

Warsaw, 6 September 2023

TGE, IRGiT and UEEX sign Polish-Ukrainian Memorandum of Understanding

Press Release

- **On 6 September 2023, in Warsaw, Towarowa Giełda Energii S.A., Izba Rozliczeniowa Giełd Towarowych S.A. and the Ukrainian Energy Exchange Limited Liability Company (UEEX) signed a Memorandum of Understanding (MoU).**
- **The primary objective of the agreement is to strengthen cooperation between the Polish and Ukrainian parties, building on the TGE Group's knowledge and experience in operating an exchange market.**

The Memorandum of Understanding (MoU) signed on 6 September 2023 provides for, among other things, the accession of a TGE's representative to the UEEX's Advisory Board and the creation of two teams tasked with working out recommendations for the development of the product offering and the launch of clearing services in Ukraine.

"The MoU signed today between TGE, IRGiT and the Ukrainian Energy Exchange is another step towards the strengthening of relations with our Ukrainian friends. In July this year, together with the European Bank for Reconstruction and Development, we initiated cooperation with the National Securities and Stock Market Commission of Ukraine, which aims, among other things, to support the integration of the Ukrainian capital market with international capital markets. With all these activities, we want to underline our commitment and unwavering desire to actively help Ukraine" said Marek Dietl, President of the Management Board of Giełda Papierów Wartościowych S.A. in Warsaw.

"TGE is distinguished by its ability to adapt to new regulatory conditions and circumstances. Regardless of the dynamics of the changes taking place, the Polish commodity exchange has proved at every stage of its operations that it is a reliable and stable partner for market participants. And this is a great value, especially in times of energy transition. This makes us all the more appreciative of the fact that the Ukrainian party, despite the situation in which it found itself, has trusted us and set its sights on its development. We intend to work together to develop permanent exchange solutions to a European standard, the beneficiaries of which will be the participants in the market there. And although we are at the beginning of our cooperation, I can confidently say that its underlying potential holds great promise for the future, both for TGE and UEEX" said Piotr Zawistowski, President of the Management Board of TGE, during the Wednesday's conference.

The first group of experts, i.e. the Cooperation Team, will include representatives from TGE, IRGiT and UEEX. It will work on defining the concept and scope of activities related to the development of commodity exchange markets in Ukraine. In the first phase, the team will prepare a report containing an analysis, recommendations and a list of priorities for the work to be carried out, including defining

the framework and principles for the provision of advisory and outsourcing services by TGE and IRGiT with respect to the electricity and gas market. The report is also expected to present conclusions on the potential for natural gas and electricity trading between Poland and Ukraine, and to identify other areas for future product cooperation.

"Today, it is of utmost importance for Ukraine to continue and support the process of further European integration, foster regional cooperation, and create opportunities for cross-border trade in energy and other commodities. The joint initiative of the Ukrainian Energy Exchange, TGE, and IRGiT aims to strengthen this process by developing joint solutions regarding clearing, products, and market participant access conditions. The markets of Ukraine and Poland are the largest in Eastern Europe and hold significant potential for growth in both the energy products and other commodities," said Oleksii Dubovskyi, the Chairman of the Exchange Committee of the Ukrainian Energy Exchange.

On the other hand, the Clearing Team, which is going to work with a view to launching clearing services for UEEEX-operated markets, will include representatives of IRGiT and the Ukrainian exchange. These experts will be responsible for preparing a feasibility study, including, among other things, recommended system and regulatory changes, recommended clearing and risk management methodologies and suggested technical solutions. The team will focus on the gas market first, followed by other markets.

"We are extremely pleased to announce the signing of a Memorandum of Understanding with the Ukrainian Energy Exchange. As a clearing house with 13 years of experience, we will be able to share our know-how and start working together on the development of post-trade services in Ukraine" said IRGiT's Vice-President Łukasz Goliszewski. *"UEEX had been growing extremely rapidly until the Russian aggression, and its product portfolio is impressive. I am convinced that the cooperation announced and the vast experience of the Ukrainian party will translate into a new joint offering in the future"* he added. *"As the GPW Group, we are supporting our neighbours in this extremely difficult time of war, while at the same time we want to turn the friendship between the countries into the building of a stable, secure commodity market with professional post-trade services"* concluded Vice-President Goliszewski.

By virtue of the signed agreement, TGE, IRGiT and UEEEX also declared their cooperation with regard to the implementation of projects defined within the framework of the SEEGAS project, set up by the Energy Community Secretariat to coordinate activities and harmonise outlooks and practices leading to the development of an integrated gas market in the South East European region. Poland joined the initiative in July 2021.

Towarowa Giełda Energii S.A. (TGE) is the only licensed commodity exchange in Poland, holding a licence to operate a regulated market since March 2015. The Exchange is the Nominated Electricity Market Operator (NEMO) for the Polish bidding zone. Since 15 November 2017, TGE has been active on the European Day-Ahead Market SDAC. On 19 November 2019, the Exchange launched its cross-border SIDC Intraday Market based on the XBID model. TGE is included on the ACER's list of platforms for reporting transaction information according to REMIT requirements. Since March 2012, TGE has been a member of the Warsaw Stock Exchange Group. **Media contact:** press@tge.pl

Izba Rozliczeniowa Giełd Towarowych S.A. is a member company of the GPW Group and holds a licence to operate a clearing house within the meaning of the Act on Trading in Financial Instruments, and a Financial Instruments Trading Act, and a central clearing party within the meaning of the Act on Commodity Exchanges. Drawing on its expertise, team of professionals and experience, the company focuses on transaction clearing and risk management on TGE-operated markets, guaranteeing the security of the solutions offered.

Ukrainian Energy Exchange (UEEX) is the leading Ukrainian exchange that organizes and conducts trading on energy and other commodity markets. Since its establishment in 2010, UEEEX has been engaged in trading on energy markets, including natural gas, oil, oil products, liquefied gas, coal, and electricity. UEEEX operates on the electricity market segment for bilateral contracts, serves as the operator of a trading platform on the domestic gas market and the day-ahead market, conducts auctions for the purchase and sale of natural gas on the medium and long-term markets, and is the main source of market prices for energy resources in Ukraine.