
BENCHMARK STATEMENT

GPWB-CENTR INDEX

Benchmark Statement – GPWB-CENTR Index, adopted by Resolution No. 47/2024 of the GPW Benchmark S.A. Management Board of 3 June 2024

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Resolution	Changes	Entry into force
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Translation provided by the Administrator for information purposes. The Polish language version is binding in case of a doubt

This document is a Benchmark Statement referred to in Art. 27 Benchmark Statement, issued by GPW Benchmark S.A. as an entity that has control over the determination of the GPWB-CENTR Index ("Administrator"), authorized by the KNF - Polish Financial Supervision Authority to perform the function of administrator within the meaning of Regulation (EU) 2016/1011 of 8 June 2016 on indices used as reference indicators for instruments financial and financial contracts or to measure the performance of investment funds ("Benchmarks Regulation", "BMR").

This Statement should be read in conjunction with the Administrator's relevant procedures, policies and other documentation, available on the Administrator's website at: <https://gpwbenchmark.pl/en-home> under the "Documentation of GPW Indices" tab.

Definitions of key terms, put in capital letters, are contained in the *List of key terms for GPW Indices Family, Treasury Bond Index Family, CEEplus Index and GPWB-CENTR Index*, available on the abovementioned website.

LEGAL PROVISION		REGULATORY REQUIREMENT	STATEMENT OF THE GPW BENCHMARK S.A.
1. GENERAL INFORMATION			
1.1	Date of publication and last update; RTS 1(1)(a)	The benchmark statement should include the date of publication of the statement and, if applicable, the date of its last update.	Date of publication: June 3 rd , 2024 Date of last update: -
1.2	Overview; BMR 27(1)	The administrator shall review and, where appropriate, update the benchmark statement for each benchmark or benchmark family in the event of a change in the information provided in accordance with this Article, at least every two years.	The Administrator will review this Statement regularly, at least every two years, or in any event of a change in information regarding the Index.
1.3	Use of ISIN; RTS 1(1)(b)	The benchmark statement should include, where applicable, the international security identification code (ISIN code) for the benchmark or benchmarks; as regards the benchmark family, the declaration may alternatively contain detailed information on where ISINs are publicly available and free of charge.	ISIN code: PL99999996520
1.4	Use of contributions of input data; RTS 1(1)(c)	The benchmark statement shall state whether the benchmark or any benchmark in the benchmark family is determined using contributions of input data.	The Administrator does not use contributions of input data within the meaning of the Benchmarks Regulation, when determining the GPWB-CENTR Index. For more information on Input Data used by the Administrator when determining GPWB-CENTR Index, see 2.7.

LEGAL PROVISION	REGULATORY REQUIREMENT	STATEMENT OF THE GPWB BENCHMARK S.A.
<p>1.5 Regulated data benchmark disclosures; RTS 1(1)(d)</p> <p>RTS 2</p>	<p>The benchmark statement should indicate whether the benchmark or any benchmark in the benchmark family qualifies as a regulated data benchmark, including the specific provision under which the benchmark qualifies as this type of benchmark listed in Title III of the Benchmarks Regulation.</p> <p>In addition to the information to be provided in accordance with Article 1, in the case of the regulated data benchmark or, where applicable, the family of regulated data benchmarks, the benchmark statement shall provide at least the following information in the description of the input data:</p> <p>(a) sources of input data used;</p> <p>(b) for each source, relevant type, as listed in Article 3(1)(24) of the Benchmarks Regulation.</p>	<p>GPWB-CENTR Index is a regulated-data benchmark within the meaning of the Benchmarks Regulation.</p> <p>Input Data used to determination of the GPWB-CENTR is sourced entirely from the Trading Venues which are regulated markets as defined in Article 4(1)(24) of Directive 2014/65/EU (MiFID II), referred to in Art. 3(1)(24) letter a) point i) of the Benchmarks Regulation.</p>
<p>1.6 Relevant and non-significant benchmark disclosure; RTS 1(1)(d)</p>	<p>The benchmark statement should indicate if the benchmark or any benchmark in the benchmark family qualifies as significant or non-significant benchmarks, including the specific provision under which the benchmark qualifies as this type of benchmark listed in Title III of the Benchmarks Regulation.</p>	<p>Based on Art. 3(1)(27) of the Benchmarks Regulation, the Administrator has classified GPWB-CENTR Index as a non-significant benchmark.</p>
<p>2. CONTENT</p>		
<p>2.1 Market and economic reality; BMR 27(1)(a)</p>	<p>The benchmark statement clearly and unambiguously defines the market or economic realities measured by the benchmark and the circumstances in which it may become unreliable.</p>	<p>GPWB-CENTR Index is aimed at measuring and monitoring changes in the value of the Index Portfolio comprising the largest and most liquid Companies listed on Trading Venues in the Central Europe region from: Croatia, Czech Republic, Hungary, Poland, Romania, Slovakia and Slovenia.</p> <p>To determine the value of the GPWB-CENTR Index, the Administrator uses Input Data of a transactional nature, i.e. reflecting transactions concluded on the underlying market. The Input Data are the share prices of the Portfolio Companies, which are the Closing Prices determined after the end of each Trading Day.</p> <p>The measurement of the underlying market by the GPWB-CENTR index may be temporarily unreliable in cases of:</p> <p>a) when the trading session takes place in only one Trading Venues, or</p>

LEGAL PROVISION	REGULATORY REQUIREMENT	STATEMENT OF THE GPW BENCHMARK S.A.
		<p>b) insufficient liquidity of trading in shares of the Index Portfolio Companies on the Trading Venues, determined on the basis of the number of transactions.</p> <p>In order to prevent the determination of an Index with an unreliable value, the Administrator, in accordance with point 6.2 of the <i>GPWB-CENTR Index Rules</i>, determines its value when the following two conditions are met:</p> <p>a) a trading session is held in at least two Trading Venues, and</p> <p>b) the participation of shares in the Index Portfolio in which at least one transaction is executed at the session is equal to at least 50% of the Index Portfolio value.</p> <p>If the value of the GPWB-CENTR index is not determined, the last calculated and published Index value in the base currency shall apply.</p>
2.2 Discretion; BMR 27(1)(b)	The benchmark statement sets out technical specifications in which it clearly and unambiguously indicates the elements of the benchmark calculation for which discretion can be exercised, the criteria applicable to the exercise of discretion and the position of persons who may exercise discretion, and the method of subsequent assessment of each when exercising discretion.	The method of determination of the GPWB-CENTR Index used by the Administrator does not provide for any use of expert judgement within the meaning of the Benchmarks Regulation.
2.3 Influencing factors; BMR 27(1)(c)	The benchmark statement indicates that there is a possibility of factors, including external factors, beyond the administrator's control, requiring changes to the benchmark or cessation of its provision.	<p>It is possible that unforeseen circumstances may occur, including external events beyond the Administrator's control, as a result of which it will be necessary to introduce changes to the GPWB-CENTR Index method. Such a circumstance may include, among others, permanent loss of access to Input Data from several Trading Venues or loss of authorization to operate a regulated market by one of the Trading Venues operators.</p> <p>As a result of such or similar circumstances, it will be necessary for the Administrator to conduct a new review and validation of the method of determination of the Index, a process of consultation on changes in the method, or to suspend or to cease provision of the Index.</p>

LEGAL PROVISION	REGULATORY REQUIREMENT	STATEMENT OF THE GPW BENCHMARK S.A.
2.4 Changing or cessation of provision of the benchmark; BMR 27(1)(d)	The benchmark statement informs users that changes to the benchmark or cessation of its providing may affect financial contracts and financial instruments for which it is used as a reference, or the measurement of investment fund results.	Changes to the method of determination of the GPWB-CENTR Index or potential cessation of provision the Index may affect: a) any financial contracts or financial instruments to which GPWB-CENTR Index is a reference, b) use of GPWB-CENTR Index to measure the performance of investment funds.
2.5 Key terms; BMR 27(2)(a)	The benchmark statement contains at least definitions of all key terms for the benchmark.	Definitions of all key terms related to GPWB-CENTR are set out in the <i>List of key terms for GPW Indices Family, Treasury Bond Index Family, CEEplus Index and GPWB-CENTR Index</i> , available on the Administrator's website under the "Documentation of GPW Indices" tab. (a) General description of the market and economic realities Available in 2.1 above (b) Geographical market borders Available in 2.1 above (c) Any other information deemed relevant or useful Available in 2.6, 2.7
RTS 1(2)	As part of the market or economic reality definition, the benchmark statement shall contain at least the following information: (a) general description of the market or economic realities; (b) possible geographical boundaries of the market or economic realities; (c) any other information that the controller reasonably considers relevant or useful to help users or potential users of the benchmark understand the relevant characteristics of the market or economic realities, including at least the following, provided that reliable data are available on those elements: i. information on actual or potential market participants; ii. indication of the size of the market or economic realities.	

LEGAL PROVISION	REGULATORY REQUIREMENT	STATEMENT OF THE GPW BENCHMARK S.A.
2.6 Methodology of the benchmark; BMR 27(2)(b)	The benchmark statement shall as a minimum justify the adoption of a specific benchmark method, review procedures and approval of the method.	<p>The method of determination the GPWB-CENTR Index has been set up by the Administrator in such a way that GPWB-CENTR Index can be used to measure the underlying market, the description of which is indicated in 2.1 above.</p> <p>The base currency for Index calculation shall be the Polish zloty (PLN).</p>
Changing the method and ceasing the provision of benchmark RTS 1(5)	As part of the definition of the method review procedures, the benchmark statement shall at least outline the procedures for public consultation on any significant method change.	<p>The procedure for review and approval of the method of determination of the the GPWB-CENTR Index, as well as the procedure for public consultation on any significant changes in the method of the GPWB-CENTR Index is described in <i>Excerpt from the Procedure for Review and Change of Methods for Capital Market Benchmarks</i>, available on the Administrator's website under the "Documentation of GPW Indices" tab.</p>
2.7 Input data; BMR 27(2)(c)	The benchmark statement shall contain at least the criteria and procedures used to determine the benchmark, including the description of the input data, priority to be given to different types of input data, the minimum data necessary to set the benchmark, the use of any models or methods of extrapolation, and any other procedures to balance index reference components	<p>In determining GPWB-CENTR Index, Administrator uses input data in the form of Closing Prices, provided to the Administrator in the local currency.</p> <p>Input data is treated by the Administrator as equivalent, which means that the Administrator does not apply a hierarchy of its use.</p> <p>The reliable reflection of market situation by individual Indexes is provided through assigning appropriate weightings to shares in Portfolios by the Administrator, based on the adopted parameterization data.</p> <p>As parameterization data for the annual revision of the Ranking and Index Portfolio. The parameterization data relate to:</p> <ul style="list-style-type: none"> i. the number of issued shares of each Company; ii. the average value of turnover per session over the last 6 months; iii. the number of shares of each Company in free float. <p>In addition, as part of the annual review of the Index Portfolio, the Administrator applies limits (specified in point 8.2 of the <i>GPWB-CENTR Index Rules</i>), limiting on the Ranking Date, the share of a single Company or a group of Companies in the Index Portfolio.</p>

LEGAL PROVISION	REGULATORY REQUIREMENT	STATEMENT OF THE GPW BENCHMARK S.A.
		<p>The index is determined when the following conditions are met:</p> <ul style="list-style-type: none"> a) a trading session is held in at least two Trading Venues, and b) the participation of shares in the Index Portfolio in which at least one transaction is executed at the session is equal to at least 50% of the Index Portfolio value. <p>If the above conditions are not met, the Administrator assumes that the input data sources for the transaction are insufficient. In such a case, the value of the Index is not determined on a given day, and the last calculated and published Index value in the base currency shall apply.</p> <p>The method of determination of the GPWB-CENTR Index does not provide for any use by the Administrator of any models or methods of extrapolation.</p> <p>The method of determination of the GPWB-CENTR Index is described in detail in the <i>GPWB-CENTR Index Rules</i>, available on the Administrator's website.</p>
<p>2.8</p> <p>Control over exercise of judgment and discretion; BMR 27(2)(d)</p>	<p>The benchmark statement shall contain at least control measures and rules governing exercise of judgement or discretion by the administrator or any contributors, to ensure consistency in the use of such judgement or discretion.</p>	<p>The method of the GPWB-CENTR Index used by the Administrator does not provide for any expert judgment or discretion within the meaning of the Benchmarks Regulation.</p>
<p>RTS 1(4)</p>	<p>As part of determining control measures and rules governing any exercise of judgement or discretion by the administrator or contributors in the calculation of the benchmark or benchmarks, the benchmark statement provides an outline of each step in the process of ex-post evaluation of discretion, including a clear indication of the position of anyone responsible for conducting the evaluation.</p>	

LEGAL PROVISION	REGULATORY REQUIREMENT	STATEMENT OF THE GPW BENCHMARK S.A.
2.9 Determination of the benchmark in stress periods; BMR 27(2)(e)	The benchmark statement includes at least the procedures that govern the determination of the benchmark in stress periods or periods when transaction data sources may be insufficient, inaccurate or unreliable, and possible limitations of the benchmark in such periods.	<p>Extraordinary circumstances when the amount of Input Data is not sufficient to determine the benchmark, may be, among others:</p> <p>technical problems resulting in unavailability or lack of possibility to receive the Input Data by the Administrator, to determine the GPWB-CENTR index value or reassure its publication; in such a case, the Administrator in accordance with applicable emergency procedures and its Business Continuity Plan, takes necessary decisions and immediately informs the public about the suspension of determination or publication the Index until technical problems are resolved.</p> <p>The administrator resumes the process of determination and publication of the GPWB-CENTR Index, what is communicated publicly as soon as possible in accordance with the adopted emergency procedures;</p> <p>In accordance with point 12.1.1 of the <i>GPWB-CENTR Index Rules</i>, the Administrator having regard to the safety of trading and the interests of participants of trading, after consulting the Oversight Committee, they may refrain from application of specific provisions of the <i>GPWB-CENTR Index Rules</i>.</p>
2.10 Errors in input data; BMR (27)(2)(f)	The benchmark statement shall at least include the procedures to be followed in the event of errors in input data or when setting a benchmark, including when a re-determination of the benchmark is required.	According to point 6.5 of the <i>GPWB-CENTR Index Rules</i> , if a Trading Venue reports a transaction cancellation, where the transaction cancellation should change the Index value by more than 0,1% in the base currency, the Index value shall be recalculated and published immediately.
2.11 Potential limitations; BMR (27)(2)(g)	The benchmark statement shall at least identify potential limitations of the benchmark, including its functioning on illiquid or fragmented markets and possible concentration of input data.	<p>According to point 6.2 of the <i>GPWB-CENTR Index Rules</i>, GPWB-CENTR Index is calculated, granted that:</p> <ul style="list-style-type: none"> a) a trading session is held in at least two Trading Venues, and b) the participation of shares in the Index Portfolio in which at least one transaction is executed at the session is equal to at least 50% of the Index Portfolio value. <p>If the above conditions are not met, the Administrator assumes that the input data sources for the transaction are insufficient. In such a case, the value of the Index is not determined on a given day, and the last calculated and published</p>

LEGAL PROVISION	REGULATORY REQUIREMENT	STATEMENT OF THE GPWB BENCHMARK S.A.
RTS 1(3)	<p>As part of the definition of potential limitations of the benchmark and the circumstances in which measuring the market or economic reality may become unreliable, the benchmark statement shall contain at least the following information:</p> <p>(a) a description of the circumstances in which the administrator will lack sufficient input to determine the benchmark in accordance with the method;</p> <p>(b) where appropriate, a description of the situations where the accuracy and reliability of the method used to determine the benchmark can no longer be guaranteed, for example when the administrator considers that liquidity in the underlying market is insufficient;</p> <p>(c) any other information that the controller reasonably considers relevant to help users and potential users understand the circumstances in which measuring market or economic realities may become unreliable, including a description of what may constitute extraordinary market event.</p>	<p>Index value in the base currency shall apply.</p> <p>In the event of technical problems on the part of the Administrator or Trading Venues resulting in the unavailability or inability to use the input data for the purposes of the GPWB-CENTR Index calculation, the Administrator in accordance with applicable emergency procedures and its Business Continuity Plan, takes necessary decisions and immediately informs the public about the suspension of determination the Index until technical problems are resolved.</p> <p>The administrator will resume the process of determination and publication of the GPWB-CENTR Index, what is communicated publicly as soon as possible, in accordance with the adopted emergency procedures.</p> <p>In the event of unforeseen external circumstances resulting in permanent disruptions in the underlying market, it may be necessary to introduce changes to the method of determination of the GPWB-CENTR Index or cessation of its providing.</p>
3. REVIEW AND UPDATE		
<p>3.1 Review and updating of the benchmark statement;</p> <p>RTS 6</p>	<p>An update of the benchmark statement is required whenever the information contained in the declaration is no longer correct or sufficiently precise, and in any case in the following cases:</p> <p>(a) when the type of benchmark changes;</p> <p>(b) when there is a material change in the method used to determine the benchmark or, in the case of a statement on the benchmark family, the method used to determine any benchmark within the benchmark family.</p>	<p>This Statement is reviewed regularly, at least every two years, or whenever there is a significant change in methodology, to ensure that this Statement is correct and sufficiently accurate.</p>
4. OTHER DISCLOSURES		

LEGAL PROVISION	REGULATORY REQUIREMENT	STATEMENT OF THE GPW BENCHMARK S.A.
<p>4.1 Interest rate benchmarks; RTS 1(1)(d)</p> <p>RTS 3</p>	<p>The benchmark statement should state whether the benchmark or any benchmark in the benchmark family qualifies as interest rate benchmark, including the specific provision under which the benchmark qualifies as this type of benchmark listed in Title III of the Benchmarks Regulation.</p> <p>In addition to the information to be provided in accordance with Article 1, in the case of the interest rate benchmark or, where applicable, family of interest rate benchmarks, at least the following information shall be included in the benchmark statement:</p> <p>(a) reference alerting users to additional regulatory regime applicable to interest rate benchmarks in accordance with Annex I to Benchmarks Regulation;</p> <p>(b) a description of the solutions introduced to comply with the provisions of that Annex.</p>	<p>GPWB-CENTR Index is not an interest rate benchmark within the meaning of the Benchmark Regulation.</p>
<p>4.2. Commodity benchmarks; RTS 1(1)(d)</p> <p>RTS 4</p>	<p>The benchmark statement should indicate if the benchmark or any benchmark in the benchmark family qualifies as a commodity benchmark, including the specific provision under which the benchmark qualifies as this type of benchmark listed in Title III of the Benchmark Regulation.</p> <p>In addition to the information to be provided in accordance with Article 1, in the case of a commodity benchmark or, where applicable, a family of commodity benchmarks, the benchmark statement shall at least:</p> <p>(a) indicate whether the requirements set out in Title II of Benchmarks Regulation or the requirements set out in Annex II to that Regulation apply to the benchmark or benchmark family, as required by Article 19 of this Regulation;</p> <p>(b) explain why Title II of that Regulation or, if applicable, Annex II to that Regulation apply;</p> <p>(c) as part of the definition of key terms, provide a brief description of the criteria that define the relevant physical commodity underlying the benchmark;</p>	<p>GPWB-CENTR Index is not a commodity benchmark within the meaning of the Benchmarks Regulation.</p>

LEGAL PROVISION	REGULATORY REQUIREMENT	STATEMENT OF THE GPW BENCHMARK S.A.
	if applicable, indicate where the explanations that the controller is required to publish pursuant to point 7 of Annex II to that Regulation are published.	
4.3 Critical benchmarks; RTS 1(1)(d) RTS 5	The benchmark statement should state whether the benchmark or any benchmark in the benchmark family qualifies as the critical benchmark, including the specific provision under which the benchmark qualifies as this type of benchmark listed in Title III of the Benchmarks Regulation.	GPWB-CENTR Index is not a critical benchmark within the meaning of the Benchmark Regulation.
4.4 EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks; BMR 19a	The benchmark statement should state whether the benchmark or any benchmark in the benchmark family qualifies as an EU Climate Transition Benchmark or an EU Paris-aligned Benchmark.	GPWB-CENTR Index is neither an EU Climate Transition Benchmark nor an EU Paris-aligned Benchmark.
4.5 ESG factors in the methodology for each benchmark or family of benchmarks; BMR 13(1)(d) BMR 27(2a)	The benchmark statement should include an explanation of how the key elements of the methodology for each benchmark or family of benchmarks reflect ESG (environmental, social and governance) factors.	Method of GPWB-CENTR Index does not reflect ESG factors.
4.6 Degree of overall alignment with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement; BMR 27(2a)	The benchmark statement should state whether and to what extent a degree of overall alignment with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement is ensured.	The method of GPWB-CENTR Index, does not include pursuing the targets of reducing carbon dioxide emissions or achieving the objectives of the Paris Agreement.

Annex

This Benchmark Statement should be read in conjunction with the following policy documents that can be accessed on the Administrator's website <https://gpwbenchmark.pl/documentation>:

- *GPWB-CENTR Index Rules*
- *Excerpt from the Procedure of Review and Change of Capital Market Benchmarks Methods*
- *Conflict of interest policy at GPW Benchmark S.A.*
- *Information on the Procedure for receiving and handling complaints at GPW Benchmark S.A.*
- *List of key terms for GPW Indices Family, Treasury Bond Index Family, CEEplus Index and GPWB-CENTR Index*