

**Excerpt from the minutes of the meeting of the
IRGiT S.A. Risk Committee
held on 15 September 2021**

Attendees¹:

Risk Committee Members:

1. Tomasz Wieczorek – Committee Chairman, Representative of IRGiT
2. Iwona Ustach – Committee Member, Representative of Izba Domów Maklerskich (Chamber of Brokerage Houses)
3. Leszek Prachniak – Committee Member, Representative of Towarowa Giełda Energii S.A. (Polish Power Exchange)
4. Arkadiusz Wronka – Committee Member, Representative of Towarzystwo Obrotu Energią (Association of Energy Trading)²
5. Paweł Lont – Committee Member, Representative of the European Federation of Energy Traders³
6. Robert Sikorski – Committee Member, Representative of Towarzystwo Gospodarcze Polskie Elektrownie (Polish Power Plants Association)

Invited guests:

1. Robert Rybski – Representative of the Polish Financial Supervision Authority
2. Sylwia Domańska – Representative of the Polish Financial Supervision Authority
3. Jarosław Michalak – Representative of Towarzystwo Gospodarcze Polskie Elektrownie (Polish Power Plants Association)
4. Katarzyna Matuszewska – Representative of Izba Domów Maklerskich (Chamber of Brokerage Houses)
5. Janusz Kurzak – Representative of the European Federation of Energy Traders,
6. Łukasz Goliszewski – Vice-President of the IRGiT Management Board
7. Tomasz Banaszczyk – Compliance Officer at IRGiT
8. Łukasz Grządka – Deputy Director of the IRGiT Risk Management Department
9. Kamila Kakozwa – Specialist at the Risk Management Department of IRGiT S.A.

Recommendations and opinions of the Risk Committee (hereinafter “Committee”) on the issues in question are presented below in these minutes.

¹ The Committee meeting was held in the hybrid form (on site and via teleconference).

² Attending via teleconference

³ Attending via teleconference

Course of the meeting:

1. The Committee Members were familiarized with selected statistics regarding the area of collaterals and risk management in IRGiT, including the total value of the required collateral, the structure of the collateral lodged and its volatility over time.
2. The Committee Members were informed about the status of implementation of the recommendations from previous Committee meetings.
3. The Committee Members were informed of the changes in the collateral model introduced in early September 2021. The Committee recommended analyses in order to review the possibility of optimizing the parameter of the level at which collateral contributed in EUR may be used for a collateral margin.
4. The Committee Members were familiarized with the planned changes to IRGiT's clearing price calculation model. The purpose of the proposed solution is to eliminate the identified irregularities and consequently improved efficiency of setting the level of collateral margins and other elements of the clearing guarantee system. The Committee Members were informed that the solution will be implemented no sooner than in 2022, after the changes in the calculation of DKR (daily clearing price) at the Polish Power Exchange have been implemented.
5. The Committee Members were familiarized with the key assumptions of the testing of the procedure in the situation of an event of default that is scheduled for 22 September 2021.
6. The Committee Members were informed about the results of the analysis whether it is possible for IRGiT to inform a brokerage house, which is a Clearing House Member, about an event of default declared in respect to a Clearing House Member in a situation where the latter is also a customer of that brokerage house. The Committee recommended refraining from issuing the recommendation until the Chamber of Brokerage Houses presents the results of further analyses.
7. The Committee Members were familiarized with the results of IRGiT's analyses focused on the current status of the possibility of using resources from the guarantee fund. The potential changes to the model would introduce an option of a temporary use of resources from the guarantee fund (as one of many mechanisms in place in IRGiT) in order to ensure liquidity of financial settlements. The Committee recommended that further analyses should be carried out, focusing on liquidity risk and the possible use of resources from the guarantee fund to mitigate this risk.

For more information on the Risk Committee see: <https://www.irgit.pl/komitet-ds-ryzyka>