

PRODUCT DISCLOSURE DOCUMENT

PURPOSE

This document provides you with information about this product to help you understand the nature, risks, potential gains and losses of the product. The target clients for this product are determined accordingly to the relevant Product Governance procedure of each business line of the Group. This document is made available to you to satisfy regulatory information requirements about financial instruments pursuant to the European markets in financial instruments directive (MIFID II). General disclosures relating to BNP Paribas, its services, and financial instruments (including general risk warnings of the risks associated with financial instruments) it may offer to clients are also contained in the MIFID II client package that was made available to you. These general disclosures remain applicable to this product.

PRODUCT

Financially Settled Commodity Digital Option

Product name	Financially Settled Commodity Digital Option
Product manufacturer	BNP Paribas SA ("BNPP" or "the Bank")

WHAT IS THIS PRODUCT?

► TYPE

An "over the counter" (OTC) derivative contract, in the form of a digital option, on ICE Brent.

► OBJECTIVES

The objective of this Product is to manage the risk of unfavourable fluctuations in price of the ICE Brent, up to maturity. Via this Product you hedge yourself against adverse price movements higher in ICE Brent futures, by owning a cash settled Asian digital call option on ICE Brent, settling against a predefined Strike Rate. The exercise is automatic, based on whether the Settlement Rate is "in-the-money" with respect to the Strike Rate. A digital call option is "in-the-money" if the Settlement Rate is above the Strike Rate. In exchange for this call option, you are required to pay a premium, regardless of whether or not it pays out in the future.

► PRODUCT MAIN FEATURES

Calculation Agent	Manufacturer
Buyer of Option	Client
Underlying	Dec26 ICE Brent Futures Contract
Strike Rate	ATM (\$82.25/bbl)
Type of Option	Asian ICE Brent Digital Call
Exercise	Automatic
Asian Period	1 st October 2026 to 30 th October 2026
Settlement Rate	Average of the Underlying throughout the Asian Period
Settlement Date	3 rd November 2026
Premium	800,000 USD
Payout	1,600,000 USD
Cash Settlement Formula	If Settlement Rate is greater than the Strike Rate, - The client receives the Payout Else - There are no further obligations between the Client and bank

► INTENDED CLIENT

This Product is only for clients who:

- Have digital-like exposure to ICE Brent at Expiry Date for the relevant Payout.
- Have the financial capacity to enter into this Product and to bear any potential loss related thereto.
- Need, up to maturity, a fixed cost protection against a possible appreciation of ICE Brent, either (a) to cover their buy needs or (b) to manage their physical needs but wish to keep the opportunity to benefit from a depreciation of the ICE Brent.
- Have sufficient knowledge and experience to understand how this Product works and to assess the associated opportunities and risks.
- Understand the settlement profile of Digital Asian options

WHAT ARE THE RISKS AND BENEFITS OF THE PRODUCT?

Risks	Benefits
For a Buyer of the Option, if the Option expires worthless, the premium paid upfront is a cost that cannot be recovered.	For a Buyer of the Option, the purchased Option offers protection against a possible appreciation in ICE Brent beyond the Strike via a fixed payout
The product is complex, and it involves ICE Brent futures, Interest Rates and Volatility to determine the price of the end product.	For a Buyer of the Option, it partially protects against the worst-case market scenario and therefore works as an insurance product with a premium paid up-front.
For the seller of the digital option there is limited downside.	The seller of the digital option can receive the premium up-front.

► SCENARIO ANALYSIS

CAUTION: The following scenario is provided solely for illustrative purposes. All figures in the table are hypothetical and are intended only to demonstrate how cash-flows are calculated at each expiration date. They do not represent a precise reference, nor any forecast of commodity price movements. The cash-flows derived from the rates in the table do not incorporate discounting. Therefore, should the scenario materialise, the total cash-flows would not be equivalent to the option's mark-to-market value.

Asian Mechanism Explained

- During each Commodity Business Day during the month of October 2026, we observe the Dec26 ICE Brent futures price
- We calculate an equally-weighted arithmetic average from each daily fixing

The arithmetic is if the average settlement price is greater than the or equal to the strike, the settlement amount is equal to the agreed fixed Payout. If the average settlement price is below the strike, the settlement amount will be 0.

Expiry Date	Dec26 ICE Brent Monthly Average	Option Exercised?	Net Payout (inclusive of premium spent)
30/10/2026	85	Yes	USD 800,000
30/10/2026	100	Yes	USD 800,000
30/10/2026	60	No	USD -800,000

Interpretation:

- Dec26 ICE Brent Monthly Average = 85

On 30/10/2026, the option expires in-the-money, and the option is automatically exercised, with the client receiving a fixed payout of USD 1,600,000. This is excluding the premium of USD 800,000 that would have been paid by client at inception. Resulting in a net payout of USD 800,000 to client.

- Dec26 ICE Brent Monthly Average = 100

On 30/10/2026, the option expires in-the-money, and the option is automatically exercised, with the client receiving a fixed payout of USD 1,600,000 This is excluding the premium of USD 800,000 that would have been paid by client at inception. Resulting in a net payout of USD 800,000 to client.

➤ Dec26 ICE Brent Monthly Average = 60

On 30/10/2026, the option expires out-of-the-money. There is no fixed payout. The premium of USD 800,000 would have been paid by client at inception, resulting in a net loss of USD 800,000 to client.

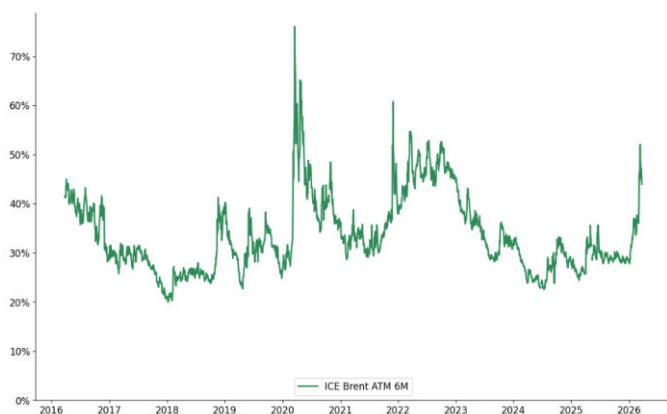
► Market References: Historical Performance

Historical ICE Brent Spot



March 2016 – March 2026 ICE Brent Front Month	
Maximum	127.98
Minimum	19.33
Average	68.81
Last Price	99.34

Historical 6-Month ICE Brent Implied Volatility



March 2016 – March 2026 Front-Month Historical Volatility	
Maximum	76.03%
Minimum	19.98%
Average	33.60%
Last Price	43.93%