

Excerpt from the minutes of the meeting of the Risk Committee of IRGiT SA held on 14 April 2021

Attendees¹:

Risk Committee Members:

1. Tomasz Wieczorek – Committee Chairman, Representative of the Commodity Clearing House
2. Leszek Prachniak – Committee Member, Representative of Towarowa Giełda Energii S.A. (Polish Power Exchange)
3. Olga Dzilińska-Pietrzak – Committee Member, Representative of Izba Energetyki Przemysłowej i Odbiorców Energii (Chamber of Industrial Power and Energy Recipients)
4. Arkadiusz Wronka – Committee Member, Representative of Towarzystwo Obrotu Energią (Association of Energy Trading)
5. Paweł Lont – Committee Member, Representative of the European Federation of Energy Traders
6. Maciej Maciejko – Committee Member, Representative of Związek Pracodawców Prywatnych Energetyki Konfederacji Lewiatan (Union of Private Energy Sector Employers)
7. Robert Sikorski – Committee Member, Representative of Towarzystwo Gospodarcze Polskie Elektrownie (Polish Power Plants Association)
8. Katarzyna Piłat – Committee Member, Representative of Izba Gospodarcza Gazownictwa (Chamber of the Natural Gas Industry)

Invited guests:

1. Jakub Zaleski – Representative of the Polish Financial Supervision Authority
2. Robert Rybski – Representative of the Polish Financial Supervision Authority
3. Sylwia Domańska – Representative of the Polish Financial Supervision Authority
4. Jarosław Michalak – Representative of Towarzystwo Gospodarcze Polskie Elektrownie (Polish Power Plants Association)
5. Katarzyna Matuszewska – Representative of Izba Domów Maklerskich (Chamber of Brokerage Houses)
6. Łukasz Goliszewski – Vice-President of the IRGiT Management Board
7. Łukasz Grządka – Deputy Director of the IRGiT Risk Management Department
8. Aleksandra Celińska – Specialist at the Risk Management Department of IRGiT S.A.

The meeting was presided over by the Chairman of the Risk Committee together with Mr. Łukasz Grządka and Ms. Aleksandra Celińska. Recommendations and opinions of the Risk Committee (hereinafter “Committee”) on the issues in question are presented below in these minutes.

Course of the meeting:

¹ The Committee meeting was held in the form of a teleconference.

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1. The Committee Members were informed of a change of the concept for presenting recommendations from previous Committee meetings. The list of recommendations along with the implementation status in the form of an MS Excel file, which will be sent to Committee Members along with the presentation in an invitation to each Committee meeting.
2. The Committee Members were familiarized with selected statistics regarding the area of collaterals and risk management in IRGiT as at the end of March 2021, comprising the total value of the required collaterals and the structure of the collaterals lodged and their volatility level over time.
3. Upon request from one of the Committee Members, the Committee Members once more discussed on voting on how uncovered risk calculated at a Power Group level should be taken into account in the calculation of the level of contributions of the entities from such Group. The Committee Members were familiarized with the analyses prepared by IRGiT and, in this respect, The Committee Members recommended a repeat vote on accepting/rejecting the decision on how uncovered risk calculated at a power group level should be taken into account in the calculation of the level of contributions of the entities from such group.
4. The Committee Members were familiarized with a recommendation for an audit of IRGiT's default management process concerning potential changes to the disclosure of data of a customer, for whom IRGiT has identified an event of default, to a brokerage house. Under the recommendation, the Committee Members decided to carry out further analysis and take up a decision on this topic during the coming Committee meetings.
5. The Committee Members were familiarized with the topic of Public Quantitative Disclosure (PQD) and the IRGiT's planned publication of a standardized collection of cross-sectional qualitative and quantitative data on the area of clearing, settlement and risk management in 2021.
6. The Committee was also familiarized with the proposed amendments to the Regulations of the Exchange Clearing House, which are aimed at adapting the provisions of the Regulations to the conditions currently existing on financial markets. The amendments to the Regulations include support for a situation in which negative interest rates occur and the possibility for IRGiT to pass on, to Clearing House Members, the costs associated with the fees charged on funds contributed to the clearing guarantee system.

The date of the next Risk Committee meeting was tentatively set at 16 June 2021.

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