

Resolution No.
of the Ordinary General Meeting of the Company
Warsaw Stock Exchange ("Company")
dated 17 June 2019

amending the Articles of Association of the Warsaw Stock Exchange

Acting pursuant to Article 430 § 1 of the Commercial Companies Code, the Ordinary General Meeting of the Company hereby resolves as follows:

§ 1

The Ordinary General Meeting resolves to amend the Articles of Association of the Warsaw Stock Exchange as follows:

1) Art. 4.1 of the Articles of Association shall be replaced by the following:

„1. The Company's share capital is PLN 41,972,000 (forty one million nine hundred and seventy two thousand zlotys) and is divided into 41,972,000 (forty one million nine hundred and seventy two thousand) shares with the nominal value of PLN 1 (one zloty) each, including:

14,772,470 registered series A shares preferred:

- 1) by each share conferring two votes; and
- 2) as set out in Art. 9.4.2);

27,199,530 ordinary bearer series B shares.”

2) Art. 5.1 of the Articles of Association shall be replaced by the following:

“1. The shareholders are entitled to participate in the profits shown in the financial statements audited by the audit firm and designated for distribution to the shareholders by the General Meeting.”

3) § 9.1a(3) shall be deleted;

4) Art. 14. of the Articles of Association shall be replaced by the following:

“1. At least two members of the Exchange Supervisory Board shall meet the independence criteria defined for members of audit committees in the regulations governing the functioning of audit firms and auditors and defined in the corporate governance principles issued under the Exchange Rules.

2. Members of the Exchange Supervisory Board who meet the independence criteria referred to in item 1 shall immediately provide the Company and the Exchange Supervisory Board with a declaration to the effect that they are no longer independent members.

3. If a candidate nominated by shareholders referred to in Art. 13.3(1) and (2) who does not meet the independence criteria referred to in item 1 is elected an Exchange Supervisory Board

member, such election will be ineffective in respect of the Company, and if the Exchange Supervisory Board member no longer meets the independence criteria during the term of his/her office, his/her mandate shall expire.

4. The Exchange Supervisory Board appoints an audit committee whose composition and responsibilities shall comply with the applicable regulations referred to in item 1.

5. The Exchange Supervisory Board appoints the nomination and remuneration committee and may also appoint other committees, in particular the regulation and corporate governance committee. The detailed tasks, the principles of appointing and functioning of these committees shall be set out in the committee rules approved by the Exchange Supervisory Board.”

5) Art. 18 of the Articles of Association shall be replaced by the following:

“1. The Exchange Supervisory Board will exercise regular supervision over the Company’s operations.

2. In addition to the powers vested in the Exchange Supervisory Board under the other provisions of these Articles of Association, the Exchange Supervisory Board will have the following powers:

1) assessing the financial statements for the previous financial year and the Exchange Management Board’s report on the activity of the Company,

1a) approving a report of the Exchange Management Board on representation expenses, as well as legal fees, marketing service charges, public relations and social communications service charges, and management advisory service charges,

1b) approving a report on compliance with best practice defined by the Prime Minister under the Act of 16 December 2016 on principles of management of State property,

2) assessing the Exchange Management Board’s proposals on the distribution of profits or covering the losses;

3) presenting to the General Meeting a written report on the findings of the above assessments;

4) presenting to the General Meeting an annual concise assessment of the situation of the Company including:

a) assessment of the financial situation of the Company and the Company’s Group;

b) assessment of the internal control system and the system of management of risks material to the Company;

c) assessment of the manner of the Company’s fulfilment of the disclosure requirements concerning application of corporate governance rules determined by the Exchange Rules and regulations concerning current and periodic information submitted by the issuers of securities;

d) assessment of the policy conducted by the Company with regard to sponsoring, charitable and other similar activities;

e) assessment of the functioning of the remuneration policy in the Company;

5) considering and presenting opinions on the items to be placed on the General Meeting’s agenda;

6) presenting to the General Meeting an annual report on the works of the Exchange Supervisory Board;

- 7) approving, at the request of the Exchange Management Board, the annual consolidated and separate financial plan and monitoring its implementation;
- 8) adopting the Exchange Supervisory Board Rules;
- 9) adopting the Exchange's Rules at the request of the Exchange Management Board and amendments to these Rules;
- 10) approving, at the request of the Exchange Management Board:
 - a) the whistleblowing procedure;
 - b) the internal audit rules and annual internal audit plans;
 - c) the Rules of the Exchange Management Board;
 - d) the organisational chart defining the internal division of competences on the Exchange Management Board;
 - e) the risk management strategy;
 - f) the conflict of interest management rules;
- 11) determining the rules on which the Exchange Management Board members and the Exchange Supervisory Board members buy and sell the securities listed on the stock exchange operated by the Company;
- 12) approval of the diversity policy for members of the Exchange Management Board defined by the nomination and remuneration committee;
- 13) approval of the policy of training of members of the Exchange Management Board and members of the Exchange Supervisory Board defined by the nomination and remuneration committee;
- 14) approval of the audit firm selection policy and selection procedure for the statutory audit of financial statements defined by the audit committee;
- 15) approval of the policy of non-audit services provided by the auditor and companies of its network defined by the audit committee;
- 16) issuing opinions on the sponsoring policy of the Company and the donation rules;
- 17) issuing opinions on the Rules of the Alternative Trading System within the powers of the Exchange Supervisory Board under such Rules;
- 18) performing obligations defined in the Exchange Rules and the Rules of the Alternative Trading System;
- 19) determining the terms and conditions of contracts and remuneration of members of the Exchange Management Board on the basis of the resolution of the General Meeting referred to in § 9.1a(2);
- 20) representing the Company in contracts and disputes between the Company and the Exchange Management Board members;
- 21) appointing the audit firm to audit and review the Company's financial statements and the consolidated financial statements of the Company's Group;
- 22) performing an annual assessment of the Company's compliance with the Rules of Corporate Governance for Supervised Institutions issued by the Polish Financial Supervision Authority (KNF);
- 23) consenting to the Company entering into a contract which has a material impact on the financial or legal position of the Company where the other party is a shareholder who holds at least 5% of the total vote in the Company or a related party;

- 24) approving any actions involving:
- a) disposal of non-current assets within the meaning of the Accounting Act of 29 September 1994 classified as intangible assets, property, plant and equipment, and long-term investments, including their contribution to a company or co-operative, if the market value of such assets is more than 3% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements, and giving such assets for use to another entity for a period of more than 180 days in a calendar year, under a legal transaction, if the market value of the object of such legal transaction is more than 3% of the total assets, where giving for use in the case of:
 - (i) lease or rent agreements or other agreements giving an asset for use by other entities for a fee - the market value of the object of the legal transaction is understood as the value of benefits paid:
 - for one year, if the asset is given under agreements concluded for an undetermined period,
 - for the term of the agreement, for agreements concluded for a determined period;
 - (ii) lending agreements and other agreements giving an asset for use by other entities without a fee - the market value of the object of the legal transaction is understood as the amount equivalent to the value of benefits that would be payable under lease or rent agreements:
 - for one year, if the asset is given under agreements concluded for an undetermined period,
 - for the term of the agreement, for agreements concluded for a determined period;
 - b) acquisition, subject to item 3(4) hereof, of non-current assets within the meaning of the Accounting Act of 29 September 1994, at a value greater than:
 - (i) PLN 40,000,000, or
 - (ii) 3% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;
- 25) approving agreements concerning:
- a) a donation or another agreement with a similar effect at a value greater than PLN 20,000 or 0.1% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;
 - b) cancellation of debt or another agreement with a similar effect at a value greater than PLN 50,000 or 0.1% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements;
- 26) approving an agreement concerning legal services, marketing services, public relations and social communications services, and management advisory services where the total fee for the services under such agreement or other agreements with the same entity is to be greater than PLN 500,000 net per annum;
- 27) approving amendments to an agreement concerning legal services, marketing services, public relations and social communications services, and management advisory services where the total fee is to be increased above the amount referred to in item (26);

28) approving an agreement concerning legal services, marketing services, public relations and social communications services, and management advisory services where the total fee is not set;

29) approving the Company's sale, otherwise than in a tender, of a non-current asset within the meaning of the Accounting Act of 29 September 1994 at a value greater than 0.1% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements of the Company;

30) making decisions on other matters reserved for the Exchange Supervisory Board under generally applicable laws.

3. Furthermore, the powers of the Exchange Supervisory Board shall include the following matters, provided that any resolutions of the Exchange Supervisory Board on such matters shall be passed by a majority of 4/5 of votes:

1) approving the execution of an agreement which establishes a strategic alliance with another exchange (an agreement concerning in particular long-term operational relations to the extent of the Company's core business);

2) approving the multi-annual development strategy of the Exchange on the request of the Exchange Management Board;

3) approving the execution, to the extent permissible under legal regulations, of an outsourcing agreement concerning operational support of trading on the regulated market or any of its segments or an outsourcing agreement concerning operational support of trading in the alternative trading system;

4) acquisition of an IT system dedicated to exchange transactions;

5) approving an acquisition, taking up or disposal of shares or participations in commercial law companies where their value at the acquisition price, taking up price or market selling price is greater than:

(i) 4,000,000.00 PLN, or

(ii) 5% of the total assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the most recent approved financial statements.

4. If any action defined in the Articles of Association must be approved by the Exchange Supervisory Board and the General Meeting, the approval of the General Meeting will suffice, subject to item 2(5) hereof.

5. The Exchange Supervisory Board is authorised to determine the uniform text of these Articles of Association each time when a court's decision on registration of amendments to these Articles of Association has become final and valid."

6) Art. 20.3 of the Articles of Association shall be replaced by the following:

"3. Subject to item 2, members of the Exchange Management Board shall be appointed and dismissed by the Exchange Supervisory Board. Members of the Exchange Management Board shall be appointed following a qualification procedure carried out by the Exchange Supervisory Board in order to check and assess the qualifications of the candidates and to select the best candidate. The terms and conditions of the qualification procedure shall be defined by the Exchange Supervisory Board."

7) After § 20, § 20a shall be added as follows:

"The Exchange Management Board prepare and present to the General Meeting and the Exchange Supervisory Board with the report on the activity of the Company for the previous financial year:

1) report on representation expenses, as well as legal fees, marketing service charges, public relations and social communications service charges, and management advisory service charges,

2) report on compliance with best practice defined by the Prime Minister under the Act of 16 December 2016 on principles of management of State property.

8) Art. 22a. of the Articles of Association shall be replaced by the following:

"1. Non-current assets within the meaning of the Accounting Act whose market value is greater than 0.1% of the Company's total assets determined on the basis of the most recent approved financial statements may be disposed in an auction or tender unless:

1) the value of the assets to be sold is greater than PLN 20,000 (twenty thousand zlotys); or

2) the Exchange Supervisory Board approves its disposal in another procedure.

2. If non-current assets referred to in sub-paragraph 1 are to be sold, the Management Board shall define the terms and conditions of the tender or auction including without limitation:

1) the method of publishing tender or auction information;

2) the method of determining the opening price of the non-current assets to be sold, if the tender or auction procedure requires the Company to set an opening price;

3) the minimum requirements to be met by tenderers and their bids;

4) the deadline for the submission of bids and the closing of the tender or auction;

5) the conditions under which the price may be reduced below the opening price or the terms and conditions of the tender or auction may be amended or the tender or auction may be closed without selecting a bid;

- subject to the requirement of protecting the interests of the Company."

§ 2

This Resolution shall come into force on the date of its adoption, however, the amendment of the Articles of Association shall have legal effect provided that it is approved by the Polish Financial Supervision Authority and registered by the competent court.

Justification

The draft amendment of the Articles of Association of the Warsaw Stock Exchange aims to align the Articles of Association with the amendments of the Act of 16 December 2016 on the terms and conditions of management of State property (Journal of Laws of 2018, item 1182, as amended) as amended by the Act of 21 February 2019 amending the Act on the terms and conditions of management of State property and certain other Acts, which took effect on 29 March 2019.