

CODE OF GOOD PRACTICES
OF THE MEMBERS OF TOWAROWA GIEŁDA ENERGII S.A.
in the area of prevention of market abuse
and maintaining the integrity and transparency of trading

Recitals

The Code of Good Practices of the Members of Towarowa Giełda Energii S.A. in respect of prevention of market abuse and maintenance of trading integrity and transparency (hereinafter referred to as the "Code") is a voluntary decision of the Members of Towarowa Giełda Energii S.A. (hereinafter the "Exchange"), on the markets organized by the Exchange.

The purpose of the Code is to seek to ensure compliance of exchange trading participants with Regulation No. 1227/2011 of the European Parliament and of the (EU) Council on wholesale energy market integrity and transparency (the "REMIT Regulation") and Regulation No. 596/2014 of the European Parliament and of the (EU) Council on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (the "MAR Regulation").

The Code has been developed in cooperation between the Exchange's Market Surveillance Office ("MSO") and Exchange Members as part of an initiative to promote a consistent approach to effective surveillance and to develop uniform guidelines and standards for participation in trading on markets organised by the Exchange that meet the requirements of the REMIT Regulation and the MAR Regulation.

The Code is a voluntary decision of trading participants operating on the markets organized by the Exchange and is a formally non-binding set of good market practices, guidelines and standards.

The Code shall not restrict the freedom of Exchange Members participating in trading on the markets organized by the Exchange to implement their own trading strategies.

Article 1

Subject Matter and Scope

1. The Code does not impose any obligation on Exchange Members to apply its provisions.
2. The Code concerns all market participants, i.e.: Exchange Members and Members of the Organized Trading Facility (hereinafter: "OTF") and their clients, when acting on behalf and upon order of clients.
3. The subject matter of the Code shall include trading in exchange commodities, instruments that are not financial instruments admitted to trading on the OTM and in financial instruments, carried out on all markets organized by the Exchange.

Article 2

Good Market Practices

1. The Exchange Member shall be obliged to conduct its activity in accordance with the regulations being in force on the Exchange as well as with the principles of fairness, diligence, reliability and impartiality towards the participants of the exchange trading, and shall not undertake any action that, directly or indirectly, aims at creating conditions under which the market price, the order book or the turnover do not reflect the actual market situation.
2. The Exchange Member shall conduct its activity on the Exchange in a manner that by its actions contributes to a transparent and secure operation of the Exchange and to adequate protection of the interests of all other market participants.
3. In its activity on the Exchange the Exchange Member shall use solutions that ensure compliance with the REMIT Regulation or the MAR Regulation. Any manipulation or attempted manipulation of commodities, instruments that are not financial instruments admitted to trading on the OTF and financial instruments, shall be prohibited.
4. The Exchange Member shall analyse orders and transactions it enters into for possible manipulation of the price of commodities, forward contracts of a given type, or financial instruments.
5. The Exchange Member shall refrain from trading in the case of possessing inside/confidential information in the meaning of the REMIT Regulation or the MAR Regulation, subject to the applicable regulations, in particular Article 3.4 of the REMIT Regulation.
6. The Exchange Member shall establish rules of conduct for Employees in relation to the possession of inside/confidential information within the meaning of the REMIT Regulation or the MAR Regulation, disclosing such information to the public and shall ensure their application.
7. The Exchange Member shall be obliged, upon request of the authorized entities, to provide all information and documents important for the clarification of the circumstances of the occurrence of the suspicious event and for the confirmation of the existing facts, during the course of the investigation initiated with respect to the events on the markets organized by the Exchange.

Article 3

Recommended Standards and Guidelines

A. Standards

1. The Exchange Member shall dedicate the necessary human, technical and organizational resources in accordance with the principle of proportionality and adequacy to the activities carried out on the Exchange in order to prevent market abuse.
2. The Exchange Member shall conduct its activity on the Exchange with due diligence and care, ensuring that persons acting on its behalf possess appropriate professional competences and adopt an ethical attitude.
3. The Exchange Member shall implement transparent procedures to prevent market abuse in exchange trading which should provide for ways to identify such events, disclose them and manage them, including specifically when entering into transactions with affiliates.

4. The Exchange Member shall not abuse its market position resulting from a significant influence on supply or demand.
5. The Exchange Member shall instruct its Employees who are directly or indirectly involved in trading on the Exchange to refrain from any contact regarding trading strategy with Employees of other Exchange Members during a trading session and from any other behaviour that may justify a suspicion of market abuse.
6. The Exchange Member shall identify the main areas of its functioning which are exposed to the risk of non-compliance with the REMIT or MAR Regulations and shall implement an internal control and risk management system in the subject matter, appropriate to the size, complexity, type and scale of its activity on the Exchange.
7. The Exchange Member shall take care for shaping appropriate relations with its Employees and Partners in the spirit of mutual respect and responsibility, ensuring appropriate conditions for the performance of activities by the Employees and persons acting on its behalf.
8. The Exchange Member prohibits its Employees from creating mechanisms and operating techniques that pose a risk of market abuse and creates a culture of internal signalling by its Employees of occurrences of non-compliance.
9. The Exchange Member shall implement, at its own discretion, organizational and procedural solutions appropriate to the object, size, complexity, type and scale of its activity which enable the screening of orders and transactions for possible market abuse.
10. The Exchange Member shall have formalized policies for reporting Market Abuse by its Employees and shall keep records of such disclosures and reporting.
11. The Exchange Member shall take effective measures to achieve and maintain an appropriate level of qualification of its Employees involved in the monitoring, detection and identification of orders and transactions that could constitute insider trading or manipulation.
12. The Exchange Member shall implement a training program for employees directly or indirectly involved in exchange operations with respect to preventing the occurrence of market abuse and maintaining the integrity and transparency of trading.
13. Without prejudice to its own interests and while preserving professional secrecy and commercial confidentiality, the Exchange Member shall contribute to the promotion of good market practices and corporate governance, as well as to the elimination from business practice of phenomena that undermine the confidence of market participants in exchange trading, in particular unfair, dishonest or unreliable actions or those that are inconsistent with the principles set out in this Code.

B. Guidelines

1. The Exchange Member shall establish a function to manage compliance with laws and regulations with respect to preventing the occurrence of market abuse and preserving the integrity and transparency of trading and shall designate channels of internal communication between Employees participating directly or indirectly in exchange operations and the person performing this function.
2. The Exchange Member shall, at its own discretion, use systems appropriate to the subject matter, size, complexity, type and scale of its operations, ensuring effective and continuous monitoring of orders and transactions that could constitute insider trading or market manipulation and enabling the

analysis of complex orders and concluded transactions through the generation of appropriate warnings.

3. The Exchange Member shall, in accordance with the applicable principles, review the effectiveness of the regulations, procedures and systems used in the process of preventing market abuse at least once a year.

4. The Exchange Member shall apply the provisions contained in this Code, Good Market Practices and standards developed by other authorized institutions in its activity, even if they are more restrictive in nature, if they are appropriate to the subject, size, complexity, type and scale of its activity.

5. The Exchange Member shall disclose it to the TGE if the regulations or other provisions it is obliged to apply prevent it from applying the provisions of this Code.

6. The Exchange Member which engages in transactions for its own account and transactions for the account of its clients shall separate these two areas of activity organizationally.

7. The Exchange Member shall not undertake any actions leading to the conclusion of own transactions as a result of the association of its own opposite orders.

8. The Exchange Member shall establish rules of access to internal / confidential information or information representing professional secrets, to the extent necessary for the performance of its official duties by its Employees.

9. The Exchange Member shall participate in educational activities conducted by the Exchange with respect to the substantive support of trading participants in preventing market abuse.

10. The Exchange Member shall submit a notification to the relevant supervisory authorities in accordance with the guidelines of the MAR Regulation and the REMIT Regulation or may notify the Exchange Market Surveillance Office if it has reasonably suspected market abuse, subject to the provisions of law.

Article 4

Final Provisions

1. The Code is not intended to replace the applicable laws or to restrict, extend or modify the rights and obligations of trading participants thereunder.

2. The Code is without prejudice to existing obligations of trading participants towards national regulatory authorities and other competent authorities under national or EU law, as well as towards their clients, in accordance with applicable law.

3. The provisions of the Code shall be updated to reflect changing market conditions and the experience gained from market participants and other stakeholders, in particular in case of amendments to the REMIT Regulation or the MAR Regulation and related regulations by authorised national or EU authorities.

4. The MSO and Exchange Members listed below recommend that this Code be applied by all Exchange Members as the generally applicable custom and rules of conduct in their activities on markets organised by the Exchange:

- 1) Dom Maklerski BOŚ S.A.
- 2) ENEA Wytwarzanie S.A.
- 3) GET EnTra Sp. z o.o.
- 4) Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A.
- 5) PGE Dom Maklerski S.A.
- 6) PGE Polska Grupa Energetyczna S.A.
- 7) PGE Górnictwo i Energetyka Konwencjonalna Sp. z o.o.
- 8) PGNiG S.A.
- 9) PGNiG Obrót Detaliczny Sp. z o.o.
- 10) PKN Orlen S.A.
- 11) Statkraft Market GmbH
- 12) Tauron PE S.A.
- 13) ZE PAK Spółka Akcyjna

Warsaw, December 16, 2021