TRADING RULES

FOR A SCHEME OF mWIG40 FUTURES CONTRACTS

Statement of the Securities and Exchange Commission[1] in connection with the decision to approve the introduction of futures contracts to public trading:

The Securities and Exchange Commission has decided that the presented documents contain all such data and information as required by law.
The Securities and Exchange Commission is not liable for any investment risk involved in the trading in futures contracts described in the "Trading Rules for a Scheme of MIDWIG Futures Contracts."[2]
Potential investors are advised to take note of the risks described in Chapter 3.1 of the "Trading Rules for a Scheme of MIDWIG Futures Contracts."
On the basis of Decision No. DSP1-414-05/01-15/2001 of 30 October 2001, the Securities and Exchange Commission consented to the introduction to public trading of the futures contracts governed by the " Trading Rules for a Scheme of MIDWIG Futures Contracts."

* * *

These Trading Rules have been updated as of the WATS system go-live date[3]

[1] Now the Polish Financial Supervision Authority.
[2] As of 19 March 2007, the MIDWIG index was renamed mWIG40.
[3] During the period of temporary reversion to trading in the UTP system, the Trading Rules as in effect on the last trading session day preceding the implementation date of the GPW WATS system shall apply.

Definitions and abbreviations

underlying instrument – the Warsaw Stock Exchange Mid-Cap Index mWIG40;

contract series – futures contracts representing a standard set by the Exchange, having in particular the same underlying instrument and the same expiry date;

contract class – a class comprises all the futures contract series that have the same underlying instrument and comply with the same standard;

expiry date – the last trading day; that day's final settlement value shall constitute the basis for computing the final settlement balance;

multiplier – monetary unit multiplied by one index point of mWIG40;

contract price – value of mWIG40 adopted by the parties to a futures transaction on the transaction date;

contract value – the product of the contract price and the multiplier;

long position – a purchase of a futures contract;

short position – a sale (writing) of a futures contract;

close-out – cessation of the rights and obligations relating to a purchase or sale of a futures contract. Close-out is by sale where the contract has been purchased, and by purchase where it has been sold. The closing contract must be of the same series as the contract being closed. On expiry of a contract, all open positions in the expiring series close out;

opposite position – long position is the opposite position to short position for contracts of the same series; short position is the opposite position to long position for contracts of the same series;

clearing account – registration device operated by KDPW_CCP in the transaction clearing system for a participant to clear transactions to which the participant is a counterparty or clearing counterparty and to record positions of the participant;

collateral account – registration device operated by KDPW_CCP in the transaction clearing system to record maintenance margins;

settlement balance – the amount an investor must pay or is entitled to receive as a result of daily marking to the market or the final settlement.

Abbreviations used in the text:

PFSA – the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego);

Exchange – the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.);

KDPW – Central Securities Depository of Poland (Krajowy Depozyt Papierów Wartościowych S.A.);

KDPW_CCP - KDPW_CCP S.A.;

futures contracts – Warsaw Stock Exchange Mid-Cap Index mWIG40 futures contracts;

Trading Rules – these Trading Rules for a Scheme of mWIG40 Futures Contracts;

the Trading Act – the Act on Trading in Financial Instruments of 29 July 2005 (consolidated text: Journal of Laws [*Dziennik Ustaw*] of 2024, item 722, as amended);

the Public Offer Act – the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies of 29 July 2005 (consolidated text: Journal of Laws [*Dziennik Ustaw*] of 2025, item 592, as amended);

the Regulation – the Council of Ministers' Regulation of 11 October 2005 on the admission to trading on the regulated market of financial instruments that are not securities (Journal of Laws [*Dziennik Ustaw*] of 2005, No. 205, item 1699);

the Exchange Rules – the Warsaw Stock Exchange Rules as adopted by the Exchange Supervisory Board by Resolution No. 1/1110/2006 of 4 January 2006, as amended (the current text of Exchange Rules is published on the Exchange website: www.gpw.pl);

the Detailed Trading Rules – the Detailed Exchange Trading Rules adopted by the Exchange Management Board by Resolution No. 1038/2012 of 17 October 2012, as amended (the current text of the Detailed Trading Rules is published on the Exchange website: www.gpw.pl).

1. Introduction

Futures contracts on the Warsaw Stock Exchange Mid-Cap Index mWIG40 are a derivatives scheme within the meaning of § 4.1 of the Regulation.

Under § 58 of the Exchange Rules, a futures contract is an agreement executed on the Exchange between the seller of a future right and the buyer of this future right, on terms and conditions determined in the mWIG40 futures contract standard, in which the parties set the value of the underlying instrument, such value to be the agreed price.

Futures contracts are traded on the main market operated by the Warsaw Stock Exchange.

Under article 2.1(2)(c) of the Trading Act, index futures contracts are financial instruments that are not securities.

Marking to the market, i.e., determining the credits and debits of parties having open positions on the derivatives market and computing the settlement balances, is conducted by KDPW_CCP on each day when clearing is performed. Daily settlement values constitute the basis for daily marking to the market. On the last trading day, transactions are settled on the basis of the final settlement value. Settlement values are expressed in Polish zlotys.

Futures contracts are traded in series with delivery dates in the nearest three months of the March quarterly cycle. The March quarterly cycle comprises March, June, September and December, i.e., the months in which the appropriate futures contract series expire.

Three series of a given class of futures contracts are all introduced at the same time on the first trading day for that class. Series expire in the nearest three months of the March quarterly cycle, which means that the series' expiry periods may be shorter than, respectively, 3, 6 or 9 months. Any subsequent contract series will expire 9 months after the expiry date of the previous series, in accordance with the March quarterly cycle.

The entity authorised to apply to have the Trading Rules for a Scheme of Warsaw Stock Exchange Mid-Cap Index mWIG40 Futures Contracts approved is the Warsaw Stock Exchange with its seat in Warsaw, ul. Książęca 4, 00-498 Warsaw.

The Exchange Management Board sets out the date on which trading in the first contract series of a class shall commence, such date to be disclosed to the public no later than 7 days before trading commences. Trading in the next futures contract series shall commence on the trading day following the expiry date of the previous series. Trading in a futures contract series shall cease on the third Friday of the series' delivery month. For details on determining the first and last trading days for futures contracts, see "Information on the Trading Rules."

The Warsaw Stock Exchange shall not be held liable in respect of investment risk involved in trading in futures contracts. Potential purchasers and issuers of futures contracts are advised to pay particular attention to the risks involved in investing in futures contracts, as described in Chapter 3.1 of the Trading Rules.

Statement of the Securities and Exchange Commission[4] in connection with the decision to approve the introduction of futures contracts to public trading:

The Securities and Exchange Commission has decided that the presented documents contain all such data and information as required by law.
The Securities and Exchange Commission is not liable for any investment risk involved in the trading in futures contracts described in the "Trading Rules for a Scheme of MIDWIG Futures Contracts."[5]
Potential investors are advised to take note of the risks described in Chapter 3.1 of the "Trading Rules for a Scheme of MIDWIG Futures Contracts."
On the basis of Decision No. DSP1-414-05/01-15/2001 of 30 October 2001, the Securities and Exchange Commission consented to the introduction to public trading of the futures contracts governed by the "Trading Rules for a Scheme of MIDWIG Futures Contracts."

These Trading Rules were prepared on 31 July 2001 and updated as as of the WATS system go-live date[6]

These Trading Rules will be in force until the expiry date of the last series of futures contract.

The Trading Rules are available on the Exchange website (http://www.gpw.com.pl).

[4] Now the Polish Financial Supervision Authority.
[5] As of 19 March 2007, the MIDWIG index was renamed mWIG40.
[6] During the period of temporary reversion to trading in the UTP system, the Trading Rules as in effect on the last trading session day preceding the implementation date of the GPW WATS system shall apply.

Table of Contents

2. Persons responsible for the information in the Trading Rules

2.1. Particulars of the entity preparing Chapters 1 to 3 of these Trading Rules

Name	Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna
Seat	Warsaw
Address	00-498 Warsaw, ul. Książęca 4
Phone	(0 22) 628 32 32
Fax	(0-22) 628 17 54
E-mail	gpw@gpw.pl
Website:	http://www.gpw.pl.

2.2. Authorised representatives of the Exchange:

1. Sławomir Panasiuk – Vice-President of the Management Board

2. Michał Kobza – Member of the Management Board

2.3. Representation of authorised representatives of the applicant preparing Chapters 1 to 3 of the Trading Rules

Acting on behalf of the Exchange, we, the undersigned members of the Exchange Management Board, represent that information contained in Chapters 1 to 3 of the Trading Rules is true and fair and does not omit any facts or circumstances that are required by law to be disclosed.

Furthermore, acting on behalf of the Exchange, the entity preparing the Trading Rules, we represent that information contained in Chapters 1 to 3 of the Trading Rules prepared by the Exchange is true and fair and does not omit any facts or circumstances that are required by law to be disclosed.

Sławomir Panasiuk	Michał Kobza
Vice-President of the Management Board	Member of the Management Board

2.4. Particulars of the entity preparing Chapter 4 of the Trading Rules (“Exhibit. Clearing guarantees”)

Name:	KDPW_CCP Spółka Akcyjna
Seat:	Warsaw
Address:	00-498 Warsaw, ul. Książęca 4
Phone:	(022) 537 93 23
Fax:	(022) 537 93 01
E-mail:	ccp@kdpw.pl
Web page:	http://www.kdpwccp.pl

2.5. Authorised representatives of KDPW_CCP

1. Maciej Trybuchowski – President of the Management Board of KDPW_CCP S.A.

2. Marcin Truchanowicz – Member of the Management Board of KDPW_CCP S.A.

2.6. Representation of authorised representatives of KDPW_CCP

Acting on behalf of KDPW_CCP, we, the undersigned members of the Management Board, represent that information contained in Chapter 4 (“Exhibit: Clearing guarantees”) of the Trading Rules is true and fair and does not omit any facts or circumstances that are required by law to be disclosed.

Maciej Trybuchowski

President
of the Management Board
of KDPW_CCP S.A.

Marcin Truchanowicz

Member
of the Management Board
of KDPW_CCP S.A.

3. Information on the Trading Rules

3.1 Description of risks for purchasers and issuers of futures contracts

3.1.1. Liquidity risk

High market participant activity and commitment should not be counted on in the first period of futures trading. Thus, it may be that a sizeable transaction will prove impossible to be made or will produce a material price fluctuation. In addition, liquidity will depend on market maker activity.

3.1.2. Market risk

Market risk relates to futures contract price fluctuations. Futures contract prices depend on the price of the underlying instruments. Market risk is increased by leverage in that the value of the initial investment is low in comparison to the value of the underlying instrument. Consequently, relatively small cash market fluctuations have a bigger effect on deposited funds.
If the amount of the margin falls below a certain pre-determined minimum, an investor holding open positions is subject to a margin call. If the payment is not made within the prescribed time, the positions of that investor will be closed out.

3.1.3 Risk of material change, suspension or termination of the provision of the mWIG40 index

Investors should consider the risk of material change, suspension or termination of the provision of the mWIG40 index by the entity authorised to provide and calculate it. In that case, the Exchange Management Board may decide to suspend trading in futures contracts or stop the introduction of further series of futures contracts to trading or set a last trading day different than set in the standard and, after consulting KDPW_CCP, set a final settlement price different than set in the standard for the futures contracts. In the event of material change, suspension or termination of the provision of the mWIG40 index, the Exchange Management Board will determine the course of action and immediately disclose it to the public.

3.1.4 Risk inherent in transaction costs

Combined with a low value of margins and the contract tick size, fees charged on transactions (purchase and sale of futures contracts) may have a major impact on the profitability of investments in futures contracts. Therefore, investors should review transaction costs before making a transaction. The actual gain on any investment in futures contracts may only be assessed taking into account transaction costs.

3.2. Requirements for investors selling or purchasing futures contracts

Both residents and non-residents, within the meaning of the Foreign Exchange Law Act of 27 July 2002 (consolidated text: Journal of Laws [*Dziennik Ustaw*] of 2024, item 1131, as amended), may be sellers (writers) and purchasers of futures contracts. Such investors must hold futures accounts.

3.2.1. Futures accounts

Financial instruments that are not securities, including futures contracts, must be recorded on derivatives accounts.

The terms and procedures of opening, operating and closing derivatives accounts and the terms of providing the services of executing orders referring to derivatives are set out in the Minister of Finance's Regulation of 12 November 2024 on the procedures and conditions for the conduct of business by investment firms, state-owned banks conducting brokerage activities, banks referred to in Article 70(2) of the Act on Trading in Financial Instruments, and custodian banks (Journal of Laws, item 1735).

3.2.2. Fees

Entities engaged in the brokerage business collect transaction fees from investors for whom they operate futures accounts, as per the fee schedules incorporated by reference to the accounts' operating rules.

3.3 Rights and obligations arising from futures contracts

Under the Exchange Rules, a futures contract is an agreement executed on the Exchange between the seller of a future right and the buyer of this future right, on terms and conditions set out in Resolution No. 31/873/2001 of the Exchange Supervisory Board of 25 July 2001 (as amended) in the Standard Specification of a Scheme of mWIG40 Futures Contracts, in which the parties set the value of the underlying instrument, such value to be the agreed price, and the parties mutually undertake to deliver the agreement, settled only in cash.
Futures contracts are traded on the main market operated by the Warsaw Stock Exchange.
Marking to the market, i.e., determining the rights and obligations of parties having open positions on the derivatives market and computing the settlement balances, is conducted by KDPW_CCP on each day when clearing is performed. Daily settlement values constitute a basis for daily marking to the market. On the last trading day, transactions are cleared and settled on the basis of the final settlement value. Settlement values are expressed in Polish zlotys.
Chapter 4 ("Exhibit: Clearing guarantees") of the Trading Rules contains detailed principles of securing claims arising from futures contracts and clearing futures contracts on delivery. Persons investing in futures contracts should pay special attention to Chapters 4.6 – 4.8 of the Trading Rules ("Exhibit: Clearing

guarantees”) which describe the liabilities of the investor to a clearing participant and the principles of determining liabilities to parties of a transaction.

3.4 Manner in which first and last trading days for futures contracts are set out

The Exchange Management Board shall set out the date on which trading in the first contract series of a class shall commence, such date to be disclosed to the public no later than 7 days before trading commences. Trading in the next futures contract series shall commence on the trading day following the expiry date of the preceding series. Trading in a futures contract series shall cease on the third Friday of the series’ delivery month. If this date is not a trading day, then it shall be the last trading day before the third Friday of the delivery month. In exceptional cases, the Exchange Management Board may set the last trading day to fall on a different date, but must disclose such information to the public at least 4 weeks in advance.

If the Exchange Management Board decides to discontinue the introduction of further series of futures contracts, the Exchange will disclose this decision to the public and notify the PFSA no later than 3 weeks before the scheduled date of introduction of further series.

3.5 Futures contracts delivery dates

The delivery date for a futures contract of a series is the series’ last trading day. It is the same date as the contract expiry date, i.e., the date on which the final settlement price is determined.

3.6 Futures contracts expiry dates

The expiry date of futures contract series is the date on which the final settlement price is determined. According to the standard specification of futures contracts, it is the last trading day of the series.

3.7 Basic futures contracts trading rules

3.7.1. Exchange trading in futures contracts

Futures contracts are traded on the main market operated by the Exchange in accordance with the Exchange Rules and other regulations governing the market.

3.7.2. Admission to exchange trading

1. The Exchange Management Board decides on the admission of futures contracts to exchange trading.
2. Futures contracts are admitted to exchange trading by having their standard specification determined, and on condition that their trading rules have been approved by PFSA and disclosed by the Exchange to the public.

3.7.3 Introduction of futures contracts to exchange trading

The Exchange Management Board shall decide on the introduction of futures contracts to exchange trading.

3.7.4 Detailed futures contracts trading rules

Detailed trading rules for futures contracts are set out in the Detailed Trading Rules.

3.7.5. Amendments to the Exchange Rules or other Exchange regulations relating to futures contracts trading

1. The Exchange Supervisory Board has the power to decide by resolution on amendments to the Exchange Rules.
2. As per Article 29 of the Trading Act, the consent of PFSA is required for any amendments to the Exchange Articles of Association and the Exchange Rules. PFSA shall refuse its consent to any amendments to the Exchange Articles of Association and the Exchange Rules if the proposed amendments are in breach of law or may violate the security of trading.
3. Any amendments to the detailed trading rules for futures contracts referred to in 3.7.4 should be disclosed to the public at least 2 weeks before their effective date.

3.7.6. Parties to an exchange transaction

1. Only an exchange member may be a party to an exchange transaction and, in the cases specified in the Exchange Rules, also KDPW_CCP
2. General exchange membership rules are laid down in the Exchange Rules.

3.8 Standard specification of mWIG40 futures contracts

The standard specification for the scheme of mWIG40 futures contracts, approved in Resolution No. 31/873/2001 of the Exchange Supervisory Board of 25 July 2001 (as amended) as at the date of updating these Trading Rules is as follows:

Abbreviated contract name	FW40krr where: F – type of instrument, W40 – abbreviated name of underlying instrument, k – delivery month code (as determined by the Exchange), rr – two last digits of delivery year.
Contract code	Assigned by the clearing entity (KDPW) in accordance with the ISIN standard
Underlying instrument	mWIG40
Multiplier	PLN 10
Contract value	Multiplier * contract price
Trading unit	Index points
Delivery months	Three nearest months of the cycle: March, June, September, December.
Last trading day	The third Friday of the delivery month of the series. If however there is no trading session on the date referred to in the previous sentence in accordance with regulations applicable on the exchange, then the last trading day is the last trading day before the third Friday of the delivery month. The Exchange may set the last trading day to fall on a different date but must disclose such information to the public at least 4 weeks in advance. The last trading day may be set as a different date where the Exchange Management Board decides to discontinue trading in the futures of a class due to circumstances which, in the opinion of the Exchange Management Board, justify the discontinuation of trading of the instruments or due to circumstances beyond the Exchange's control which relate to the legal status or structure of the underlying. Such decision may also be made in order to protect the safety of exchange trading or the interest of exchange investors.
Expiry date	The date on which the final settlement price is determined. The same date as the last trading day.
First trading day of a new series	The first trading day following expiry of the previous contract. Set out by the Exchange in the event of first series of a class.

Daily settlement price	1. The daily settlement price is determined after each session starting from the date on which the first transaction of a contract series was made, excluding the expiry date. The daily settlement price is the price of the last transaction in the contracts of a series concluded at a trading session after which the daily settlement price is determined; if there are no transactions at the session, the daily settlement price is the last settlement price. 2. However, if the order book at the end of the closing auction, including at the end of additional halting, if it takes place, contains at least one order with a limit price better (i.e., higher for buy and lower for sell orders) than the settlement price determined according to point 1, the limit price of the best of such orders is the daily settlement price. For buy orders, it is the highest limit price of a buy order above the price determined according to point 1. For sell orders, it is the lowest limit price of a sell order below the price determined according to point 1. If the limit of such an order exceeds the upper or lower price collar applicable at the end of the closing auction, including at the end of additional halting, if it takes place at the end of the closing auction, then the upper or lower price collar applicable at the end of the closing auction, including at the end of additional halting, is the daily settlement price. 3. If additional halting takes place at the end of the closing auction with a determined theoretical opening price and trading on that day closes at the halting, then the theoretical opening price is the daily settlement price. If the daily settlement price so determined exceeds the upper or lower price collar applicable at the end of the additional halting referred to above, then the upper or lower price collar applicable at the end of the additional halting is the daily settlement price. 4. In special cases, in order to ensure the safety of exchange trading, in particular where, due to prevailing circumstances, the determination of the daily settlement price on the terms set out above could jeopardise the liquidity of clearing of futures contracts, upon consultation with KDPW_CCP, the Exchange may set a daily settlement price other than determined on the terms set out above. Such circumstances may include, among others, a failure of the exchange's IT systems that could affect the reliability of determining the daily settlement price, and any other event which, in the opinion of the Exchange and KDPW_CCP, may call into question the reliability of the daily settlement price determined on the terms set out above or the accuracy of the determination of the daily settlement price.

Final settlement price	The final settlement price is determined on the expiry date as the arithmetic mean calculated for all mWIG40 index values from the last hour of continuous trading and its value at the session close, having rejected the 5 top and 5 bottom index values.
Daily settlement value	The product of the daily settlement price and the multiplier.
Final settlement value	The product of the final settlement price and the multiplier.
Settlement date	The first business day following the contract expiry date (the last trading day).
Publication of the daily and final settlement values	Immediately following the close of trading.
Settlement method	In cash in Polish zlotys.
Investor's margin	The investment firm or custodian bank determines the required investor's margin.
Special cases	In special cases, in particular in the case of material change, suspension or termination of the provision of the mWIG40 index, the Exchange Management Board determines the course of action and immediately discloses it to the public. In particular, the Exchange Management Board may decide to suspend trading in futures contracts or stop the introduction of further series of futures contracts to trading or set a different last trading day and, after consulting KDPW_CCP, set a different final settlement price for the futures contracts.

3.9 The underlying instrument – mWIG40

1. Index profile

The mWIG40 index was calculated and published by the Warsaw Stock Exchange till 30 November 2019. Index comprises 40 mid-cap stocks listed on the Exchange. Until 16 March 2007, the index was called MIDWIG. The initial value of the index was 1000 points.
Starting from the 1 December 2019, the mWIG40 index is a benchmark calculated and published by GPW Benchmark, in accordance with the relevant Stock Exchange Index Regulations.
GPW Benchmark is the administrator of capital market benchmarks placed in the register of administrators at www.esma.europa.eu. GPW Benchmark operates as an administrator of stock exchange indices from the Warsaw Stock Exchange (WSE) Main Market, NewConnect and the TBSP market, including WIG20, mWIG40, sWIG80 and WIBOR critical benchmark.
The takeover of the role of index administrator by GPW Benchmark is related to the requirement to comply with the Regulation (EU) 2016/1011 of the European Parliament and the Council issued on 8th June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure fund

performance investment (BMR). Compliance with the BMR involves providing an appropriate framework for managing index calculation in line with the requirements of the Regulation.

mWIG40 is a price-based index and thus when it is calculated it accounts only for prices of participating shares.
The mWIG40 index excludes WIG20 and sWIG80 index participants and foreign companies listed on the Exchange and other markets with the market value at ranking date above EUR 1 billion.

2. Index calculation principles

$$mWIG40 = \frac{\Sigma\ P(i)*S(i)}{\Sigma\ (P(0)*S(0))*\ K(t)} *1000.00$$

S(i) – Weighting of index participant 'i' at a session
P(i) – Price of index participant 'i' at a session
S(0) – Weighting of index participant 'i' at the reference date session
P(0) – Price of index participant 'i' at the reference date session
K(t) - Index adjustment factor at a session

The current calculation methodology of the mWIG40 index is available at https://www.gpwbenchmark.pl/en-home

3. Publication principles

Opening value, as long as session transactions allow to price at least 65% of portfolio capitalisation, but not earlier than 1 minute and not later than 1 hour after trade opens. Current values during continuous trading every 15 seconds.
Closing value after trade closes at 17:10 (preliminary) and 17:15 (final).

mWIG40 index values are available at https://www.gpwbenchmark.pl/en-home

If the cancellation of exchange transactions had an impact on the value of mWIG40, then the opening and closing values of the index as well as the daily maximum and minimum values of the index are recalculated and made public following the trading session. During the trading session, GPW Benchmark does not recalculate the index values.

4. Periodic modifications

Modifications to index participants are made after the trading session on the third Friday of March, June, September, and December.

The mWIG40 index participants are selected based on data as at four weeks before the third Friday of March (annual revision) and four weeks before the third Friday of June, September, and December (quarterly adjustments).

4.1 Preliminary selection

The index may comprise companies which meet the following basic criteria:

- number of shares in free float higher than 10%,
- value of shares in free float higher than EUR 1 million,
- the company cannot be designated in any particular way,
- the company cannot be put on the Alert List or in the Low Liquidity Zone.

4.2 Index ranking

In the first step, companies eligible to participate in the index ranking are selected. Ranking participants are those companies which meet the basic criteria and do not belong to the last quartile of the ranking by free-float capitalisation.

For WIG20, mWIG40 and sWIG80 indices, one joint ranking is developed after the preliminary selection. The selected companies are ranked based on the number of ranking points scored. The ranking score is calculated using the following formula:

$$R(i) = 0,6 * sT(i) + 0.4 * sC(i)$$

R(i) - ranking points scored by company "i"
sT(i) - share of company "i" in total trade of shares participating in the ranking in the last 12 months.
sC(i) - share of company "i" in the value of shares in free float of companies participating in the ranking at the date of its preparation.

4.3 Index participants

Unconditionally, the index includes:

- companies ranked in the 50^{th} position or higher in the annual revision ranking (45^{th} position or higher in the quarterly adjustment ranking);
- no companies ranked in the 66^{th} position or lower in the annual revision ranking (71^{st} position or lower in the quarterly adjustment ranking).

Companies ranked in the 51^{st}-65^{th} positions in the annual revision ranking and in the 46^{th}-70^{th} positions in the quarter adjustment ranking are added to or deleted from the index, if necessary.
The companies that ranked high in the index ranking but were not put on the list of index participants are put on the index reserve list.

The size of weightings is reduced proportionally as at the ranking date if the value of shares of an index participant exceeds 10% of index value.

4.4 Weightings of index participants

Weightings of all index participants are determined based on the number of shares in free float and rounded off to the nearest whole thousand. If the number of shares in free float is greater than the number of shares introduced into stock exchange trading, then the weighting is the number of shares introduced into stock exchange trading.

The weighting of an index participant is modified if the participant's number of shares in free float used to calculate the weighting increases or decreases by a number of shares worth the PLN equivalent of at least EUR 250 million.

For foreign companies that are also listed on foreign exchanges (dual listing), shares in free float are calculated as a product of such shares and the ratio of their traded volume on GPW and on the foreign market. If the value is less than the median of shares deposited with KDPW for a period of three months, then the number of shares in free float is equal to the median.

5. Extraordinary modifications

5.1 Entering a company into the list of index participants

A company may be put on a list of mWIG40 participants following an extraordinary adjustment due to an extraordinary adjustment of the list of WIG20 index participants.
The weightings of index participants are determined pursuant to the principles of periodic modifications. At the date of entering a new company into the list of index participants, the index adjustment factor is recalculated:

$$K(t) = \frac{M(t)+Q(t)}{M(t)} * K(t')$$

M(t) - capitalisation of index portfolio before modification
Q(t) - value of weighting of new index participant
K(t) - new value of adjustment factor
K(t') - previous value of adjustment factor

5.2 Deleting a company from the list of index participants

In special cases, an extraordinary adjustment of index participants may be carried out to delete a company from the list of index participants.

A company that is deleted from the list of index participants is replaced with another company that occupied the highest position on the reserve list. Following an extraordinary modification, the index adjustment factor is recalculated using the formula presented below:

$$K(t) = \frac{M(t)-Z(t)}{M(t)} * K(t')$$

M(t) - capitalisation of index portfolio before modification
Z(t) - value of weighting of a company deleted from the list of index participants
K(t) - new value of adjustment factor
K(t') - previous value of adjustment factor

5.3 Change of weightings of index participants

The weightings of index participants are changed if:

- two or more index participants have merged,
- an index participant has been split into two or more companies.

The change of the weighting of a participant involves the summing up of the weightings of previous index participants in case of a merger, or their split in the case of a spin-off:

S(i) = S(i1) + S(i2)

S(i) – new number of shares of participant "i" in index portfolio
S(i1) – previous number of shares of participant "i1" in index portfolio
S(i2) – previous number of shares of participant "i2" in index portfolio

5.4 Modifications driven by market transactions

Indices are modified pursuant to the following market transactions:

- split of shares,
- subscription right.

In the event of a split of shares of an index participant, the modification of an index involves the determination of a new weighting of the index participant using the following formula:

S(i) = S(i') * N

S(i) – new number of shares of participant "i" in index portfolio following the split
S(i') – previous number of shares of participant "i" in index portfolio
N – split ratio

The subscription right within the mWIG40 price index involves the deletion of a company from the index during the first "without subscription right" trading session if the price of "without subscription right" shares quoted for the first time is less than the last closing price.

The specific principles governing the structure and publication of stock exchange indices and sub-indices (including mWIG40 index) are available at https://www.gpwbenchmark.pl/en-home

If circumstances occur that make proper calculation of exchange indices impossible, the Exchange may suspend, delay or cease calculating and publishing the values of exchange indices. The Exchange is not liable for damages incurred by trading participants in such an event.

3.10. Taxes

3.10.1. Personal income tax

Income earned in the Republic of Poland by natural persons from a sale for consideration of futures contracts and exercising rights arising from such contracts is subject to taxation under special rules at a rate of 19%.

Detailed taxation rules for such income are specified in the Personal Income Tax Act of 26 July 1991 (consolidated text: Journal of Laws [*Dziennik Ustaw*] of 2026, item 592, as amended).

3.10.2. Corporate income tax

Income earned in the Republic of Poland by corporate entities from a sale for consideration of futures contracts and exercising rights arising from such contracts is subject to taxation under general rules specified in the Corporate Income Tax Act of 15 February 1992 (consolidated text: Journal of Laws [*Dziennik Ustaw*] of 2026, item 554, as amended).

The information above is general and does not constitute tax advisory services. In order to clarify details of tax matters, potential investors should engage authorised tax advisors.

3.11. Amendments to the Trading Rules

1. The Exchange must submit any amendment to the Trading Rules to the Polish Financial Supervision Authority and disclose it to the public.

4. Exhibit: Clearing guarantees

Clearing is guaranteed pursuant to the Co-operation Agreement of 12 April 2013 (as amended) concluded by and between the Warsaw Stock Exchange, the Central Securities Depository of Poland and KDPW_CCP S.A.

4.1 Clearing futures transactions

4.1.1 Guaranteeing the clearing of futures transactions - general information

KDPW_CCP is the entity authorised to clear mWIG40 futures contracts and to organise and manage the clearing guarantee system.

1. Once a derivatives transaction is recorded, KDPW_CCP becomes a party to the clearing of the transaction. The other party to the clearing are clearing members acting on the account of clients or on their own account.
2. Only KDPW_CCP participants may be clearing members.
3. KDPW_CCP participants are eligible to operate derivatives accounts.
4. A client may only engage in business operations on the derivatives market after it has opened a derivatives account with an entity authorised to operate derivatives accounts and KDPW_CCP has granted it, on request of the relevant clearing member, a client classification number (NKK). This condition shall not apply to clients holding an assigned client classification number.
5. As part of the clearing process, KDPW_CCP:
   a) records all transactions and other operations involving futures contracts executed during the day;
   b) computes the net credits or debits due to the final clearing of futures contracts;
   c) conducts the daily marking to market and margin credit and debit computations for entity accounts operated for a clearing member;
   d) performs a net of the clearing member's credits and debits vis-à-vis KDPW_CCP, the net being the sum of credits and debits computed for clearing accounts and collateral accounts assigned to the clearing member.
6. KDPW_CCP manages the clearing guarantee system for transactions in futures contracts. For this purpose, KDPW_CCP sets up and manages the clearing liquidity guarantee system described in KDPW_CCP regulations.

4.2 Detailed rules for clearing of futures contracts

4.2.1 Determining the final settlement value of a contract

1. The final settlement price is determined by the Warsaw Stock Exchange on the contract expiry date as the arithmetic mean calculated for all mWIG40 index values from the last hour of continuous trading and its value at the session close, having rejected the 5 top and 5 bottom index values.
2. The final settlement value is determined by the Warsaw Stock Exchange as the product of the final settlement price and the multiplier.

4.3 Detailed rules for guaranteeing the clearing of futures contracts

4.3.1. Initial deposit

1. Every clearing member must post an initial deposit with KDPW_CCP. No clearing member will be allowed to clear any transaction on the derivatives market until this deposit has been posted. This requirement does not apply where the clearing member has posted the required initial deposit with KDPW_CCP in connection with the clearing of other financial instruments.
2. KDPW_CCP sets out the minimum initial deposit requirement. The deposit may be covered by cash or securities collateral approved by KDPW_CCP.
3. After a clearing member posts the initial deposit, they will be entitled at any date to open positions in derivatives cleared by them, provided always that the total value of these positions must be computed in accordance with the appropriate KDPW_CCP regulations contained in the Detailed Rules of Transaction Clearing (organised trading) available on the KDPW_CCP website (www.kdpwccp.pl).

4. The purpose of the initial deposit is to hedge the risk of the clearing member's default in due payment to KDPW_CCP of margins securing the member's positions in financial instruments and the risk of their default in due payment of their liabilities resulting from the daily marking to market.

4.3.2. Margin

The value, method and manner of posting and replenishment of the margin by investors are determined, subject to KDPW_CCP regulations, by:

a) Investment firms, in the derivatives buy or sell order execution rules;
b) Custodian banks, in the derivatives account operating rules.

4.3.3. KDPW_CCP initial margin

1. The initial margin to be posted by a clearing member with KDPW_CCP is the sum total of all the initial margin requirements computed for the individual collateral accounts of that clearing member, as per the rules laid down by KDPW_CCP.
2. The clearing system records initial margins posted to secure positions recorded in collateral accounts as per the account structure defined by the clearing member.
3. The amount of the initial margin required from a member is determined using risk parameters established in accordance with the Detailed Rules of Transaction Clearing (organised trading), in relation to the member's obligations arising from the transactions whose clearing is secured by that margin (the member's exposure), for the purpose of:

    1/ covering the member's potential future exposure following the identification of the member's default,

    2/ reflecting the member's current exposure resulting from actual changes in market prices,

3/ covering the risk arising from the liquidity of financial instruments and the concentration of positions in relation to the member's exposure, and
4/ covering the risk arising from the correlation between the member's exposure and the member's credit risk.

4. Risk parameters are distributed daily to participants in KDPW_CCP messages.
5. An initial margin may be covered by cash or securities accepted by KDPW_CCP.
6. Non-cash collateral (securities) may cover the part of the initial margin determined as a percentage by KDPW_CCP.
7. Financial instruments deposited as collateral are subject to transfer of title according to KDPW_CCP regulations.

4.4 Limits

In order to ensure the safety of trading, KDPW_CCP may impose appropriate limits, in accordance with KDPW_CCP regulations.

4.5 Daily marking to market

4.5.1 KDPW_CCP conducts daily marking to market. Computations are made of funds to be paid to KDPW_CCP in respect of open positions with unfavourable price trends and of funds to be paid by KDPW_CCP in respect of opposite positions.

4.5.2 The debits and credits of the parties to a futures transaction are computed on each day when clearing is performed after the session's transactions and other operations submitted for execution on that day are recorded, subject to the following terms and conditions:

1. The first marking to market is conducted on the same day after positions have been opened. The resulting amount (the settlement balance), which is loss for one side and gain for the other, is the product of the difference between the contract value and the daily settlement value, multiplied by the number of contracts transacted and recorded on a clearing account.
2. On the other trading days, excluding the contract expiry date, the amount resulting from the marking to market (the settlement balance) is the product of the difference between the previous daily settlement value and the current daily settlement value, multiplied by the number of contracts recorded on a clearing account, excluding contracts referred to in point (1).
3. Where an open position is closed, the amount resulting from the marking to market (the settlement balance) is the product of the difference between the contract value for the close-out and the previous daily settlement value, multiplied by the number of contracts.
4. Where an open position is closed on the same session, the amount resulting from the marking to market (the settlement balance) is the product of the value differences on close-out and opening, multiplied by the number of contracts.

4.5.3 In the transaction clearing liquidity guarantee system, KDPW_CCP conducts the daily marking to market for parties to transactions on the derivatives market.

4.5.4 If a client takes a position opposite to the position they have previously held on the same clearing account, the position will be liquidated.

4.6 Detailed rules for determining the liabilities arising from open positions

The liability to pay the settlement balance resulting from daily marking to market in respect of both long and short positions and the final settlement price means that the settlement balance will be debited to the investor's collateral account.

4.6.1 Liability of an investor holding a long position

1. On the day the position is opened, the investor must pay the settlement balance to KDPW_CCP if the daily settlement value is lower than the opening contract value.
2. On the other days, the investor must pay the settlement balance if the daily settlement value on a given day is lower than the previous daily settlement value.

4.6.2 Liability of an investor holding a short position

1. On the day the position is opened, the investor must pay the settlement balance if the daily settlement value is higher than the opening contract value.
2. On the other days, the investor must pay the settlement balance if the daily settlement value on a given day is higher than the previous daily settlement value.

4.7 Detailed rules for determining liabilities of parties to a futures transaction closing their positions

4.7.1 Liability of an investor closing a long position

1. The investor closing a long position that was opened before the close-out date must pay the settlement balance if the closing contract value is lower than the previous daily settlement value.
2. The investor closing a long position on the same day the position is opened must pay the settlement balance if the closing contract value is lower than the opening contract value.

4.7.2 Liability of an investor closing a short position

1. The investor closing a short position that was opened before the close-out date must pay the settlement balance if the closing contract value is higher than the previous daily settlement value.
2. The investor closing a short position on the same day the position is opened must pay the settlement balance if the closing contract value is higher than the opening contract value.

4.8 Detailed rules for determining liabilities of parties to a futures transaction on expiry date

On the contract expiry date, KDPW_CCP will compute and record the liabilities on the clearing accounts of the parties to the contract, and such liabilities will equal the product of the difference between the previous daily settlement value and the final settlement value, multiplied by the number of contracts.

4.8.1 Liability of an investor holding a long position

1. The investor holding a long position that was opened before the expiry date must pay the settlement balance if the final settlement value is lower than the most recent daily settlement value.
2. The investor holding a long position that was opened on the expiry date must pay the settlement balance if the final settlement value is lower than the opening contract value.

4.8.2 Liability of an investor holding a short position

1. The investor holding a short position that was opened before the expiry date must pay the settlement balance if the final settlement value is higher than the most recent daily settlement value.
2. The investor holding a short position that was opened on the expiry date must pay the settlement balance if the final settlement value is higher than the opening contract value.

4.9 Settlements between clearing members and KDPW_CCP

4.9.1 Clearing members shall settle their initial margin liabilities, liabilities resulting from marking to market, payments to the clearing fund and additional margins no later than 15 minutes before futures contract quotations start on the next trading day. Failure to meet this obligation will prevent the participant from being admitted to the clearing process, which in consequence will lead to order placement halt.

4.9.2 If a clearing member is short of the margin requirement before a session starts, they may be admitted to the clearing process on a conditional basis. The initial deposit posted by that participant shall be netted of any non-paid liabilities.

4.10 Clearing Fund

4.10.1The Clearing Fund is created at KDPW_CCP under Articles 65-67 and Article 48.7 of the Trading Act.

4.10.2The Clearing Fund secures obligations arising from KDPW_CCP's clearing of transactions made on the regulated market and potential default in respect of such transactions. The Clearing Fund is funded by payments from clearing members.

The detailed rules of participation in and use of the Clearing Fund are set out in the Clearing Fund Rules and the Rules of Transaction Clearing (organised trading) available on the KDPW_CCP website (www.kdpwccp.pl).

4.11 Breach of the rules of participation by a clearing member

4.11.1 In the event that a clearing member is in a breach of the rules of participation in the KDPW_CCP clearing system, in particular fails to meet the day's liabilities as computed by KDPW_CCP, KDPW_CCP will start closing the clearing member's positions in accordance with the Rules of Transaction Clearing (organised trading) and for that purpose KDPW_CCP will use the resources of the clearing liquidity guarantee system.

4.11.2 KDPW_CCP uses appropriate resources in order to clear transactions to which a member who is in breach of the rules of participation in the clearing system is a party, in the manner set out in the Rules of Transaction Clearing (organised trading). The order and manner in which such appropriate resources are used are presented on the KDPW_CCP website (www.kdpwccp.pl).

4.11.3 According to the Rules of Transaction Clearing (organised trading), margins may only be used to meet liabilities arising from positions recorded in clearing accounts linked by the participant to the collateral account in which such margins are recorded unless the margin is recorded in a collateral account linked to an own position account.