

1. Statement by the Chief Executive



Warsaw, 22nd of February 2022

H.E. António Guterres
Secretary General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General,

I am pleased to confirm that Warsaw Stock Exchange supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our intent to implement those principles. We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. Warsaw Stock Exchange will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the UN Global Compact, and annually thereafter according to the UN Global Compact COP policy. This includes:

- A statement signed by the chief executive expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the UN Global Compact.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely yours,

Signed by /
Podpisano przez:

Marek Dietl
Date / Data:
2022-02-26 14:22

2. Description of practical outcomes

LABOUR

- In 2021, the Company continued initiatives focused on efficient management of HR, payroll, social and bonus processes to address business needs and support the implementation of the Exchange's strategy. GPW makes best efforts to harmonise the human resources policy across companies of the Group.

- In 2021 the company continue to focus on The Exchange Employee Remuneration Rules. The key objective of the remuneration policy is to ensure transparent and coherent remuneration rules for all GPW employees tied to the corporate strategy. It ensures:

- competitive pay and payroll in the company in relation to other organisations on the Warsaw financial market,
- motivating work environment which supports an on-going improvement of employees' competences.

- GPW, occasionally carries out Employee Satisfaction Surveys where employees could share their opinions concerning satisfaction with their job and the work conditions in GPW. The survey provides an essential understanding of the level of employees' job satisfaction, expectations, and areas for improvement. It is crucial for the GPW Management Board to create the right work conditions and a friendly work environment which are fundamental to employees' engagement and productivity, contributing to the strategic goals defined in the Exchange's strategy.

- In 2021 the GPW Group pursued a transparent recruitment policy. GPW's recruitment policy focuses on recruiting top-class specialists for all areas of the Company's operation. The development of human resources and employee competences includes rotation in job positions within GPW and the Group. Our principles and values ensure compliance of the GPW Group with laws and regulations as well as fair and ethical conduct.

- GPW defines clear rules for recruitment, laid down in the GPW Recruitment Policy. Priority in recruitment is given to existing GPW Group employees as internal candidates because the company supports the development of our employees. GPW employees are additionally integrated into recruitment through a referral programme where candidates are nominated for vacancies. In the recruitment process, the GPW Group follows the diversity policy and combats all forms of discrimination, in particular on grounds of sex, age, disability, race, religion, nationality, political creed, union membership, ethnicity, denomination, sexual orientation, and employment for a determined or undetermined period, full-time or part-time.

- In 2021 GPW has extended internal regulations defined in the Warsaw Stock Exchange Diversity Policy for all the employees that create a working environment in which everyone feels appreciated and respected and can pursue their talents and skills, contributing to the success of the Exchange.

- In 2021, guided by the principles of equal treatment and preventing all forms of harassment and discrimination, an Anti-mobbing Policy was introduced. It defines clear rules of action in case of mobbing, including the rules of reporting, appointment of an Anti-Mobbing Commission, handling of cases, as well as confidentiality.

- GPW operates a Talent Development Programme addressed to all the GPW's employees who are subject to an assessment based on Annual Interviews. The objective of the Programme is to ensure managerial succession in the GPW, to retain and develop GPW employees with unique competences, to build the international character and

competitiveness of the GPW and to reinforce the perception of the GPW as an innovative organization.

- GPW does not participate in any form of forced or bonded labour and it complies with minimum wage standards.

HUMAN RIGHTS

- In 2021, facing another year of pandemic, employee safety and health were among our priorities. To ensure the physical and psychological safety of the GPW Group's employees, procedures implemented a year earlier to reduce the risk of infection and spread of the SARS-CoV-2 virus were contoured.

- The possibility of remote or hybrid work was continued throughout the year to ensure employee health.

- The GPW Diversity Policy was adopted in 2021, emphasizing the value of diversity and equality in the business environment. The implementation of the Policy aims to create an inclusive work environment where everyone feels respected and valued, and where everyone can develop their talents and fulfil their potential.

- In 2021, the GPW continued to apply the Code of Ethics for Employees, which sets out the core values that apply to all of the Company's activities. The Code of Ethics defines the principles and values which should guide all GPW employees, disseminates and promotes a culture of compliance and decision-making based on ethical criteria in the following areas: human rights, employee relations, relations with clients and business partners, relations with competitors, communication, promotion, and advertising, and defines sanctions for non-compliance.

- In 2021 GPW held a revision of Health and safety policy, to prevent accidents at work, occupational diseases and potential incidents, to continuously improve occupational health and safety, ergonomics and fire protection, to improve employee qualifications, and to integrate their role and engagement in occupational health and safety initiatives.

- In 2021 GPW supported a number of charity actions.

- GPW respects human rights to association. The Exchange Employee Trade Union was established in 2005 and it operates under the provisions of the Act of 23 May 1991 on Trade Unions and in accordance with its Articles of Association. The Union is also subject to GPW's internal regulations concerning the protection of employees' rights and interests. According to legislation, to the extent of collective rights and interests, the Union represents the rights of all Exchange employees. To the extent of individual rights and interests, the Union represents its members in relations with the employer under the Articles of Association. The mission of the Union is to protect employees' rights and interests and to contribute to the creation of good conditions of work, pay, and rest for Exchange employees.

- in 2021 GPW Policy towards Suppliers And The Supply Chain regarding respect for Human Rights, Ethical And Environmental Issues in Gpw Group was adopted. The GPW Group does not accept any Human Rights violations in its Supply Chain. This applies to the practices of Suppliers and Subcontractors towards their Employees (including respect for the dignity of persons employed, their right to privacy and other Human Rights). The GPW Group expects Suppliers and Subcontractors to comply with applicable labour law, including standards protecting employees against discrimination and mobbing in the workplace, as well as respecting Employees' right of association. Suppliers and Subcontractors of the

GPW Group are obliged not to tolerate any form of slave or forced labour in their operations. The GPW Group expects Suppliers and Subcontractors to comply with generally applicable laws and to act in accordance with the business ethics standards set out in the Ten Principles of the UN Global Compact.

ANTI-CORRUPTION

- In 2021, the GPW updated its Whistleblower Procedure, which outlines how GPW employees may anonymously report identified or suspected violations. The procedure was supplemented with provisions on preventing retaliation. The Whistleblowing Procedure ensures that all reports are handled in confidence and with due diligence. Reports may be provided on infringements of employee obligations, infringements of the Code of Ethics, as well as suspected abuse or illegal disclosure of inside information or professional secret and manipulation of financial instruments.
- In 2021 GPW has introduced update on the Complaints Procedure.
- In 2021 GPW has introduced Anti-corruption and counteraction policy abuses on the GPW
- In 2021 GPW has introduced update on the Anti-money laundering and anti-terrorist financing procedure.
- In 2021 GPW had in place a training to all employees on the new policies in place.
- In 2021 GPW has been nominated for a super ethical company in Poland's only ranking established seven years ago which promotes good business practice, fosters ethics and fair play, and awards companies which consider the code of ethics more than a marketing tool and live according to its spirit. The ranking is organised by Puls Biznesu with expert support of PWC Legal.

ENVIRONMENT:

- In 2021, the GPW introduced the Climate Policy, which will support the companies of the GPW Group in conducting their operations in line with the highest ethical standards in terms of reducing their environmental impact. The policy sets out the most important directions of action, including: the reduction of greenhouse gas emissions, the monitoring of emissions in Scopes 1-3, the publication of relevant data on emissions and education. In 2021, GPW has identified environmental risks.

The GPW Group strives to reduce the level of greenhouse gas emissions from its activities, in particular by improving the management of environmental aspects such as the level and efficiency of energy and fuel consumption, waste management aiming at a circular economy, and increasing environmental awareness of stakeholders, in particular the GPW Group Employees.

The GPW Group acts as a promoter of good practices concerning the reduction of the negative impact of business activity on the Climate and transparent information on climate issues by GPW-listed companies.

The GPW Group is improving its monitoring of greenhouse gas emissions resulting from the activity of the GPW Group Companies and regularly publishes its emission data on an annual basis.

- As the companies operates in the financial industry, the main areas of the environmental policy include: waste management and recycling; paper consumption; water consumption;

energy consumption; fuel consumption and CO2 emissions; as well as employee education through internal communications.

-In 2021, GPW defined climate risks, identified risks and opportunities related to climate change and is incorporating them in 2022 into its financial and non-financial risk management processes (compliance, operational, business, and reputation risks).

- The ESG Strategy introduced in 2021 sets out the GPW's ESG governance structure, including the development of annual operating plans, as well as strategic objectives in the environmental, social, and corporate governance areas.

- In 2021, GPW pursued educational initiatives promoting ESG factors in investment decisions. The GPW Group may indirectly impact the environment by promoting good behaviour of issuers and investors, for instance through promotion of and education in responsible investing. In 2021 GPW in partnership with the European Bank for Reconstruction and Development has published the ESG reporting Guidelines, an ESG reporting manual for listed issuers which structures and organizes relevant guidelines and recommendations. The ESG reporting Guidelines for GPW Listed Companies have been prepared in line with national and European Union regulations, including the Accountancy Act implementing the Non-Financial Reporting Directive and the Directive itself (NFRD/CSRD), the Sustainable Finance Disclosure Regulation (SFDR) and the EU Taxonomy Regulation at EU level, as well as the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) at the global level. The Guidelines are also based on the top corporate governance standards defined in the Best Practice for GPW Listed Companies 2021. - ESG Reporting Guidelines - a manual for companies listed on the GPW (https://www.gpw.pl/pub/GPW/ESG/ESG_Reporting_Guidelines.pdf)

- In 2021 pursuant to its Waste Management Procedure, GPW delivered solid waste for treatment by recycling or disposal.

- In 2021, the Exchange continued communications targeting employees and visitors to promote environmental behaviour with regard to consumption of commodities such as water and paper.

- In 2021, due to the SARS-CoV-2 pandemic, GPW group employees worked largely remotely. As a result, the consumption of commodities, energy and fuels in 2021 dropped significantly year on year, similar to year earlier.

- In 2021 GPW continued to focus on car fleet that only includes vehicles which conform to applicable emission standards. All of GPW's company cars in operation are EURO-6 compliant. According to legal requirements, GPW pays environmental fees (for business cars). The GPW also recommends choosing business travel by rail.

- GPW Group continued to offer products and services which indirectly support environmental efforts and impact the attitudes of participants of the markets operated by the Group companies e.g. WIG-ESG as a product on the financial market or Register of Certificates of Origin which is a part of the support scheme for RES electricity producers on the commodity market

- In 2021, GPW and the GPW Group were not subject to any fines or sanctions for breach of environmental laws and regulations.

3. MEASUREMENT OF OUTCOMES

- Headcount of GPW and the GPW Group

- Headcount of GPW and the GPW Group by type of employment
- Headcount of GPW and the GPW Group by education
- GPW and the GPW Group employee rotation
- GPW and the GPW Group headcount by gender
- Structure of women in management in GPW and GPW Group
- GPW and the GPW Group headcount by age
- Average number of training days per FTE (excluding Members of the GPW Management Board)
- Exchange Employee Trade Union membership
- Number of accidents
- Water and paper consumption
- Energy consumptions
- Scope 1 and Scope 2 CO2 emission levels according to GHG Protocol methodology
- Risks and opportunities climate
- Waste management
- Board Diversity
- Gender Pay Gap Ratio
- Employee Health and Safety
- Human Rights Policy Description
- Board Composition

All the above policies and measurement of outcomes GPW publishes regularly publishes its emission data on an annual basis in The Management Board report on the activity of GPW and GPW Group and in the GPW's Integrated Report (<https://www.gpw.pl/investor-relations>).

A statement on the company's compliance with the corporate governance principles contained in Best Practice for GPW Listed Companies 2021 is published on the GPW's corporate website:

https://www.gpw.pl/pub/GPW/files/PDF/GPW_dobre_praktyki_ENG.pdf

GPW Group ESG Strategy 2025 was published in 2021

(https://www.gpw.pl/news?cmn_id=111984&title=GPW+Group+ESG+Strategy+2025)

and it can be downloaded here:

https://www.gpw.pl/pub/GPW/ESG/GPW_ESG_Strategy_2025.pdf

The GPW Group ESG Strategy 2025 sets out the main directions of ESG action in the area of ESG and sustainable development for all companies in the GPW Group. It is defined for the years 2022-2025, and the progress of its implementation will be regularly evaluated and reported. By implementing this Strategy, the GPW Group wants to make a positive contribution to the achievement of the 17 Global Sustainable Development Goals 2030 defined by the United Nations and adopted by all 193 UN member states, including Poland. In particular, the GPW Group sees a link between its activities and the following UN Goals:

- SDG 4 – Quality Education
- SDG 5 – Gender Equality
- SDG 8 – Decent Work and Economic Growth
- SDG 12 – Responsible Consumption and Production
- SDG 13 – Climate Action
- SDG 17 – Partnership for the Goals