

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 Swap

Product name	Financially Settled Commodity Swap
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 swap, 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 consumer swap on ICE Brent, settling against a predefined Fixed Rate. The exercise is automatic.

► PRODUCT MAIN FEATURES

Calculation Agent	Manufacturer
Buyer of Swap	Client
Underlying	Mar 2027 ICE Brent
Volume	100,000 bbls/month
Fixed Rate	\$82.00/bbl
Type of Swap	Asian ICE Brent Swap
Asian Period	January 2027
Settlement Rate	Monthly Average of the Underlying throughout the Asian Period
Settlement Date	5bd after end of each Asian period
Premium	This is a zero-premium instrument
Cash Settlement Formula	If Settlement Rate is greater than the Fixed Rate, - The client receives an amount in USD equal to: $(\text{Settlement Rate} - \text{Fixed Rate}) * \text{Volume}$ If Settlement Rate is lower than the Fixed Rate, - The client pays an amount in USD equal to: $(\text{Fixed Rate} - \text{Settlement Rate}) * \text{Volume}$ Else, - There are no obligations between the Client and bank

► INTENDED CLIENT

This Product is only for clients who:

- Need to buy ICE Brent at over the Asian Period for the relevant Volume.
- Have the financial capacity to enter into this Product and to bear any potential loss related thereto.
- Need, up to maturity, a protection against a possible appreciation of ICE Brent, either (a) to cover their buy needs or (b) to help manage their physical needs and wish to lock a fixed rate paid for incoming ICE Brent deliveries.
- Have sufficient knowledge and experience to understand how this Product works and to assess the associated opportunities and risks.
- Understand the settlement profile of Asian swaps

WHAT ARE THE RISKS AND BENEFITS OF THE PRODUCT?

Risks	Benefits
For a Payer of the Swap, the pre-defined and agreed Fixed Rate is paid regardless of where the underlying settles, and any losses cannot be recovered.	For a Payer of the Swap, the agreed Swap offers protection against a possible appreciation in the Settlement Rate beyond the Fixed Rate.
The product is complex, and it involves ICE Brent futures to determine the Fixed Rate of the end product.	For a Payer of the Swap, it protects against the worst-case market scenario and fixes the price paid allowing the client to plan future outgoing cashflows with more clarity and certainty.
For the both the Payer and Receiver of the Swap there is unlimited downside.	

► 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 settlement 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 swap's mark-to-market value.

Asian Mechanism Explained

- During each Commodity Business Day during the month of (in this case) January, we observe the (Front Month) Mar27 ICE Brent futures price
- We calculate an equally weighted arithmetic average from each daily fixing
- The arithmetic average is the settlement price against which we compared to fixed swap rate (USD 82/bbl) and determine the settlement amount of the swap
- The settlement amount is equal to Volume * (Monthly Average – Fixed Rate)

Settlement Date	ICE Brent March 2027 Monthly Average	Volume	Net Payout
05/02/2027	70	100,000	-USD 1,200,000
05/02/2027	100	100,000	USD 1,800,000

Interpretation:

- Mar27 ICE Brent Monthly Average = 70

On 05/02/2027, the swap is settled, and the client buys 100,000 bbls from the Bank at the Fixed Rate of 82.00, cash settled. This results in the client paying USD 1,200,000.00

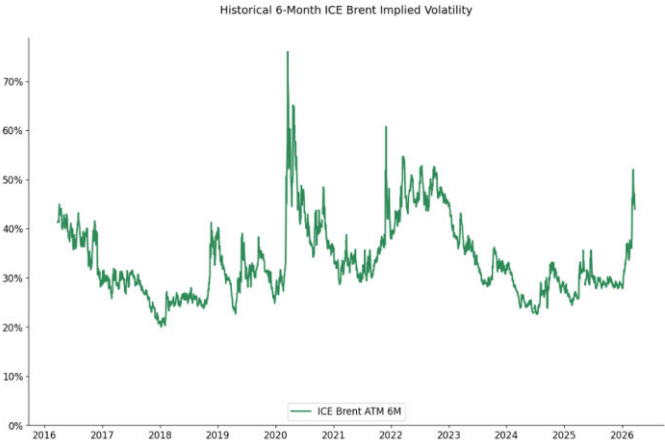
- Mar27 ICE Brent Monthly Average = 100

On 05/02/2027, the swap is settled, and the client buys 100,000 bbls from the Bank at the Fixed Rate of 82.00, cash settled. This results in the client receiving USD 1,800,000.00

► Market References: Historical Performance



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



March 2016 – March 2026 6-Month Historical Volatility	
Maximum	76.03%
Minimum	19.98%
Average	33.60%
Last Price	43.93%