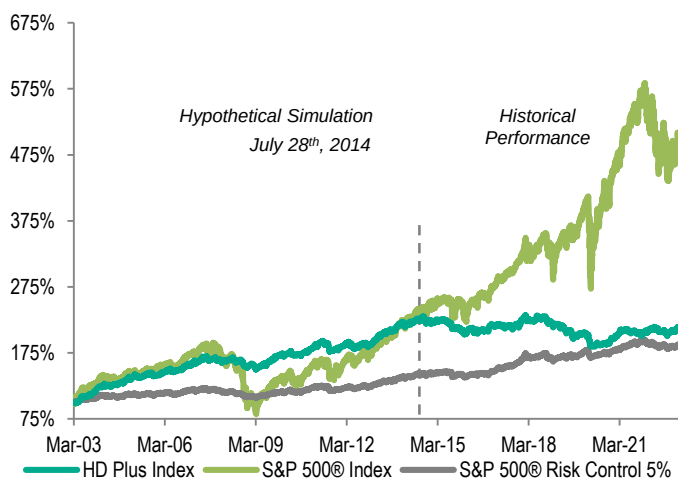
	Since Index Start	Last 1 Year	Last 2 Years	Last 5 Years	Last 10 Years
Annualized return	3.67%	-2.04%	-0.50%	-1.66%	0.17%
Volatility	5.65%	5.53%	5.34%	5.64%	5.63%
Sharpe Ratio	0.65	-	-	-	0.03

	Average	Min	Max
Allocation to Base Component	53.28%	12.37%	100.00%

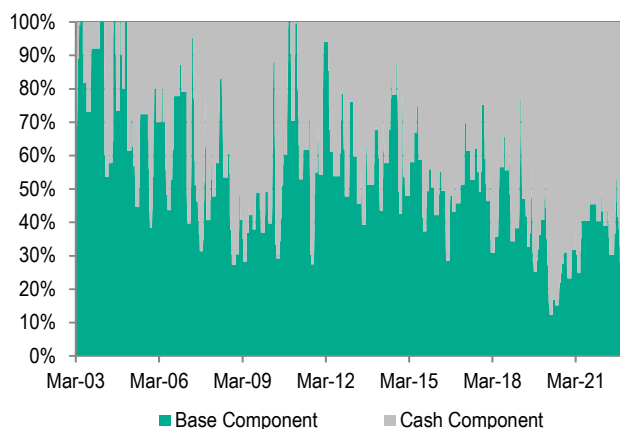
Index Information

Website	www.hdplusindex.com
Bloomberg ticker	BNPIHDPL Index
Calculation Agent	BNP Paribas Arbitrage SNC
Index Sponsor	BNP Paribas
Index Type	Excess Return
Weighting	Periodic rebalancing
Servicing cost	1% per annum, charged on daily basis
Index Publication Date ⁽²⁾	July 28, 2014
Index Start Date ⁽²⁾	March 4, 2003

Index Level and Exposure - Actual and Hypothetically Simulated⁽¹⁾



Base Component Allocation (%)



Top 10 Stock Components by Weight as of 31 March 2023⁽³⁾

	Company	Weight
1	PulteGroup Inc	3.12%
2	Reliance Steel Aluminum Co	2.85%
3	Dicks Sporting Goods Inc	2.73%
4	Exxon Mobil Corp	2.67%
5	Steel Dynamics Inc	2.65%

	Company	Weight
6	DR Horton Inc	2.51%
7	Toll Brothers Inc	2.39%
8	Olin Corp	2.39%
9	Phillips 66	2.38%
10	Owens Corning	2.37%

Sources: Thomson Datastream, BNP Paribas, 31 March 2023. Past performance is not an indicator of future performance. A component's weight in the index depends on how frequently it is selected for inclusion.

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(2) Index Start Date is the first date from which hypothetical past performance data was used to calculate the Index's historical backtest. Index Live Date is the date the Index began using current, actual financial data in its calculation.

(3) These are the stock components of the Index's equity index sub-component, the BNP Paribas High Dividend Yield US Equity Long TR Index.



Risks & Considerations

The strategy underlying the Index may not be successful. There is a risk that the rules-based methodology of the BNP Paribas High Dividend Plus Index ("the Index") or the BNP Paribas High Dividend Yield US Equity Long TR USD Index (the underlying "Dividend Index" upon which the Index is based) does not prove to be efficient or meet their stated objectives, resulting in underperformance compared to any of the benchmark indices.

The BNP Paribas High Dividend Plus Index has Limited Historical Information. The BNP Paribas High Dividend Plus Index is a new index, launched on July 28, 2014. The performance shown before that date is hypothetical past performance, based on hypothetical back-tested information. This website also contains certain performance data based on back-testing, i.e., calculations of the hypothetical performance of the Index as if it had actually existed during a defined period of time, and may in certain circumstances contain simulated performance information where the Index or asset described has recently been established or issued. Further, you must note that such analysis is based on a number of working assumptions that may not be capable of duplication in actual trading terms. Unlike actual performance records, hypothetical or simulated performances, returns or scenarios may not necessarily reflect certain market factors such as liquidity constraints, fees and transaction costs. Actual historical or back-tested past performance does not constitute an indication of future results.

The synthetic call and put option strategies can reduce performance of the overall Index strategy. By writing synthetic call options in return for the receipt of premiums, the Index will give up the opportunity to benefit from potential increases in the value of the securities above the exercise prices of the written options. The premiums received from the options may not be sufficient to offset any losses sustained from the underlying stocks in the Dividend Index, and therefore the Index, over time.

The Index's volatility control mechanism may result in a lower Index Level and the actual volatility of the Index may not equal the target volatility. The Index's Risk Control Overlay allows the Index to dynamically adjust the exposure to the Base Index and cash component, depending on the volatility environment. However, the risk control overlay might limit overall performance of the Index in rising equity markets and may provide imperfect, limited protection in falling equity markets, particularly against sudden, large equity losses. No assurance can be given that the Index methodology will achieve its target volatility goals or that the Index will outperform any alternative investment.

The Closing Levels of the Index will include the deduction of a Servicing Cost. The closing level of the Index includes a deduction from the aggregate values of its constituents of a servicing equal to 1.00% per annum. As a result of this deduction, the value of the Index will trail the value of a hypothetical identical portfolio from which no such amount is deducted.

The Index is an excess return index. The Index is calculated on an excess return basis over an equivalent cash investment, which means that the Index level reflects the deduction of the 3-month USD Libor interest rate that would apply to such a cash investment.

The Closing Levels of the Indices is net of BNP Paribas' estimated funding, trading friction and other costs. The Closing Levels of the Indices are net of BNP Paribas' estimated funding, trading friction and other costs in replicating the Indices. As a result of these costs, the value of the Indices could trail the value of a hypothetical identical portfolio from which no such amount is deducted.

The staggered rebalancing schedule of the Dividend Index may result in lower performance of the Index than the performance experienced by other stock indices. The Dividend Index, which is a sub-index of the Index, is comprised of up to 480 stocks of U.S. companies. It is comprised of twelve sub-portfolios each containing 40 securities, equally weighted. Each sub-portfolio is reconstituted annually. Thus, one-twelfth of the total Dividend Index membership is reset each month. There is no assurance that this staggered rebalancing method will result in better performance than a quarterly or annually rebalancing method, which is used in other stock indices. As a result, the Indices may not perform as well as other stock indices with other rebalancing schedules. In addition, since one-twelfth of the constituents of the Dividend Index is subject to change monthly, the Dividend Index has a higher degree of constituent turnover than other indices that reconstitute annually or that have index constituent continuity as a goal in their reconstitution process. Because constituents may be added to or deleted from the Dividend Index regularly, the opportunity to participate in longer-term price appreciation of the constituent stocks may be less than in a more static index.

Changes in the values of the stocks in the Dividend Index may offset each other. The Dividend Index is linked to the performance of a basket of stocks of U.S. companies which collectively represent a range of sectors. Price movements between these stocks may not correlate with each other. Performances of the Dividend Index stocks may become highly correlated from time to time, including, but not limited to, periods in which there is a substantial decline in a particular sector or asset type represented by the Dividend Index stocks. At a time when the value of a stock linked to a particular sector increases, the values of other stocks linked to other sectors may not increase as much or may decline. Therefore, in calculating the level of the Dividend Index, increases in the values of some of the stocks may be moderated, or more than offset, by lesser increases or declines in the levels of other stocks. High correlation during periods of negative returns among Dividend Index stocks could have an adverse effect on the levels of the Dividend Index, and therefore the Index.

Stock and option prices may change unpredictably, affecting the level of the Index in unforeseeable ways. Trading in the stocks and options that comprise the Index is speculative and can be extremely volatile. Market prices of components of the Dividend Index may fluctuate rapidly based on numerous factors, including: the supply and demand characteristics of the market, including the availability of alternate investment opportunities; changes in interest and yield rates in the market; and the dividend rate on the common stocks of the S&P 500® Index. These factors may affect the value of the Dividend Index, and different factors may cause the prices of the components of the Dividend Index, and the volatilities of their prices, to move in inconsistent directions at inconsistent rates.



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