WFC Single Disclosure Report 2025

AGC answers

Date submitted

30/10/2025 06:37:14

AGC: 0a
Please indicate the full name of the responding institution:

Krajowy Depozyt Papierów Wartościowych S.A.

AGC: 0c
Registered address:

ul. Książęca 4 00-498 Warsaw

AGC: 0d
Country of registered address:

Poland

AGC: 1

Rule 17f-7, by reference to Rule 17f-4, requires that, for a CSD to be eligible to hold securities of U.S. registered investment companies (such depositories hereinafter referred to as "Eligible Securities Depositories"), the CSD must be a "system for the central handling of securities where all securities of any particular class or series of any issuer deposited within the system are treated as fungible and may be transferred or pledged by bookkeeping entry without physical delivery of the securities."

Are all securities of a particular class or series of any issuer that are deposited in your institution treated as fungible, and can they be transferred or pledged by bookkeeping entry without physical delivery of the securities?

- [x] Yes
- [ ] No

AGC: 1a
Please explain

AGC: 2
Rule 17f-7 also requires that an Eligible Securities CSD "acts as or operates a system for the central handling of securities or equivalent book-entries in the country where it is incorporated," or "acts as or operates a transnational system for the central handling of securities or equivalent book-entries." Does your institution:

- [x] Act as or operate a system for the central handling of securities or equivalent book-entries in the country where it is incorporated?
- [ ] Not applicable
- [ ] Act in another capacity with respect to the handling of securities or equivalent book-entries?
- [ ] Act as or operate a transnational system for the central handling of securities or equivalent book-entries?
- [ ] OTHER:

AGC: 2a.
Please explain:

AGC: 2b.
Please specify the types of securities for which you act as or operate a system for the central handling of securities or equivalent book-entries:

Publicly traded equities: domestic and foreign shares, allotment certificates, investment certificates, rights to shares, subscription rights, option warrants, exchange traded funds (ETFs); debt instruments: T-bonds, international financial institution bonds, central bank bonds, municipal bonds, domestic and foreign corporate bonds, convertible bonds, bonds with priorities rights, mortgage bonds, structured certificates, certificates of deposit; non-public bonds and shares, mortgage bonds and investment certificates.

AGC: 3
What type of legal entity is the institution?

- [ ] Private Company
- [ ] Public Company
- [ ] Central Bank (or part thereof)
- [ ] Stock Exchange (or part thereof)
- [x] OTHER: joint stock company

AGC: 4
Is the institution operated as a "for profit" or a "not for profit" organization?"

- ( ) For profit
- (•) Not for profit

AGC: 5
Please provide the names of the owners and their ownership interest percentages.

State Treasury 33%, Warsaw Stock Exchange 33%, National Bank of Poland (Central Bank) 33%

AGC: 6a

What is the date of establishment of the CSD?

Please enter the answer in DD/MM/YYYY format.

If you are filling the survey for more than one organization, please enter the name of each organization in different lines and in front of each one the corresponding date.

07/11/1994

AGC: 6b

What is the date that the CSD's operations began?

Please enter the answer in DD/MM/YYYY format.

If you are filling the survey for more than one organization, please enter the name of each organization in different lines and in front of each one the corresponding date.

11/04/1991

AGC: 7
Under what regulation or statute is the CSD established and governed?

Act on Trading in Financial Instruments, Act on Capital Market Supervision, Statute of the KDPW, Code of Commercial Companies, CSDR, CSDR Refit

AGC: 7a
Is the regulation or statute electronically available?

- [x] Yes
- [ ] No

AGC: 7b
If regulation or statute is electronically available, please supply web address(es) here or upload document(s).

The Act on Capital Market Supervision dated July 29th 2005 (Polish version only) Akt prawny.

Act on Trading in Financial Instruments dated July 29th 2005 with further amendments (Polish version only) Akt prawny.

The Statute of KDPW (English version) statut_kdpw_en.pdf.

The Code of Commercial Companies (Polish version only) Akt prawny.

Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 (CSDR) Regulation - 909/2014 - EN - csdr - EUR-Lex

Regulation (EU) 2023/2845 of the European Parliament and of the Council of 13 December 2023 amending Regulation (EU) No 909/2014 as regards settlement discipline, cross-border provision of services, supervisory cooperation, provision of banking-type ancillary services and requirements for third-country central securities depositories and amending Regulation (EU) No 236/2012 Regulation - 2023/2845 - EN - EUR-Lex

AGC: 7c
filecount - Please supply document(s) here:

AGC: 7d
What are the roles and responsibilities of the CSD's board of directors (or equivalent), and are they clearly specified? Please provide details of the structure and composition of your Board together with their industry experience and responsibilities in governing the CSD. What are the qualifications to become a board member?

Polish legal system (Code of Commercial Companies and Law on the Management of State Property) provides general requirements concerning members of corporate governing bodies. According to the Code, KDPW as a joint-stock company has a dual governance structure (so-called two-tier board system), with a supervisory and a management board. Qualification requirements concerning specific educational background and professional experience in relation to the members of governing bodies of companies belonging to the State Treasury are set out in Art. 22 of the Law on the Management of State Property. They have to hold a master's degree, have at least 5 years work experience, including 3 years on senior position or leading a proprietary business, they may not be employed by any political party or any Member of Parliament nor remain in any conflict of interest with the Company. Any additional qualification requirements to appoint a Supervisory Board member are set by the shareholders, and for Management Board members – by the Supervisory Board. Moreover, at least 2 members of the Supervisory Board have to qualify as independent members. CSDR requires that the management body is composed of suitable members of sufficiently good repute with an appropriate mix of skills, experience and knowledge of the entity and of the market.

The Supervisory Board may comprise three to six (currenly 6) members, including a Chairperson and a Vicechairperson. There are 3 Committees within the Supervisory Board: Audit Committee, Risk Committee and Remuneration Committee.

The Supervisory Board of KDPW continuously supervises the activities of the Company and its activities include: review of financial statements and Management Board reports, approval of the KDPW Rules, rules of operation of the Investor Compensation Scheme, rules of the Trade Repository, appointment and dismissal of members of the KDPW Management Board and decision on their remuneration levels, appointment of a certified auditor, approval of long-term and annual corporate business and financial plans presented by the Management Board and consent for the establishment of commercial law companies.

The Management Board of KDPW may comprise two to four (currently 2) members, including a President and Vice Presidents.

The Management Board of KDPW oversees the affairs of the Company, manages its assets and represents the Company externally. In particular, the Management Board of KDPW prepares a draft of the KDPW Rules, the Rules of the Supervisory Board of KDPW, the Rules of the Court of Arbitration, as well as prepares drafts and adopts regulations governing the detailed operations of KDPW.

AGC: 7e
What are the election procedures?

The Supervisory Board represents shareholders. Members are appointed and dismissed by the Shareholders' General Meeting. The Members of the Supervisory Board elect a Chairperson and a Vicechairperson and may elect a Secretary in a secret ballot. The General Meeting is valid and may adopt resolutions if at least half of the shares are represented.

AGC: 7f
What is the maximum length of time a board member can serve?

The term of a Board member is set out in the Statute of KDPW. It amounts to 4 years constituting a joint term of office of the Board members. The rule applies both to the Supervisory Board and the Management Board of KDPW. The mandates of all Board members expire on the day of the Annual Meeting of Shareholders which approves the financial statements for the previous full financial year. Under Polish law there is no limit as to the number of terms of office, however, there is a limitation as to the duration of such a term, which in joint stock companies is up to 5 years.

AGC: 7g
How are the voting powers distributed amongst the board members (i.e. does each board member have one vote or do certain members have additional voting power)?

Each Board member has one vote. The Supervisory Board: Resolutions are adopted on the basis of an absolute majority of votes of the members present at the session, with the exception of resolutions concerning the appointment or dismissal of a member of the Management Board, which shall be passed with a ¾ majority of the votes cast. The Management Board: Resolutions are adopted by ordinary majority of votes. In the case of a tie, the President of the Board has the casting vote.

AGC: 7h
What are the procedures established to review the performance of the board as a whole and the performance of the individual board members? Who is responsible for regulating the board members?

The Supervisory Board of KDPW S.A. supervises the activities of the Company by reviewing financial statements and reports of the KDPW Management Board as well as its recommendations on the division of profits or covering of losses, appointing and dismissing the Members of the Management Board and setting their salary levels and approving multi-annual and annual business and financial plans of the Company presented by the Management Board.

The number of Board members, the duration of the term of office (in accordance with the statutory norm), any additional rights for the President of the Board associated with supervising the work of the Board, as well as the manner of voting, the validity of Board meetings, extension or, as the case may be, limitation of competences of the Board in accordance with the Code of Commercial Companies are set out in the Statute of KDPW, i.e. by shareholders acting as the General Meeting.

AGC: 8
Rule 17f-7 requires that an Eligible Securities Depository regulated by a foreign financial regulatory authority as defined under section 2(a)(50) of the Act, with section 2(a)(50) establishing that z 'foreign financial regulatory authority' means any (A) foreign securities authority, (B) other governmental body or foreign equivalent of a self-regulatory organization empowered by a foreign government to administer or enforce its laws relating to the regulation of fiduciaries, trusts, commercial lending, insurance, trading in contracts of sale of a commodity for future delivery, or other instruments traded on or subject to the rules of a contract market, board of trade or foreign equivalent, or other financial activities, or (C) membership organization a function of which is to regulate the participation of its members in activities listed above." Who regulates the activities of the CSD?

- [x] A membership organization which regulates the participation of its members in securities matters or other financial activities.
- [x] A governmental body or self-regulatory organization empowered to administer or enforce laws related to other financial activities.
- [x] A governmental body or regulatory organization empowered to administer or enforce laws related to securities matters.
- [ ] OTHER:

AGC: 8a.
Please explain:

AGC: 9
Please provide the name of regulatory authority(ies) identified in question 8:

The Polish Financial Supervision Authority (PFSA) - regulates KDPW as a CSD; European Securities and Markets Authority (ESMA) – regulates KDPW in its Trade Repository and ARM functions; Regulatory Oversight Committee (ROC) – regulates KDPW_LEI service.

AGC: 10
Rule 17f-7 requires that an Eligible Securities Depository is subject to periodic examination by regulatory authorities or independent accountants. Is the CSD subject to periodic examination by:

- [x] Independent accountants?
- [x] Regulatory authorities?
- [ ] OTHER:

AGC: 10a
Please explain:

AGC: 11
Name of Authority #1 (please answer 11a):

Polish Financial Supervision Authority (PFSA)

AGC: 11a.
What enforcement actions are available to regulatory authority #1 for breach of applicable statute or regulatory requirements?

- [x] Termination of CSD activities.
- [ ] Suspension of CSD activities.
- [x] Restrictions on CSD activities.
- [x] Fines
- [x] OTHER: see 11b.

AGC: 11b.
Please explain:

An authorized representative of PFSA has the right to review KDPW`s books, documents and other carriers of information; to participate in the meetings of the Supervisory Board and in the general meetings of shareholders of KDPW. Upon a written request of PFSA, the KDPW Management Board shall be obliged to convene an extraordinary general meeting of shareholders or to put any matters specified by PFSA on the agenda of the general meetings. In case the Management Board refuses the request, PFSA may appeal to a court to convene an extraordinary general meeting. PFSA may order the Supervisory Board to adopt a resolution concerning a particular matter. PFSA may appeal to a court against any resolution of the general meeting of shareholders or Supervisory Board, within 30 days of the date of receiving notice of the resolution, if it violates the provisions of law, the provisions of the Statute of KDPW, the rules or principles of safety of trading, or if the resolution has been adopted contrary to the provisions of law, provisions of the Statute or the Rules of KDPW. According to CSDR Art. 22 the competent authority shall, at least on an annual basis, review the arrangements, strategies, processes and mechanisms implemented by a CSD with respect to compliance with the Regulation and evaluate the risks to which the CSD is, or might be, exposed or which it creates for the smooth functioning of securities markets; require the CSD to submit to the competent authority an adequate recovery plan to ensure continuity of its critical operations; ensure that an adequate resolution plan is established and maintained for each CSD so as to ensure continuity of at least its core functions, having regard to the size, systemic importance, nature, scale and complexity of the activities of the CSD concerned and any relevant resolution plan established in accordance with Directive 2014/59/EU; establish the frequency and depth of the review and evaluation of the CSD having regard to the size, systemic importance, nature, scale and complexity of the activities of the CSD concerned and subject the CSD to on-line inspections. According to changes implemented by CSDR Refit, the review and evaluation shall take place at least every three years.

AGC: 11c.
What enforcement actions are available to regulatory authority #2 for breach of applicable statute or regulatory requirements?

- [ ] Termination of CSD activities.
- [ ] Suspension of CSD activities.
- [ ] Restrictions on CSD activities.
- [x] Fines
- [x] OTHER: Restriction, suspension or termination of some specific services performed by KDPW (TR, ARM, LEI).

AGC: 11d.
Please explain:

In the scope of supervision over KDPW_TR EMIR and KDPW_TR SFTR ESMA has the power to impose the following supervisory measures: require the trade repository to bring the infringement to an end, issue public notices, impose fines or periodic penalty payments upon trade repositories and persons involved in trade repositories and as a last resort, withdraw the registration of the trade repository. Procedural rules for taking supervisory measures and imposing fines on trade repositories are described in article 64-73 of EMIR (Regulation No 648/2012 of 4 July 2012 on OTC Derivatives, central counterparties and trade repositories).

In the scope of supervision over KDPW_ARM ESMA has the power to impose the following supervisory measures: adopt a decision requiring the person to bring the infringement to an end, adopt a decision imposing fines or periodic penalty payments, issue public notices and withdraw the authorisation.

Procedural rules for ESMA powers and competences are described in articles 27e and 38a-38o of MIFIR (Regulation No 600/2014 of 15 May 2014 on markets in financial instruments and amending Regulation No 648/2012).

The LEI ROC's specific possible enforcement actions: - Requiring audits of the system (including appointment of external auditors) for financial controls, business practices, data quality standards or other matters necessary to ensure the public interest. - Approval of policies for the recognition and termination of local registration agencies and LOUs.

AGC: 12
Has there been any use of such enforcement actions in the last three years?

- [ ] Yes
- [x] No
- [ ] OTHER:

AGC: 12a.
If yes, please explain:

AGC: 13
Capital. Are annual financial statements publicly disclosed?

- [x] Yes
- [ ] No

AGC: 13a.
If yes, the AGC requests a copy of the institution's annual report. Is the annual report available electronically?

- [x] Yes
- [ ] No

AGC: 13b.
filecount - If yes, please upload the document(s) here or insert web link(s) in question 13d:

AGC: 13c.
filecount - If more than one document for 13b, please upload the additional document here:

AGC: 13d.
Please insert web link(s) for 13b here:

rr-kdpw-2024-en.pdf

AGC: 13e.
If no, and annual report and/or financial statements are not disclosed, please state your share capital, reserves, and retained earnings (or equivalents as determined under local accounting standards). Share Capital (then please answer 13f):

AGC: 13f.
Reserves (then please answer 13g):

AGC: 13g.
Retained Earnings:

AGC: 14
Internal Audit. Is an internal audit undertaken in your CSD?

- [x] Yes
- [ ] No

AGC: 14a.
If yes, what areas does the audit cover (financials, operations, etc.) and which department in your CSD handles it?

The audit covers operations, compliance and partly financial areas. It is handled by the Internal Audit Department.

AGC: 14b.
Please list the date of your last internal audit and the period that the audit covered:

End date: 30/05/2025
Start date: 02/01/2025
Audit date: 30/06/2025

AGC: 14c.
How frequently does the internal audit occur?

- (selected) Two or more times a year
- Annually
- Less than annually

AGC: 14d.
If less than annually, please explain:

AGC: 14e.
Are the results of the internal audit publicly available?

- Yes
- (selected) No

AGC: 14f.
Please select the statement that most accurately characterizes the results of the last internal audit:

- (selected) No material exceptions found.
- Minor exceptions found.
- Material exceptions found.

AGC: 14g.
If minor or material exceptions were found, what actions were taken? Please describe:

AGC: 15
Is a financial audit performed by an Audit Firm, Regulatory Authority, or other external party?

- (selected) Yes
- No

AGC: 15a.
If yes, please state the name(s) of the entity(ies) who perform the financial audit.

BDO spółka z ograniczoną odpowiedzialnością sp.k. (2024). Tax audits are performed by ISP Modzelewski i Wspólnicy sp. z o.o.

AGC: 15b.
Please list the date of your last financial audit performed by an Audit Firm, Regulatory Authority, or other external party:

28/02/2025

AGC: 15c.
Please list the period that the audit covered:

Start date: 01/01/2024
End date: 31/12/2024

AGC: 15d.
How frequently does the financial audit occur?

- ○ Two or more times a year
- ● Annually
- ○ Less than annually

AGC: 15e.
If less than annually, please explain:

AGC: 15f
Are the results of the financial audit publicly available?

- ● Yes
- ○ No

AGC: 15g.
Please select the statement that most accurately characterizes the results of the last financial audit:

- ● No material exceptions found.
- ○ Minor exceptions found.
- ○ Material exceptions found.

AGC: 15h.
If minor or material exceptions were found, what actions were taken? Please describe:

AGC: 16
Is an operational audit performed by an Audit Firm, Regulatory Authority, or other external party?

- ● Yes
- ○ No

AGC: 16a.
If yes, please state the name(s) of the entity(ies) who perform the operational audit.

Operational audit is performed by the Polish Financial Supervision Authority. Processes related to the IT systems operations (change and access management, handling of incidents) are currently included in the annual audit performed by the financial auditor.

AGC: 16b.
Please list the date of your last operational audit performed by an Audit Firm, Regulatory Authority, or other external party:

26/06/2024

AGC: 16c.
Please list the period that the audit covered:

Start date: 01/12/2022
End date: 30/11/2023

AGC: 16d.
How frequently does the operational audit occur?

- ○ Two or more times a year
- ○ Annually
- ● Less than annually

AGC: 16e.
If less than annually, please explain:

According to the Regulation (EU) 2023/2845 (CSDR Refit), competent authorities are obliged to conduct review and evaluation processes of CSDs at least every 3 years.

AGC: 16f
Are the results of the operational audit publicly available?

- ○ Yes
- ○ No

AGC: 16g.
Please select the statement that most accurately characterizes the results of the last operational audit:

- ● No material exceptions found.
- ○ Minor exceptions found.
- ○ Material exceptions found.

AGC: 16h.
If minor or material exceptions were found, what actions were taken? Please describe:

AGC: 17, 17q
PARTICIPANTS AND PARTICIPATION. The purpose of this section is to understand issues relating to participation in the CSD, including eligibility requirements, conditions of participation, and supervision of participants. What types of entities are eligible to become participants and how many of each type are there currently?

- [x] Brokers
- [ ] Not applicable
- [x] Banks
- [x] Foreign Institutions
- [ ] Individuals
- [x] OTHER: Depositors (financial institutions), Clearing houses (KDPW_CCP), Central securities depositories (KELER, Clearstream Banking Luxembourg), Ministry of Finance; Bank Guarantee Fund, Central Bank (National Bank of Poland)

AGC: 17a.
How many Bank participants are there currently? (then please answer 17b)

13

AGC: 17b, 17d
Please select the features included in the eligibility requirements for Banks.

- [ ] Financial Thresholds
- [x] Regulatory Oversight
- [ ] Market Experience
- [x] OTHER: Material and technical requirements

AGC: 17c.
Where can a description of the specific eligibility requirements for Bank participants be found?

Act on Trading in Financial Instruments, KDPW Rules

AGC: 17d.
Please explain:

AGC: 17e.
How many Broker participants are there currently? (then please answer 17f)

27

AGC: 17f, 17h
Please select the features included in the eligibility requirements for Brokers.

- [ ] Financial Thresholds
- [x] Regulatory Oversight
- [ ] Market Experience
- [x] OTHER: Material and technical requirements

AGC: 17g.
Where can a description of the specific eligibility requirements for Broker participants be found?

Act on Trading in Financial Instruments, KDPW Rules

AGC: 17i.
How many Individual participants are there currently? (then please answer 17j)

AGC: 17j.
Please select the features included in the eligibility requirements for Individual participants.

- [ ] Financial Thresholds
- [ ] Regulatory Oversight
- [ ] Market Experience
- [ ] OTHER:

AGC: 17k.
Where can a description of the specific eligibility requirements for Individual participants be found?

AGC: 17m.
How many Foreign Institution participants are there currently?

2

AGC: 17n, 17p.
Please select the features included in the eligibility requirements for Foreign Institution participants.

- [ ] Financial Thresholds
- [x] Regulatory Oversight
- [ ] Market Experience
- [x] OTHER: Material and technical requirements

AGC: 17o.
Where can a description of the specific eligibility requirements for Foreign Institution participants be found?

Act on Trading in Financial Instruments, KDPW Rules

AGC: 17q.
If you have selected "Other entities" above, please explain:

Brokerage offices and banks, as well as other entities: clearing houses (KDPW_CCP), central securities depositories; Bank Guarantee Fund, Central Bank (National Bank of Poland) may participate in the KDPW system as depositors - participants who entrust KDPW with the management of securities accounts for their own securities.

AGC: 17r.
Indicate how many "Other entities" are currently participants?

37

AGC: 17s, 17u
Please select the features included in the eligibility requirements for the participants referred to above as "Other entities".

- [ ] Financial Thresholds
- [x] Regulatory Oversight
- [ ] Market Experience
- [x] OTHER: Material and technical requirements.

AGC: 17t.
Where can a description of the specific eligibility requirements for participants described above as "Other entities" be found?

KDPW Rules

AGC: 18
Are participants required to contribute capital to the CSD that would result in ownership of the CSD?

- ( ) Yes
- (x) No
- ( ) Not applicable

AGC: 18a.
If yes, what fixed amount is required or what formula is used to determine the appropriate contribution level?

AGC: 19
Are prospective participants subject to an initial review and approval process regarding compliance with eligibility requirements?

- (x) Yes
- ( ) No
- ( ) Not applicable

AGC: 20
What governs the relationship between the CSD and the participants?

- [x] Relevant law and regulation
- [ ] Standard participation contract
- [x] Established terms and conditions of participation
- [x] Rules of the CSD
- [ ] Not applicable
- [ ] By-laws of the CSD
- [ ] OTHER:

AGC: 20b
Provide a link to the rulebook.

https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20051831538/U/D20051538Lj.pdf, https://www.kdpw.pl/uploads/attachments/kdpw-rules-08-09-2025.pdf

AGC: 20a
Please explain:

AGC: 21
Rule 17f-7 requires that an Eligible Securities Depository holds assets for the custodian that participates in the system on behalf of the Fund under safekeeping conditions no less favorable that the conditions that apply to other participants. Please confirm that assets of foreign investors held by custodians as participants in the CSD are held under safekeeping conditions no less favorable than the conditions that apply to other participants.

- (x) Yes
- ( ) No
- ( ) Not applicable

AGC: 21a.
If no, other or not applicable, please explain:

AGC: 21b, 21c.
Please confirm the basis for the arrangements you have in place to ensure that the assets you hold for custodians receive the same level of safekeeping protection as the assets held for other categories of participants.

- [x] Relevant Law and Regulation
- [ ] Standard participation contract
- [x] By-laws of the CSD
- [x] Rules of the CSD
- [x] Established terms and conditions of participation
- [ ] OTHER:

AGC: 21d
For each item in Question 21b that you checked, please briefly supply references or citations to the law(s), regulation(s), or CSD rule(s), participation condition(s), or participant contract provision (s), as applicable.

Relevant Law and Regulation: There are equal conditions for holding foreign investor assets by custodians in the depository system. The Act of 29th July 2005 on Trading in Financial Instruments defines the system for registration of dematerialised securities comprising securities accounts, depository accounts and omnibus accounts kept by entities authorised to do so under this Act and maintained by KDPW (article 3, point 21). KDPW is in charge of registering securities on: 1) depository accounts; 2) securities accounts; 3) omnibus accounts. Balances on accounts managed by participants should correspond with the balances on the relevant depository accounts managed by KDPW (article 57). Omnibus accounts are dedicated only for foreign entities (article 8a). However, depository and omnibus accounts operate on the same principles, i.e. they are co-mingling securities belonging to clients of KDPW participants. In this way, the assets of foreign investors are not differentiated from those of other types of investors, but treated equally. Established terms and conditions of participation: Participants managing securities accounts and omnibus accounts in their systems are obliged to conform to the rules of managing the securities register (article 20, 24, 33, 33a of the KDPW Rules). The rules are similar for custodians and other participants who hold foreign or domestic investor assets. Rules of the depository: The accounting scheme for recording and transfer of securities is determined by the KDPW rules (article 34-36 of the KDPW Rules) and there is no discriminatory treatment of foreign investor assets. The registration is carried out as expressions of quantity, according to the following principles: double-entry bookkeeping, separate registration of securities, classification by types of participant status (separation of the clients' assets from participants' securities), simultaneous registration (registration on accounts managed by a participant should reflect the balances on accounts managed in KDPW), completeness, integrity and transparency. The best accounting practices are applied and end-to-end audit trails are kept.

AGC: 22
How does the CSD notify participants of material changes to the conditions of participation?

- [ ] By press release
- [x] By public announcement
- [ ] By e-mail
- [ ] By telephone
- [ ] Not applicable
- [x] OTHER: Electronic Correspondence system

AGC: 22a.
Please explain:

AGC: 23
Who enforces compliance with the CSD's conditions of participation?

- [x] The CSD
- [ ] Not applicable
- [x] The CSD's regulator
- [ ] The exchange
- [ ] OTHER:

AGC: 23a
Please explain:

AGC: 24
What enforcement actions are available to the enforcement authority?

- [ ] Not applicable
- [x] Restrictions on participation
- [x] Suspension of participation
- [x] Termination of participation
- [x] Fines
- [x] OTHER: The CSD may caution a participant.

AGC: 24a
Please explain:

AGC: 25
Has there been any such enforcement actions in the last three years?

- (●) Yes
- ( ) No

AGC: 25a.
If yes, please explain, including information relative to any suspensions of CSD participants:

In 2024 one of participants was cautioned (twice).

AGC: 26
CSD FUNCTIONALITY AND SERVICES, USE OF AGENTS. Certain functionalities and services reduce risk to an investor if provided in an efficient manner. The purpose of this section is to identify those functionalities that may potentially be offered by depositories and clearing systems around the world, and ascertain whether they are offered by your institution. For which of the following security types do you serve as a CSD or clearing system?

- [x] Corporate money market
- [ ] Not applicable
- [x] Government securities
- [x] Corporate bonds
- [x] Equities
- [x] OTHER: see 26a.

AGC: 26a.
Please name the other security types:

Debt financial instruments: mortgage bonds, municipal bonds, convertible bonds, central bank bonds, financial institution bonds, non-public bonds, mortgage bonds and investment certificates, bonds with priorities rights, structured certificates. Equity financial instruments: preferred shares, investment certificates, exchange-traded funds (ETFs). Other securities: allotment certificates, subscription rights, option warrants, subscription warrants.

AGC: 27a. (i)
Please list the instrument types for which it is not compulsory by law to: (i)settle in your CSD

The use of a depository in the Polish market is compulsory for settlement of transactions concluded on regulated and alternative markets. The instrument types for which it is not compulsory by law to settle are: non-publicly traded shares, non-publicly traded debt instruments issued before 1 July 2019, Treasury bonds (for trades outside the regulated market between clients of the same KDPW participant) and Treasury bills. T-Bills are settled in the Securities Register (operated by the National Bank of Poland).

AGC: 27a. (ii)
(ii) safekeep in your CSD:

Non-publicly traded shares and non-publicly traded debt instruments issued before 1 July 2019 may be safekept in registers outside KDPW. T-Bills are safekept in the Securities Register operated by the National Bank of Poland.

AGC: 27b. (i)
Please list the instrument types for which it is not compulsory by market practice to: (i)settle in your CSD

Non-publicly traded shares, non-publicly traded debt instruments issued before 1 July 2019, Treasury bills; T-Bills are by law settled with the Securities Register (operated by the National Bank of Poland).

AGC: 27b. (ii)
(ii) safekeep in your CSD:

Non-publicly traded shares and non-publicly traded debt instruments issued before 1 July 2019 may be safekept in registers outside KDPW. T-Bills are by law safekept in the Securities Register operated by the National Bank of Poland.

AGC: 27 (part 1), 27c
For all instrument types eligible for settlement in your depository, please confirm if settlement is compulsory by law or compulsory by market practice, or both? (Choose all that apply.)

- [ ] Yes by law for all instrument types (please answer 27a)
- [ ] Yes by law and by market practice, for all instrument types (please answer 27b)
- [ ] Yes by market practice for all instrument types (please answer 27b)
- [x] OTHER: The use of a depository in the Polish market is compulsory for settlement of transactions concluded on regulated and alternative markets. The instrument types for which it is not compulsory by law to settle are: non-publicly traded shares, non-publicly traded debt instruments issued before 1 July 2019, Treasury bonds (for trades outside the regulated market between clients of the same KDPW participant) and Treasury bills. T-Bills are settled in the Securities Register (operated by the National Bank of Poland).

AGC: 27 (part 2), 27c

For all instrument types eligible for safekeeping in your depository, please confirm if safekeeping is compulsory by law or compulsory by market practice, or both? (Choose all that apply.)

- [ ] Yes by law for all instrument types (please answer 27a)
- [ ] Yes by market practice for all instrument types (please answer 27b)
- [ ] Yes by law and by market practice, for all instrument types (please answer 27b)
- [x] OTHER: Non-publicly traded shares and non-publicly traded debt instruments issued before 1 July 2019 may be safekept in registers outside KDPW. T-Bills are safekept in the Securities Register operated by the National Bank of Poland.

AGC: 28 28a
Settlement and Safekeeping Percentages 28a Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) settled within your institution, exclusive of your links with third parties.

100 % - for securities which are obligatorily registered in KDPW.

AGC: 28b.
Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) held in safekeeping within your institution.

100 % - for securities which are obligatorily registered in KDPW.

AGC: 29, 29i
Are there any settlement/operational activities performed by a third party on behalf of the depository for the depository participants?

- ○ Yes (please answer 29a)
- ● No

AGC: 29, 29i
Select all applicable

- ☐ Entitlement processing
- ☐ Vaulting of physical securities
- ☐ Registration
- ☐ OTHER:

AGC: 29a.
If third parties are employed, please indicate which services they supply:

AGC: 29b.
If third parties are employed, does the CSD assume liability for losses incurred by participants as a result of the actions/inactions of the third parties?

- ○ Yes
- ○ No

AGC: 29c, 29e.
If you acknowledge responsibility, please indicate whether your responsibility is assumed

- ☐ if such loss was caused by the agent's action or inaction and such action or inaction was deemed to be gross negligence on the part of the agent
- ☐ regardless of whether such loss was caused by any action or inaction of the agent
- ☐ if such loss was caused by the agent's action or inaction and such action or inaction was deemed to be negligence on the part of the agent
- ☐ if the loss was caused by the willful default or other willful conduct on the part of the agent
- ☐ OTHER:

AGC: 29f.
Please specify limit:

AGC: 29g.
Please specify limit:

AGC: 29d, 29h.
If you acknowledge responsibility for agents, your responsibility is assumed for losses

- ☐ without limit
- ☐ which are not consequential losses
- ☐ subject to a monetary limit not based on insurance limits
- ☐ subject to a monetary limit based on insurance limits
- ☐ OTHER:

AGC: 30, 30m

Has any participant suffered any losses in the past three years due to the CSD's performance?

- ○ Yes
- ● No
- ○ Not applicable

AGC: 30a, 30j
If yes, please select all of the following in which loss has occurred. You will be prompted to enter the number of instances and total loss in USD thereafter.

- ☐ System Outage
- ☐ Settlement Process - Cash
- ☐ Settlement Process - Securities
- ☐ Corporate Action
- ☐ OTHER:

AGC: 30b.
Corporate Action. Please specify number of instances:

AGC: 30c.
Corporate Action. Please specify total loss in USD:

AGC: 30d.
Settlement Process - Securities. Please specify number of instances:

AGC: 30e.
Settlement Process - Securities. Please specify total loss in USD:

AGC: 30f.
Settlement Process - Cash. Please specify number of instances:

AGC: 30g.
Settlement Process - Cash. Please specify total loss in USD:

AGC: 30h.
System Outage. Please specify number of instances:

AGC: 30i.
System Outage. Please specify total loss in USD:

AGC: 30k.
For Other, please specify number of instances:

AGC: 30l.
For Other, please specify total loss in USD:

AGC: 31, 31b
Who accepts cash deposits (or makes payment credit accommodations) for CSD transactions?

- [ ] Neither or others (e.g. credit lines used)
- [x] Banks appointed by CSD
- [ ] Central Bank
- [ ] CSD
- [ ] Not applicable
- [x] OTHER: OTHER: For EUR - banks appointed by KDPW participants.

AGC: 31a
Please indicate the name of the banks appointed by the CSD

CREDIT AGRICOLE BANK POLSKA, DNB BANK POLSKA S.A., TOYOTA BANK POLSKA SA, PKO BP S.A., ALIOR BANK SA, BANK BGŻ BNP Paribas S.A., mBANK HIPOTECZNY S.A., HAITONG, PKO BH S.A., PEKAO BANK HIPOTECZNY S.A., KRAJOWA SPÓŁDZIELCZA KASA OSZCZĘDNOŚCIOWO-KREDYTOWA, KRAKOWSKI BANK SPÓŁDZIELCZY, BANK SPÓŁDZIELCZY W BRODNICY, BANK SPÓŁDZIELCZY RZEMIOSŁA W KRAKOWIE, BANK MILLENNIUM S.A., BANK HANDLOWY W WARSZAWIE S.A., BANK GOSPODARSTWA KRAJOWEGO, ING BANK ŚLĄSKI S.A., VELOBANK S.A., BANK POLSKIEJ SPÓŁDZIELCZOŚCI S.A., BANK OCHRONY ŚRODOWISKA S.A., BNP PARIBAS BANK POLSKA S.A., SGB-BANK S.A., SOCIETE GENERALE S.A. ODDZIAŁ W POLSCE, BANK PEKAO S.A., DEUTSCHE BANK POLSKA S.A., NEST BANK, mBANK SA, BANK POCZTOWY S.A., PLUS BANK S.A., SANTANDER CONSUMER BANK S.A., SANTANDER BANK POLSKA S.A, HSBC BANK POLSKA S.A.

AGC: 32
Who processes cash clearing (or draws on credit lines, if applicable) for CSD transactions?

- [ ] Not applicable
- [x] CSD
- [ ] Central Bank
- [ ] Banks appointed by the CSD
- [ ] Neither or others (e.g. credit lines used)
- [ ] OTHER:

AGC: 32a
Please name banks appointed by the CSD

AGC: 33, 33b
Who manages the movement of cash for cash deposits (or draws on credit lines, if applicable)? (Choose all that apply.)

- [x] Central Bank
- [ ] Neither or others (e.g. credit lines used)
- [ ] CSD
- [x] Banks appointed by CSD
- [ ] Not applicable

AGC: 34, 34b
Who manages the movement of cash for cash clearing (or for draws on credit lines, if applicable)? (Choose all that apply.)

- [ ] Not applicable
- [ ] Neither or others (e.g. credit lines used)
- [x] Banks appointed by CSD
- [ ] Central Bank
- [x] CSD
- [ ] OTHER:

AGC: 34a
Please name banks appointed by CSD

CREDIT AGRICOLE BANK POLSKA, DNB BANK POLSKA S.A., TOYOTA BANK POLSKA SA, PKO BP S.A., ALIOR BANK SA, BANK BGŻ BNP Paribas S.A., mBANK HIPOTECZNY S.A., HAITONG, PKO BH S.A., PEKAO BANK HIPOTECZNY S.A., KRAJOWA SPÓŁDZIELCZA KASA OSZCZĘDNOŚCIOWO-KREDYTOWA, KRAKOWSKI BANK SPÓŁDZIELCZY, BANK SPÓŁDZIELCZY W BRODNICY, BANK SPÓŁDZIELCZY RZEMIOSŁA W KRAKOWIE, BANK MILLENNIUM S.A., BANK HANDLOWY W WARSZAWIE S.A., BANK GOSPODARSTWA KRAJOWEGO, ING BANK ŚLĄSKI S.A., VELOBANK S.A., BANK POLSKIEJ SPÓŁDZIELCZOŚCI S.A., BANK OCHRONY ŚRODOWISKA S.A., BNP PARIBAS BANK POLSKA S.A., SGB-BANK S.A., SOCIETE GENERALE S.A. ODDZIAŁ W POLSCE, BANK PEKAO S.A., DEUTSCHE BANK POLSKA S.A., NEST BANK, mBANK SA, BANK POCZTOWY S.A., PLUS BANK S.A., SANTANDER CONSUMER BANK S.A., SANTANDER BANK POLSKA S.A, HSBC BANK POLSKA S.A.

AGC: 35
Please indicate services you provide.

- [x] Own list or: AGC: Information in advance on corporate (annual or special) meetings in order that owners can vote.
- [x] Tax assistance where foreign holders may be entitled to tax relief at source or through a claim.
- [ ] Not applicable
- [x] Information on distribution of new issues (IPO, Privatization).
- [x] Same day turnaround settlements.
- [x] Collateral handling in support of activities including securities lending, overdraft coverage, cash management,repurchase agreements, etc.
- [x] In order to avoid fails, an automatic securities lending facility - if requested - is provided for.
- [x] OTHER: Statutory services: (1) settlement of transactions conducted on the regulated and non-regulated markets; (2) automated pre-matching service for OTC settlement instructions; (3) hold-release mechanism which allows management of instructions sent for settlement; (4) Corporate Action processing: organising and co-ordinating the performance of issuers' obligations for securities owners, supporting information on both optional and mandatory events, providing an auto-compensation service for losing cash benefits from securities for non-defaulting party with a cum dividend entitlement benefit, acting as an intermediary in processing GMs (providing a list of shareholders authorised to attend the GM with an interface (web application) for issuer to pass on information related to the GMs, providing e-Voting service); (5) disclosing shareholder identification to companies; Other services: (6) partial settlement functionality (obligatory for guaranteed trades, voluntary for OTC transations): allows to optimise the volume of settled transactions outside of the organised markets, part of each DVP batch settlement, (7) negotiated securities lending & borrowing service organized in cooperation with KDPW_CCP: voluntary service, intermediation in SLB agreements conclusion, fixed- or open-term securities loans available, settlement of loan for both opening and closing (return/recall) phase on a DvP basis with CCP guarantees for the closing phase, initial cash collateral transfer to the lender, daily mark-to-market of the initial cash collateral, managing loan throughout the loan's lifecycle, including returns, recalls, remuneration for the lent securities as well as provided cash collateral, market claims compensation in case of CAs on lent securities, (8) tri-party repo agent service: voluntary service, accepting repo instructions, selecting collateral for repo transactions, updating collateral, i.e., calculating and initiating collateral transfers, reporting collateral requirements to repo counterparties, processing the closing of repo transactions at the set date taking into account the repo rate, processing corporate actions for securities posted as collateral: modifications to the collateral register, processing compensation in respect of cash payments attached to securities posted as collateral. (9) trade repository service for reporting derivatives trades under the provisions of EMIR and securities financing transactions under the provisions of SFTR, (10) numbering agency service (ISIN, CFI, FISN and LEI), (11) asset management, (12) Authorised Reporting Mechanism (ARM) services; Complementary services: (13) organising and managing the Pension Guarantee Fund, (14) processing of transfer payments between open-ended pension funds, (15) managing the mandatory Investor Compensation Scheme in order to pool resources for the payment of compensation to investors who have lost their assets (cash and financial instruments) following the insolvency of their securities account provider, (16) collection of data and making publicly available information on outstanding non-redeemed bonds, mortgage bonds and investment certificates issued by each issuer domiciled in the Republic of Poland.

AGC: 35a
Automatic securities lending facility is provided for:

- [x] Banks
- [x] Brokers
- [ ] Other financial institutions
- [x] OTHER: The service is provided for banks and brokers who are direct participants of KDPW, acting on their own account or on the account of another person, however, the securities borrower may only be a direct participant with the status of clearing member in the transaction clearing system operated by KDPW_CCP or with the status of a representative (settlement agent) for KDPW_CCP clearing members.

AGC: 35c
Summary narrative for PFMI Principle 5. Please provide a summary narrative disclosure with sufficient detail and context, as well as any other appropriate supplementary information, to enable readers to understand the CSD's approach to or method for observing the principle. Please use the following questions as guidance for the points of focus and level of detail it is expected to convey in the disclosure. Cross references to publicly available documents should be included, where relevant, to supplement the discussion.)

KDPW holds collateral for automatic securities loans (cash, Treasury bonds traded on the regulated market in the territory of the Republic of Poland, shares included in the WIG20 index) in co-ordination with KDPW_CCP. For tri-party repo transactions, KDPW keeps a register of collateral transferred between the parties (Treasury bonds traded on the regulated market in the territory of the Republic of Poland and cash – the last to be allowed only for marking to market the value of repo transactions).

AGC: 35c
If collateral handling, please provide details

KDPW holds collateral for: - automatic securities loans (cash, Treasury bonds traded on the regulated market in Poland, shares participating in the WIG20 index) in co-ordination with KDPW_CCP. - tri-party repo transactions (Treasury bonds traded on the regulated market in Poland and cash – last to be allowed only for marking to market the value of the repo transaction), - KDPW_CCP keeps on depository accounts in KDPW the collateral for initial margins and clearing funds of its participants resulting from trades executed on regulated and alternative markets, - a negotiated securities lending & borrowing service for which initial margin and guarantee fund are kept for KDPW_CCP, - participants keep securities to use them as collateral (transfer to the Central Bank for the time of the credit) to pledge intra-day technical credit granted by the National Central Bank. Securities are also blocked on depository accounts under pledge: (1) for the collateralisation of refundable financial aid granted by the Bank Guarantee Fund, (2) for the collateralisation of refinancing Lombard credit granted by the National Bank of Poland; (3) in favour of the Council of Europe Development Bank and European Investment Bank.

AGC: 35d
Other, please explain:

AGC: 36
What procedures are in place for the processing of corporate action entitlements?

- [ ] Credited to the securities account on the day indicated below regardless of whether actually collected by the CSD on the scheduled date.
- [x] Credited to the securities account upon actual receipt by the CSD.
- [ ] Corporate action entitlements are handled by an entity separate from the CSD.
- [ ] Not applicable
- [ ] OTHER:

AGC: 36a
Credited to the securities account:

- [ ] On pay date +2.
- [ ] On pay date +1.
- [ ] On pay date.
- [ ] OTHER:

AGC: 36c
Name of entity:

AGC: 37a
Credited to the cash account:

- [ ] On pay date.
- [ ] On pay date +1.
- [ ] On pay date +2.
- [ ] OTHER:

AGC: 37c
Name of entity:

AGC: 37, 37d.
What procedures are in place for the processing of interest and dividends?

- [x] Credited to the cash account upon actual receipt by the CSD.
- [ ] Credited to the cash account on the day indicated below regardless of whether actually collected by the CSD on the scheduled date.
- [ ] Income and dividend collection is handled by an entity separate from the CSD.
- [ ] Not applicable
- [ ] OTHER:

AGC: 38
Please list all depositories or settlement systems to which you have an electronic link (note: this excludes institutions where you only hold accounts without further system linkage).

OeKB (Austria), KELER (Hungary), Clearstream Banking Luxembourg, Euroclear Bank, Nasdaq CSD (Estonia, Lithuania), KDD (Slovenia), CDAD (Bulgaria), National Bank of Poland.

AGC: 39
Are procedures and controls in place to avoid systemic collapse or contamination if one of the depositories and settlement systems should experience business interruptions for whatever reason?

- [ ] No
- [ ] Yes
- [x] Not applicable

AGC: 39a
Please explain

The links to settlement systems of other CSDs are provided via the SWIFT messaging system and there is no direct linkage between KDPW and the other entity's systems. The SWIFT infrastructure used by KDPW is secured in accordance with SWIFT recommendations.

AGC: 40
Has a business interruption recovery plan been developed in the event the linkages should become inoperable for any reason?

- ( ) Yes
- ( ) No
- ( ) Not applicable
- (•) Other

Recovery plan does not refer directly to operational links, but some of its provisions may have a material impact on the operation of links, both inbound and outbound, as they may relate potentially to foreign CSDs as KDPW participants or counterparties. Stress test scenarios include insolvency of a key participant or counterparty (or a group of such entities), which may result in disruption in payment of their liabilities, both – related to their participation in the settlement system and other liabilities, which would cause the increase of the sum of unpaid liabilities to the level significant for the stability of the financial system. The plan lists operational incidents located outside KDPW (in particular – critical breakdowns or accidents) as events which may have a negative impact on activities of KDPW participants and their clients (incl. due to operational links). The plan enumerates also the consequences of material financial sanctions, which may be imposed on KDPW, including due to the infringement of the CSDR regulations, i.a. related to the operation of links.

AGC: 40a.
If no or other, please explain

AGC: 41
Are participants permitted to maintain more than one account at the CSD?

- (x) Yes
- ( ) No
- ( ) Not applicable

AGC: 41a, 41c
If yes, please indicate number:

- [ ] More than one account
- [x] An unlimited number of accounts
- [ ] OTHER:

AGC: 41b
If more than one account what is the maximum?

AGC: 42
Are participants required/permitted to segregate assets held for their own benefit from those they hold for their clients?

- [ ] Not applicable
- [ ] No
- [x] Yes
- [ ] OTHER:

AGC: 42a
If yes, is segregation required or simply permitted?

- (x) Required
- ( ) Permitted

AGC: 42b, 42c
How does segregation occur?

- [ ] Segregated (By separately designated beneficial owner accounts.)
- [ ] Omnibus with sub account (By sub-accounts within a single participant account.)
- [x] Omnibus (By separately designated participant accounts.
- [ ] OTHER:

AGC: 43, 43b
Is the nominee account concept being recognised in your market?

- ( ) Yes
- ( ) No
- ( ) Not applicable
- (x) Other: Polish Securities Law allows for opening omnibus accounts, operated by KDPW participants or by KDPW, for their foreign clients. They are opened in the name of the partcipant's clients, not in the participant's own nominee name.

AGC: 43a
If yes, does the depository permit its participants to open accounts in the participant's own nominee name(s)?

- ○ Yes
- ○ No

AGC: 44a
In the event a participant's single or main account is blocked for any reason (e.g., insolvency, penalties, violations, liens), would securities held in any account or accounts on behalf of the participant's clients be accessible: By the participant's clients?

- ● Yes
- ○ No

AGC: 44b
If yes, please describe briefly how clients of participants would access their securities and whether there would be any delay in their ability to do so:

Any securities charges (i.e.: liens) made on accounts managed by KDPW may only affect those accounts where the participant's own securities are registered. As a result of this a charge cannot limit access by a client of that participant to securities registered on the securities account managed by that participant. In the same way, the insolvency of a participant does not in itself lead to restriction of access by a client, since the client's securities do not make up the property of the participant, nor do they form that participant's assets. Only where the participation status of a given participant is suspended can their clients have difficulties in accessing securities they own which are registered on the client's securities accounts managed by that participant, since during the suspension period, all accounts managed for that participant in KDPW are suspended as well (this is the fundamental nature of participation). In such case (suspension of participant) the Polish Financial Supervision Authority may take a decision to transfer securities from accounts managed by this participant to another participant (who gave its consent to this action), where they are immediately accessible to the clients. The same situation may arise in the event of cancellation of participation.

AGC: 44d.
By the intervening authorities controlling insolvency or other proceedings?

- ○ Yes
- ● No

AGC: 44e.
If yes, please describe briefly under what conditions access would be granted to the intervening authorities:

AGC: 44h
If yes, please describe briefly under what conditions access would be granted to the participant's creditors:

AGC: 44g, 44i
By the participant's creditors?

- ○ Yes
- ● No

AGC: 44j.
By the CSD's creditors?

- ○ Yes
- ● No

AGC: 44k.
If yes, please describe briefly under what conditions access would be granted to the CSD's creditors:

AGC: 45
In what form does the CSD maintain records identifying the assets of each participant?

- [ ] Hard copy
- [x] Computer file
- [ ] OTHER:

AGC: 45b
In which format is the source data maintained?

Internal IBM System i format.

AGC: 46
Rule 17f-7 requires that an Eligible Securities Depository provides periodic reports to its participants with respect to its safekeeping of assets, including notices of transfers to or from any participant's account. Does the CSD make available periodic safekeeping reports to participants, including notices of transfers to or from the participant's account?

- (●) Yes
- ( ) No

AGC: 46a.
If no or other, please explain

AGC: 46b, 46c.
If yes, please indicate the scheduled frenquency:

- [ ] Quarterly
- [ ] Real time
- [x] Upon request
- [x] Daily
- [ ] Weekly
- [ ] Monthly
- [ ] Annually
- [ ] OTHER:

AGC: 47, 47a
What is your document and record retention policy for documents and records described above in this section?

- ( ) 6 months or less
- ( ) 1 year
- ( ) 3 years
- ( ) 5 years
- ( ) 7 years
- (●) 10 years

AGC: 48
The Committee on Payment and Settlement Systems of the Bank for International Settlements (BIS) has identified three common structural approaches or models for linking delivery and payment in a securities settlement system. Please indicate which model your procedures most closely resemble.

- [ ] Not applicable
- [x] Model3
- [x] Model2
- [x] Model1
- [ ] OTHER:

AGC: 48a
Please briefly describe your settlement process, including how do your settlement procedures vary from the model chosen above?

Model 1 (gross settlement of both securities and cash) is applicable to the settlement of transactions in RTGS. Model 2 (gross settlement of securities with net settlement of cash via central bank) is applicable to the settlement in the batch system. Model 3 (net settlement of both securities and cash) is implemented in the process of clearing in KDPW_CCP. The securities netting process is performed following novation in KDPW_CCP. At the end of the trade day (T), settlement instructions are sent to KDPW for T+2 settlement. Securities netting is an optional service. There are two options of securities netting functionality, full netting or directional netting (for each clearing account the securities settlement method may be chosen separately). The full netting method means there is one net settlement instruction for each clearing position, in directional netting two net settlement instructions are generated, respectively, for the buy and the sell clearing positions.

AGC: 49
Are the cash and security movements simultaneous (i.e. immediately with no time gap)?

- (●) Yes
- ( ) No
- ( ) Not applicable

AGC: 49a
If cash and security movements are not simultaneous, please indicate the duration of the timing gap

- ( ) 1 hour
- ( ) 2 hours
- ( ) 3 hours
- ( ) 4 hours
- ( ) 5 hours
- ( ) Overnight
- ( ) 2 days

AGC: 50, 50a
How are CSD eligible securities held by the CSD?

- [x] In dematerialized form
- [ ] In certificated form
- [ ] OTHER:

AGC: 51
If CSD eligible securities are certificated, can CSD eligible securities be held outside of the CSD?

- ( ) All eligible securities must be held in the CSD
- ( ) Securities may move freely into and out of the CSD
- ( ) Once entered into the CSD, eligible securities must remain in the CSD
- ( ) Certain designated securities may be held outside the CSD
- (x) Not applicable

AGC: 51a
If certain designated securities are held outside the CSD, please indicate under which conditions these securities would be held outside the CSD:

AGC: 51b
If CSD eligible securities are required to be centrally immobilized at the CSD, where and with whom are the certificates safekept? (then please answer 51c)

AGC: 51c
Are these certificates:

- [ ] Bearer
- [ ] Registered
- [ ] OTHER:

AGC: 51d
If registered, how are the CSD eligible securities registered?

- [ ] In the name of the CSD
- [ ] In the name of a separate nominee of the CSD
- [ ] In the name of the depositing participant or its nominee
- [ ] OTHER:

AGC: 51f
If in the name of a separate nominee, please identify by name the nominee used:

AGC: 51h
If CSD eligible securities may be held either in or out of the CSD, are these certificates:

- ( ) Bearer
- ( ) Registered

AGC: 51i
What are the control features for receipt of certificates to the CSD (e.g., authentication procedures, re-registration)? Please describe:

AGC: 52
If securities are dematerialized: May dematerialized security positions be re-certificated and held outside the CSD?

- ○ Yes
- ○ No
- ○ Not applicable
- ● Other: Dematerialized security positions may not be re-certificated, but they may be moved to another CSD and some shares which are not publicly traded may be held in registers maintained by investment companies.

AGC: 52a, 52k
Are the securities held:

- ☐ Through book-entry at the CSD
- ☐ Through book-entry at a registrar or issuer
- ☐ OTHER:

AGC: 52b
Please identify which types of entities may act as registrars:

- ☐ Issuers
- ☐ Separate companies that perform registrar functions
- ☐ CSD
- ☐ OTHER:

AGC: 52d
If the securities held by the CSD are recorded by book entry at the registrar, are the securities registered only to the CSD, with the CSD providing the function of recording ownership on a centralized basis for the market?

- ○ Yes
- ○ No

AGC: 52e
If yes, how are securities held at the registrar for the account of the CSD?

- ○ In the name of the CSD
- ○ In the name of a separate nominee of the CSD

AGC: 52f
Please describe:

AGC: 52g
If the securities held with the CSD are recorded by book-entry at the registrar but are not registered exclusively to the CSD, may they be registered to:

- ○ The beneficial owner
- ○ A nominee

AGC: 52h
Please describe:

AGC: 52i
If the securities held with the CSD are recorded by book-entry at the registrar, what are the control features at the registrar for transfer of registrar positions to and from the CSD (e.g., authentication procedures, reconciliation, confirmation of position at registrar)? Please describe:

Not applicable.

AGC: 53

Rule 17f-7 requires that an Eligible Securities Depository "maintains records that identify the assets of eah participant and segregate the system's own assets from the assets of participants."

Does the CSD maintain records that identify the assets of each participant and segregate the system's own assets from the assets of participants?

- [ ] Not applicable
- [ ] No
- [x] Yes
- [ ] OTHER:

AGC: 53a
If answer to question ‘G23Q031’ is other or not applicable, please explain

AGC: 54
Does the law protect participant assets from claims and liabilities of the CSD?

- (•) Yes
- ( ) No
- ( ) Not applicable

AGC: 55
Can the depository assess a lien on participant accounts? A lien would entitle the depository to take and hold or sell the securities of the participant in payment of a debt. (Choose all that apply.)

- (•) Yes, for proprietary accounts (please answer 55a)
- ( ) No
- ( ) Yes, for client designated accounts (Please answer 55b)

AGC: 55a

If yes, for what reasons are liens or similar claims imposed for proprietary accounts? (Choose all that apply.)

- [ ] Fees and expenses
- [ ] Collateralization of overdrafts
- [ ] To secure payment for purchased securities
- [x] OTHER: The securities on the participant's proprietary account, which are marked as available for collateral purposes, may be used to further collateralize an automatic securities loan taken out by the participant if that participant (acting as a borrower) fails to provide sufficient collateral for the loan in the first place.

AGC: 55b
Please describe:

AGC: 55c
Please describe highlighting any difference in approach between proprietary and client designated accounts.

The lien is limited to securities in the participant's proprietary account.

AGC: 55d
Please indicate the limits of this lien as indicated below: (Choose all that apply.)

- [ ] Liens are limited to securities in the course of purchase and sale transactions, but do not extend to settled positions.
- [ ] Clients fully settled positions are protected from placement of Liens other than where there is a court order.
- [ ] Other (please answer 55g)

AGC: 55e
If a lien is placed on a participant's account which has been designated for its clients, will the CSD select certain securities to be subject to the lien?

- ○ Yes
- ○ No

AGC: 55f
If yes, please indicate whether:

- ○ The lien is placed on the most liquid securities in the account
- ○ The lien is placed on the securities with the greatest value in the account
- ○ The lien can only be placed for the securities/trades in question

AGC: 55g
Please explain:

AGC: 55h
If no, please indicate whether the entire account will be subject to the lien.

- ○ Yes
- ○ No

AGC: 55j
For accounts designated as client accounts, do procedures exist to restrict the placement of liens only to obligations arising from safe custody and administration of those accounts?

- ○ Yes
- ○ No
- ● Other: The lien is limited to securities in the participant's proprietary account.

AGC: 55k
If yes, are the restrictions accomplished by:

- ○ Contract between the CSD and the participant

AGC: 55l
Please explain:

AGC: 56, 56e
Transfer of Legal Ownership. Does the CSD have legal authority to transfer title to securities?

- (x) Yes
- ( ) No
- ( ) Not applicable

AGC: 56a
When does title or entitlement to CSD securities pass between participants?

- ( ) At the end of the business day on which the transfer occurs
- ( ) When corresponding money or other consideration is transferred
- ( ) When the transaction is processed on an intra-day basis
- (x) Other: The title to depository securities passes in the moment of booking these securities on securities accounts (i.e. end-investor accounts) kept by KDPW participants. Entries in these accounts arising from transactions shall be made on the basis of documents proving settlement of these transactions in KDPW.

AGC: 56b
Please describe:

AGC: 56c
Where does title or entitlement to CSD securities pass between participants?

- ( ) On the CSD books
- ( ) On the registrars books

AGC: 56d
Please describe:

AGC: 57, 57a
How are eligible securities lodged in the CSD system?

- [ ] A participant delivers the security with a valid transfer deed or stock power or other transfer document to the CSD which then effects registration.
- [ ] A registered certificate in the name of the CSD is delivered to the CSD.
- [ ] A registrar re-registers the security in the name of the CSD.
- [ ] Not applicable
- [x] OTHER: Securities are lodged into the depository system on the basis of a securities registration agreement concluded with KDPW by the issuer (for public securities) or the issue agent (for debt securities). The issuer authorises a direct participant of KDPW (registration agent for public securities, issue agent for debt securities) to act in its name in the registration process. The global amount of securities of a given ISIN is registered in KDPW on a registration account called an “issue account” and on participants' accounts managed by KDPW. On the basis of records made by KDPW, participants register securities on securities accounts and omnibus accounts in their own securities registration systems.

AGC: 58, 58a
When are securities lodged into the CSD reflected in a participant's CSD account?

- [x] Securities are reflected in the participant's CSD account immediately upon delivery to the CSD.
- [ ] Not applicable
- [ ] Securities are re-registered prior to being reflected in the participant CSD account.
- [x] OTHER: The KDPW decision on registration of securities indicates the date of the registration. For some securities the registration is performed on condition, that some kind of event takes place. In such case the registration is done no later than 3 days after the confirmation of the fact, that such condition was fulfilled. For non-public securities the registration is performed not earlier than the next day after delivery of the registration application to KDPW by the issue agent.

AGC: 59a
Please specify

AGC: 59, 59b
How long does it usually take to lodge securities with the CSD?

- (●) 1 to 2 days
- ( ) 3 days to 1 week
- ( ) 2 to 4 weeks
- ( ) More than 4 weeks
- ( ) Not applicable

AGC: 60
During the process of lodging securities into the CSD, can the securities be traded?

- ( ) Yes
- (●) No
- ( ) Not applicable

AGC: 60a
During the process of lodging securities into the CSD, can the securities be settled?

- ( ) Yes
- (●) No
- ( ) Not applicable

AGC: 60b
During the process of lodging securities into the CSD, can the securities have ownership transferred?

- ( ) Yes
- (●) No
- ( ) Not applicable

AGC: 60c
If they cannot be traded, or if you answered other, please explain

AGC: 60d
If they cannot be settled, or if you answered other, please explain

Settlement is possible only after the securities are registered on the investors' securities accounts.

AGC: 60e
If ownership cannot be transferred, or if you answered other, please explain

Transfer is possible only after the securities are registered on the participants' and investors' securities accounts.

AGC: 61a
If no: Securities are unavailable for

- ○ 1 to 2 days
- ○ 3 days to 1 week
- ○ 2 to 4 weeks
- ○ More than 4 weeks
- ○ Not applicable

AGC: 61b
If more than 4 weeks, please specify

AGC: 61c
If not applicable, please explain

AGC: 61, 61d
Are securities immediately available for delivery upon transfer to the CSD?

- ● Yes
- ○ No
- ○ Not applicable

AGC: 62
Please describe briefly the arrangements / procedures / facilities you maintain to ensure that eligible securities held at the CSD are handled at least as efficiently as compared to securities held outside the CSD, particularly in relation to income, corporate actions and proxy services.

The efficiency of handling securities by KDPW comes from standarisation of procedures and systems of registration, safekeeping and corporate actions processing, including central distribution of information on corporate actions and registration on securities accounts, managed in accordance with stringent standards of the central depository system.

AGC: 63, 63a
What transfer process steps are involved when eligible securities are withdrawn from the CSD for safekeeping?

- ○ Securities are re-registered into the name of the beneficial owner or a nominee.
- ○ Securities are re-certificated and re-registered into the name of the beneficia
- ○ Securities are re-certificated and delivered as bearer instruments.
- ○ Securities are transferred as is any physical delivery in the market.
- ○ Not applicable
- ● Other: Withdrawal of securities from safekeeping takes place upon the issuer's request.

AGC: 64a
If more than 4 weeks, please specify

AGC: 64, 64b
How long does it usually take to remove securities from the CSD?

- ○ 1 to 2 days
- ○ 3 days to 1 week
- ○ 2 to 4 weeks
- ○ More than 4 weeks
- ○ Not applicable
- ● Other: 2 days to 2 weeks, depending on the reason for removal of securities from the CSD.

AGC: 65a
While the securities are being removed from the CSD, can they be traded? (Choose one)

- ● No
- ○ Not applicable
- ○ Yes

AGC: 65b
If they cannot be traded please explain

AGC: 65c
While the securities are being removed from the CSD, can they be settled? (Choose one)

- ● No
- ○ Not applicable
- ○ Yes

AGC: 65d
If they cannot be settled, please explain

AGC: 65e
While the securities are being removed from the CSD, can they have ownership transferred? (Choose one)

- [x] No
- [ ] Not applicable
- [ ] Yes

AGC: 65f
If ownership cannot be transferred, please explain

AGC: 66, 66a, 66d
Does the CSD accept liability (independent of any insurance coverage) for the following: Reconciliation errors with the registrar and/or the issuer that result in direct damages or losses to participants?

- [ ] No
- [ ] Not applicable
- [x] Yes

AGC: 66b 66c
If yes, please check all of the following that apply:

- [ ] The CSD assumes liability for indirect or consequential losses
- [x] The CSD assumes liability for direct losses
- [ ] Financial limits are imposed on the amount of liability assumed by the CSD
- [ ] OTHER:

AGC: 66e, 66g, 66h
Theft of securities (either physical certificate or electronically from accounts at the CSD) from the CSD that results in direct damages or losses to participants?

- [ ] No
- [x] Yes
- [ ] Not applicable

AGC: 66f
If yes, please check all of the following that apply:

- [ ] The CSD assumes liability for indirect or consequential losses
- [x] The CSD assumes liability for direct losses
- [ ] Financial limits are imposed on the amount of liability assumed by the CSD
- [ ] OTHER:

AGC: 66i, 66l.
Failure of the CSD's systems that result in direct damages or losses to participants because they cannot use either securities or funds?

- ( ) No
- (●) Yes
- ( ) Not applicable

AGC: 66j, 66k
If yes, please check all of the following that apply:

- [ ] Financial limits are imposed on the amount of liability assumed by the CSD
- [x] The CSD assumes liability for direct losses
- [ ] The CSD assumes liability for indirect or consequential losses
- [ ] OTHER:

AGC: 66m, 66p.
Any direct damages or losses to participants caused by the CSD due to its errors, omissions or fraud?

- [x] Yes
- [ ] No
- [ ] Not applicable
- [ ] OTHER:

AGC: 66n.
If yes, please check all of the following that apply:

- [ ] The CSD assumes liability for indirect or consequential losses
- [x] The CSD assumes liability for direct losses
- [ ] Financial limits are imposed on the amount of liability assumed by the CSD
- [ ] OTHER:

AGC: 66q.
Does the CSD accept liability (independent of any insurance coverage) for the following: Any direct damages or losses to participants caused by the CSD in its capacity as a central counterparty?

- ( ) Yes
- ( ) No
- (●) Not applicable

AGC: 66r.
If yes, please check all of the following that apply:

- [ ] The CSD assumes liability for indirect or consequential losses
- [ ] Financial limits are imposed on the amount of liability assumed by the CSD
- [ ] The CSD assumes liability for direct losses
- [ ] OTHER:

AGC: 66u.
Does the CSD guaranty settlement?

- ○ No
- ○ Yes
- ○ Not applicable
- ● Other: There is no settlement guarantee provided by the CSD. Clearing guarantee is accomplished by KDPW_CCP (wholly owned by KDPW, EMIR compliant), which clears transactions executed in cash and derivatives markets, on- and off-exchange markets.

AGC: 66v.
Please explain how this is accomplished. What are the procedures and safeguards that permit the CSD to guaranty settlement?

AGC: 66x.
Any direct damages or losses to participants caused by the CSD as a result of force majeure events, acts of God, or political events, etc.?

- ○ Yes
- ● No
- ○ Not applicable

AGC: 66y.
If yes, please check all of the following that apply:

- [ ] Financial limits are imposed on the amount of liability assumed by the CSD
- [ ] The CSD assumes liability for direct losses
- [ ] The CSD assumes liability for indirect or consequential losses
- [ ] OTHER:

AGC: 66+
In all cases where the CSD assumes responsibility for direct or indirect or consequential losses, is the CSD's liability limited by a standard of care determination?

- ● Yes
- ○ No
- ○ Not applicable

AGC: 66*
Please define the standard of care applied:

A greater degree of effort is expected from KDPW, measured by recognising the professional nature of the depository functions carried out by KDPW.

AGC: 67a, 67b.
Do the CSD's written contracts, rules, or established practices and procedures provide protection against risk of loss of participant assets by the CSD in the form of indemnification?

- [ ] Not applicable
- [ ] Yes
- [x] No
- [ ] OTHER:

AGC: 67b.
Please explain (then please answer 67c):

AGC: 67c.
Please provide details of the relevant sections of the contracts, rules or practices where this information is found

not applicable

AGC: 67d.
Insurance

- [ ] Not applicable
- [ ] No
- [x] Yes
- [ ] OTHER:

AGC: 67e.
Please explain (then please answer 67f):

KDPW holds an insurance agreement to cover specific fraud relating to KDPW-owned financial instruments, financial instruments registered on KDPW accounts and KDPW managed accounts, or where KDPW holds powers of attorney. The policy further covers risks involving malfunctions of IT systems, computer crime and professional liability of financial institutions (interest or damages for failure to perform its functions, or for negligent performance).

AGC: 67f.
Please provide details of the relevant sections of the contracts, rules or practices where this information is found

KDPW Rules, Art. 13 KDPW Rules

AGC: 67g.
Acknowledgement of liability for losses caused by CSD's own actions.

- (●) Yes
- ( ) No
- ( ) Not applicable

AGC: 67h.
Please explain (then please answer 67i):

see 67e

AGC: 67i.
Please provide details of the relevant sections of the contracts, rules or practices where this information is found.

KDPW Rules Art. 13 https://www.kdpw.pl/uploads/attachments/kdpw-rules-08-09-2025.pdf

AGC: 67j.
Other

- (●) Yes
- ( ) No

AGC: 67k.
Please explain (then please answer 67l:

KDPW has a dedicated Corporate Security Department, which prepares policy, methodologies, procedures and tools to manage any kind of operational and legal risks, inter alia, resulting in a loss of assets registered in the KDPW depository system. However, rights to securities arise as a result of entries on securities accounts, which are in effect carried out by the participants themselves. The aggregated amounts of assets kept on securities accounts with participants are equal to the balances on depository accounts in KDPW. The reconciliation process at the end of each day allows to identify any discrepancies between KDPW's depositary accounts and participants' aggregated accounts and take any action to resolve them. Moreover, operational risk management and monitoring systems have strict procedures to deal with any kind of incidents that can occur in the KDPW processes and to address ways how to cope with them. In case of direct material loss of a participant due to KDPW's own fault, the insurance policy might be activated to cover the loss. In addition, the assets of investors kept on securities accounts with participants are safeguarded using a compensation scheme, which is administered by KDPW and used to pay compensation to clients in the event of the bankruptcy of a participant or fraudulent dealings by participants.

AGC: 67l.
Please provide details of the relevant sections of the contracts, rules or practices where this information is found.

Compensation Scheme Regulation, art. 132-146 of the Trading in Financial Instruments Act, Rules of Operation of the Compensation Scheme in KDPW rulescompensationscheme28-02-2025.pdf

AGC: 68
Is the CSD immune from legal action in its own jurisdiction?

- ○ Yes
- ○ No
- ● Other: According to Art. 6 p. 4 of the Bankruptcy and Restitution Law a legal entity which has been established on the basis of provisions of an Act of Parliament cannot be declared bankrupt. KDPW is currently such a legal entity.

AGC: 69
Security Control. How do participants receive information (view actual settlement of trades, movement of securities on their accounts, etc.) and see the status of their accounts?

- [ ] Not applicable
- [ ] By receipt of physical account holding statements
- [x] By direct electronic link
- [ ] OTHER:

AGC: 69a.
Please explain:

AGC: 70
Do participants have access to affect their holdings, including confirming and affirming trades, movement of securities on their accounts, etc.?

- ● Yes
- ○ No
- ○ Not applicable

AGC: 70a.
How is access given to participants?

- [x] By direct electronic link
- [ ] OTHER:

AGC: 70b.
Please select type of electronic link:

- [x] Internet
- [ ] Dial-up modem
- [x] Secured, leased, dedicated telephone line
- [ ] Fax

AGC: 70c.
Please explain:

Participants can use the following message communication systems: CSD Services - Direct Participant system or ESDK (Electronic System of the Messages Distribution) or SWIFT.

AGC: 71 71a.
Regarding data security: Are passwords used by participants to access their accounts?

- ( ) Yes
- ( ) No
- ( ) Not applicable
- (•) Other: Participants have access to the CSD Services – Direct Participant application, Correspondence application or the Electronic System for Message Distribution (ESDK). ESDK as a system to system communication solution doesn't provide any user interface. Data security is based mainly on individual cryptographic keys. Security such as authentication and data encryption is based on specific MQ digital certificate. Our online system available from the internet is accessible using login/password and is protected by advanced threat analysis system delivered by our service providers.

AGC: 71c.
Does each user have a unique user ID?

- (•) Yes
- ( ) No
- ( ) Not applicable

AGC: 71e.
Are passwords regularly changed?

- ( ) Yes
- ( ) No
- ( ) Not applicable
- (•) Other: Individual cryptographic keys are changed every 2 years.

AGC: 71f.
How often?

AGC: 71h.
Is there a user lock-out after a pre-set number of unsuccessful User ID attempts?

- ○ Yes
- ○ No
- ○ Not applicable
- ● Other: Systems using certificate do not lockout. Our online system available on the internet uses sophisticated strategy to lock accounts. The accounts are locked based on the IP of the request and the passwords entered. The duration of the lockout also increases based on the likelihood that it is an attack attempt.

AGC: 71i.
How many?

AGC: 72
Does the CSD communicate with other market entities such as stock exchanges, payment systems, clearing houses, etc., by secured linkages?

- ● Yes
- ○ No
- ○ Not applicable

AGC: 72a
Please explain:

Secured linkages are provided to: Warsaw Stock Exchange, National Bank of Poland, Polish Financial Supervision Authority, BondSpot S.A.

AGC: 73 73a
How does the CSD communicate with Stock Exchanges?

- [ ] other
- [x] Internet
- [ ] Not applicable
- [ ] Paper
- [ ] Dial-up modem
- [ ] Secured, leased, dedicated telephone line
- [ ] Fax
- [ ] OTHER:

AGC: 73b
How does the CSD communicate with Payment Systems?

- [ ] Secured, leased, dedicated telephone line
- [ ] Paper
- [ ] Dial-up modem
- [ ] other
- [ ] Not applicable
- [ ] Fax
- [ ] Internet
- [x] OTHER: The central bank payment system - SWIFT, the commercial bank system (for currencies other than PLN and EUR) - internet.

AGC: 73c
How does the CSD communicate with Clearing Houses?

- [ ] Dial-up modem
- [ ] Secured, leased, dedicated telephone line
- [ ] Internet
- [ ] Fax
- [ ] Paper
- [ ] other
- [ ] Not applicable
- [x] OTHER: The KDPW_CCP system is operated by KDPW.

AGC: 73d
How does the CSD communicate with Registrars?

- [ ] Dial-up modem
- [x] Not applicable
- [ ] other
- [ ] Paper
- [ ] Fax
- [ ] Internet
- [ ] Secured, leased, dedicated telephone line
- [ ] OTHER:

AGC: 74
How is access to the physical building controlled?

- [x] By alarm system
- [x] personal ID card
- [x] By electronic keys
- [x] By guards
- [ ] OTHER:

AGC: 74a.
Please explain:

AGC: 75
What are the vault security procedures for the safekeeping of physical paper?

- [ ] Intrusion alarms
- [ ] Visitor logs
- [ ] Dual access control
- [ ] Electronic keys or combinations
- [ ] Vault counts
- [x] Not applicable, no vault is maintained
- [ ] Fire alarms
- [ ] Guards
- [ ] OTHER:

AGC: 75a.
Please indicate frequency of vault counts:

AGC: 75b
Please explain:

AGC: 76, 76d
Participant Default Protections Resulting from a Participant Failure. If a participant defaults, how is the loss covered? (Choose all that apply?)

- [ ] CCP covers the loss
- [ ] The depository guaranty fund covers the loss
- [ ] Depository insurance covers the loss (please answer 76a)
- [ ] Loss is shared among participants (please answer 76b)
- [x] Other/Not applicable (please answer 76d)

AGC: 76a
Please explain the process:

AGC: 76b
Please explain the process of how the loss is shared:

- ( ) Equally, among participants
- ( ) Pro-rata based on participant's volume
- ( ) Limited to participants with transactions with failing counterparty

AGC: 76d
Please explain:

KDPW_CCP, a subsidiary of KDPW, operates a guarantee system covering the losses of clearing members, represented by settlement agents in KDPW. The resources of the clearing guarantee system are used in the following sequence: 1) the defaulting clearing member's credits; 2) the defaulting clearing member's margins (initial deposit, initial margin); 3) clearing/guarantee fund – the defaulting clearing member's contribution; 4) KDPW_CCP dedicated resources in the amount corresponding to at least 25% of the capital requirements; 5) basic contributions of KDPW_CCP's non-defaulting members to the guarantee fund; 6) dedicated resources of KDPW_CCP (SITG II); 7) KDPW_CCP own capital up to the level of 110% of the required capital; 8) additional contributions of KDPW_CCP's non-defaulting members capped at the level of 100% of the most recent basic contribution.

AGC: 77
During the past three years, has there been a situation where a participant defaulted which resulted in a significant loss?

- ( ) Yes
- (•) No
- ( ) Not applicable

AGC: 77a
How was the situation resolved? Or if you answered "Other," then please explain:

AGC: 78
Does the CSD have a guaranty fund independent of stock exchange or other market guarantees?

- ( ) Yes
- (•) No
- ( ) Not applicable

AGC: 78a.
If yes, please respond to the following questions: What is the size of the fund?

AGC: 78b.
How is the size of the fund determined?

- ( ) By participant volume
- ( ) By asset value
- ( ) A fixed amount

AGC: 78d.
How is the fund financed?

- ( ) Contributions from owner
- ( ) Contributions from participants
- ( ) Funding from retained earnings

AGC: 78e.
If so, what is the amount or percentage per owner?

AGC: 78f.
If so, what is the amount or percentage per participant?

AGC: 78h.
Who is covered by the fund?

- [ ] Direct CSD participants only
- [ ] The beneficial owner also
- [ ] OTHER:

AGC: 78j.
When is the guaranty fund used?

- [ ] When a broker defaults
- [ ] When a direct participant defaults
- [ ] OTHER:

AGC: 79
Does the depository have forms of oversight management for assessing and monitoring of the following? (Choose all that apply.)

- [ ] Debit caps for participants
- [x] Participant financial strength
- [x] Participant eligibility requirements
- [x] Participant volumes
- [ ] Other loss or default protections the CSD maintains
- [ ] Not applicable (please answer follow up question)
- [x] Settlement controls that minimize or eliminate the risk of default by a participant
- [ ] Collateral requirements for participants
- [ ] Blocking of securities movement before receipt of payment
- [ ] Blocking payment until securities are moved
- [ ] OTHER:

AGC: 79
Please provide the risk management framework (it can be a link or attachment at the end of this section)

AGC: 79a
Please explain other loss or default protections:

AGC: 79a
Please explain other loss or default protections:

KDPW_CCP operates a clearing fund to protect from a clearing member default.

AGC: 79b
Please explain the requirements:

AGC: 79c
Please explain how these debit caps work:

AGC: 79d.
What type or types of settlement controls

- [x] Simultaneous DVP
- [ ] Controlling DVP settlement
- [ ] Blocking or freezing of securities positions
- [x] OTHER: see 79g, 79h

AGC: 79e.
Please explain:

AGC: 79f.
Please explain:

AGC: 79g.
Please explain:

Simultaneous DVP - settlement of securities is effected after the confirmation of cash settlement in the central bank.

AGC: 79h
Please identify and explain:

Additional settlement controls: (1) automated reconciliation process between KDPW and participants: securities transfers are reconciled with direct participants immediately upon receipt of settlement confirmation from KDPW, total issue balances are checked against holdings on participants accounts at KDPW on a daily basis. Any unreconciled item must be posted on a special account and it is reported to KDPW on a daily basis. Each participant is obliged to take necessary steps to resolve the issue immediately. (2) In case of differences between KDPW and participant's records, a written explanation is required. KDPW may perform inspections at participants' premises and can impose particular obligations or sanctions on its participants.

AGC: 79i
Please explain briefly how these work:

AGC: 80
Does the stock exchange have default protections that extend to the CSD, such as the following?

- [ ] Not applicable
- [x] No
- [ ] Financial requirements for stock exchange membership
- [ ] Margin requirements for stock exchange members
- [ ] Guaranty fund for stock exchange members
- [x] OTHER: see 80a

AGC: 80a
Please explain:

KDPW_CCP maintains a guarantee system for stock exchange and the alternative trading platforms transactions (excluding block trade transactions) and also for OTC derivatives market transactions.

AGC: 81
BUSINESS RECOVERY PLAN. This section is intended to identify key aspects of the CSD's Business Recovery Plan (BRP), including testing requirements and past results, expected recovery time periods, and the independent review and validation (if any) of the BRP. Do you have a formal business recovery plan?

- (●) Yes
- ( ) No

AGC: 81b part 1.
Please identify the frequency of testing for the following third party:
- Depository participants/members

At least once a year.

AGC: 81b part 2.
Please identify the last date of testing for the following third party:
- Depository participants/members

08/03/2025

AGC: 81c part 1.
Please identify the frequency of testing for the following third party:
- Stock exchange

At least once a year.

AGC: 81c part 2.
Please identify the last date of testing for the following third party:
- Stock exchange

08/03/2025

AGC: 81d part 1.
Please identify the frequency of testing for the following third party:
- Central bank

At least once a year.

AGC: 81d part 2.
Please identify the last date of testing for the following third party:
- Central bank

08/03/2025

AGC: 81e part 1.
Please identify the frequency of testing for the following third party:
- Local brokers

At least once a year.

AGC: 81e part 2.
Please identify the last date of testing for the following third party:
- Local brokers

08.03.2025

AGC: 81f part 1.
Please identify the frequency of testing for the following third party:
- Any other third party

AGC: 81f part 2.
Please identify the last date of testing for the following third party:
- Any other third party

AGC: 81a, 81h.
Does your Business Recovery Plan include:

- [x] Off-site operations facility
- [x] Digital/electronic signing of documentation
- [x] Remote working ability
- [x] Back-up files stored and locked
- [x] Off-site data storage
- [x] Back-up of all computer files
- [x] OTHER: On-line data replication.

AGC: 82
How quickly can the main system be reactivated in the event of an outage?

- (x) 1 - 4 hours
- ( ) 4 - 8 hours
- ( ) 8 - 24 hours
- ( ) Longer than 24 hours
- ( ) Not applicable

AGC: 83
If a back-up system exists, how quickly can the back-up system be activated in the event of the main system failing?

- (x) 1 - 4 hours
- ( ) 4 - 8 hours
- ( ) 8 - 24 hours
- ( ) Longer than 24 hours
- ( ) Not applicable

AGC: 84
Will the CSD publicly announce any system interruption?

- (x) Yes
- ( ) No
- ( ) Not applicable

AGC: 84a.
To whom will the CSD disclose any system interruptions?

- [x] To the CSD regulators
- [ ] To direct and indirect participants
- [ ] To the public via the internet
- [x] To all direct participants
- [ ] In the press
- [ ] OTHER:

AGC: 84b.
If so, please list webpage address:

AGC: 84c.
If so, please list all publications:

AGC: 84d.
Please explain:

AGC: 84e.
How will the CSD disclose any system interruptions?

- [x] Public announcement
- [ ] Press release
- [ ] By telephone
- [ ] By e-mail
- [x] OTHER: Electronic Correspondence system

AGC: 84f.
Please explain:

AGC: 85
In the past three years, has it been necessary to activate the recovery plan in a live situation?

- ( ) Yes
- (•) No
- ( ) Not applicable

AGC: 85a.
If yes, how much time was needed to implement the recovery plan?

- ( ) Less than 1 hour
- ( ) 1 - 2 hours
- ( ) 2 - 4 hours
- ( ) Longer than 4 hours

AGC: 85b.
How much time was needed to recover and restore business to normal operations?

- ( ) 1 - 4 hours
- ( ) 4 - 8 hours
- ( ) 8 - 24 hours
- ( ) Longer than 24 hours

AGC: 85c, 85d.
What was the impact to the market?

- [ ] All cash settlements took place one business day late with good value
- [ ] All securities settlements took place as scheduled on the same day with good value
- [ ] All cash settlements took place as scheduled on the same day with good value
- [ ] All securities settlements took place one business day late with good value
- [ ] All securities settlements took place one business day late with value one day late
- [ ] All cash settlements took place one business day late with value one day late
- [ ] All securities settlements took place more than one business day late
- [ ] All cash settlements took place more than one business day late
- [ ] Even though there was a system failure, all fines and penalties for late settlements were still assessed
- [ ] As a result of the system failure, all fines and penalties for late settlements were waived
- [ ] OTHER:

AGC: 86
Has there been any material loss by the CSD during the past three years?

- ( ) Yes
- (x) No
- ( ) Not applicable

AGC: 86a.
If there has been a loss, please describe the cause, the final impact and the action taken to prevent a recurrence:

AGC: 87
Has the CSD been subject to any litigation involving a participant during the past three years?

- ( ) Yes
- (x) No
- ( ) Not applicable

AGC: 87a.
Please explain the circumstances and resolution:

AGC: 88, 88a
Has the CSD realized revenues sufficient to cover expenses during the past three years?

- (x) Yes for all three years
- ( ) Yes for two of the last three years
- ( ) Yes for one of the last three years
- ( ) None of the last three years
- ( ) Not applicable

AGC: 89, 89b
Does the CSD maintain a reserve for operating losses?

- ○ Yes
- ● No
- ○ Not applicable

AGC: 89a.
Please describe and indicate reserve (for operating losses) amount:

AGC: 90
Has the regulatory body with oversight responsibility for the CSD issued public notice that the CSD is not in current compliance with any capital, solvency, insurance or similar financial strength requirements imposed by such regulatory body?

- ○ Yes
- ● No
- ○ Not applicable

AGC: 90a.
Please describe:

AGC: 90b.
In the case of such a notice having been issued, has such notice been withdrawn, or, has the remedy of such noncompliance been publicly announced by the CSD?

- ○ Yes
- ○ No

AGC: 90c.
If yes, please describe:

AGC: 90d.
If no, why not?

AGC: 91

Please confirm whether you maintain insurance policies to cover any liabilities and indemnities that you may incur in connection to the services you provide.

- [ ] Insurance to cover losses in the event of Default on settlement commitments by the depository or a participant (please answer 91a)
- [x] Insurance for Operational Errors and Error & Omissions (please answer 91c)
- [x] Insurance for the Premises
- [ ] No insurance
- [x] Fidelity insurance (that is, insurance to cover loss of securities or money resulting, for example, from acts such as forgery, theft, fraud and/or employee dishonesty) (please answer 91b)
- [x] OTHER: KDPW has insurance for the disaster recovery site. As regards the main premises, KDPW, as one of the co-owners of the building, has its share equal to 21,138760% in the insurance for the building. Apart of that, there is also insurance for fire and other events, such as break-ins and theft, robbery and destruction, for all risks relating to fittings and portable equipment (laptop computers, mobile phones), property insurance in transit in Polish territory, civil liability as a result of managing offices, car insurance.

AGC: 91a
For insurance of default on settlement, what is the amount of the coverage and the amount of deductable? Please also indicate the currency.

Not applicable.

AGC: 91b
For Fidelity insurance, what is the amount of the coverage and the amount of deductible? Please also indicate the currency.

Coverage: 100 mn PLN (27 mn USD – USD/PLN 3,63 at the end of August 2025), deductible: 1 000 000 PLN (275 482 USD – USD/PLN 3,63 at the end of August 2025).

AGC: 91c
For Insurance for Operational Errors and Error & Omissions, what is the amount of the coverage and the amount of deductable? Please also indicate the currency.

Coverage: 100 mn PLN (27 mn USD – USD/PLN 3,63 at the end of August 2025), deductible: 1 000 000 PLN (275 482 USD – USD/PLN 3,63 at the end of August 2025).

AGC: 91d
For Insurance for the Premises, what is the amount of the coverage and the amount of deductable? Please also indicate the currency.

AGC: 97
Who is the insurance carrier? If more than one insurance carrier, please list each carrier here and provide your responses to questions 97a and 97b in corresponding order.

Colonnade Insurance SA - operational risk insurance, PZU S.A. - property insurance agreements, Allianz - car insurance.

AGC: 97a.
Who is the insurance carrier's parent company, if applicable? (If inapplicable, simply type n/a.)

Colonnade Insurance SA - member of Fairfax Financial Holdings Limited

AGC: 97b.
What is the term of the policy?

1 year

AGC: 97c, 97d
Who does the insurance cover?

- [ ] Not applicable
- [ ] Final investors
- [ ] Direct CSD participants
- [x] CSD
- [x] OTHER: KDPW_CCP (KDPW's subsidiary)

AGC: 98
If you feel that you would like to provide additional details on any of the given answers, feel free to provide any additional comments here (maximum of 5,000 characters) or prepare an additional document identifying the question(s) you are commenting on and upload the document under 98a:

AGC: 98a.
filecount - Upload document here:

AGC: 99
The WFC, the AGC, CPMI and IOSCO encourage respondents to make their disclosure reports publicly available. Do you agree to make your response publicly available?

- ○ Yes, my full response will be publicly available. I agree that my response can be published on the website of the WFC and on the website of the regional CSD association(s) which my CSD is a member of.
- ● Yes, my response will be public, but only for my answers to AGC questions.
- ○ Yes, my response will be public, but only for my answers to PFMI questions.
- ○ No, I do not wish my response to be publicly available.

AGC: 99a
How will you be making your answers publicly available?

- [ ] Upon request
- [x] Website
- [ ] OTHER:

AGC: 99b
This disclosure can also be found at the following web address(es):

https://www.kdpw.pl/en/publications.html

AGC: 99c
First and Last Name of the contact person:

Anna Zielińska

AGC: 99d
How do you prefer to be contacted?

- [ ] Fax
- [ ] Telephone
- [ ] mail/air courier
- [x] e-mail

AGC: 99e
Telephone number (please include the international country code):

+48 22 5379582

AGC: 99f
Fax number

AGC: 99g
What is the preferred street address for mailing requests?

ul. Książęca 4

00-498 Warsaw

AGC: 99h
Email address of the contact person:

anna.zielinska@kdpw.pl

AGC: 100
AGC members from time to time receive requests from their direct investor-clients for an informational copy of a CSD's completed questionnaire. Such requests typically lead to interactions between personnel at the CSD in question and member personnel or client personnel, or both. Those interactions take time and impose costs on both members and depositories. Do you approve of AGC members delivering a copy of your completed questionnaire to the member's direct client in response to the client's request?

- (●) Yes
- ( ) No

AGC: 101
Does your organization have a documented cyber security policy in place?

- (●) Yes
- ( ) No

AGC: 102
Please confirm that your staff receive relevant training about this policy.

- (●) Yes
- ( ) No

AGC: 103
Please confirm what topics are covered by your policy for continuity of business in the event of a large data breach or cyber attack against your organization.

- [x] IT Asset & Inventory Management
- [x] Logging, Monitoring, and Alerting
- [x] Architecture Management
- [x] Cyber Event Detection
- [x] Incident Response and Recovery
- [x] Access Management
- [x] IT Protective Security Technology
- [x] Security Awareness & Training
- [x] Change Management
- [ ] OTHER:

AGC: 104
In the last 12 months have there been any changes to the policy?

- (●) Yes
- ( ) No

Changes were made while adapting to the DORA requirements.

AGC: 105
Please advise how often you review the policy.

- (●) Annually
- ( ) Semi-annually
- ( ) Other

AGC: 106
filecount - Please provide (as an attachment) a diagram showing where your cyber security function resides and who it reports to.

Cyber security.docx (13KB)	Cyber security placement in KDPW	

1

AGC: 107
How does your organization identify cyber risks to business functions?

- [ ] Risk and Control Assessments
- [ ] External Reviews
- [x] Enterprise Risk Management Framework
- [ ] OTHER:

AGC: 108
Do you conduct ongoing testing and monitoring processes to ensure that all internal and external connectivity and system configurations are not at risk of cybersecurity breaches?

- (●) Yes
- ( ) No

AGC: 109
What technological controls and protections are in place for your systems and networks?

- [ ] Encryption of data at rest
- [x] Encryption of data in transit
- [x] Anti-virus software
- [x] Anti-malware software
- [x] Intrusion detection systems
- [x] Intrusion prevention systems
- [x] Firewalls
- [x] Patch Management
- [x] User Access Controls
- [x] OTHER: Proper network configuration and segmentation.

AGC: 110
Does your organization use multi-factor authentication

- (●) Yes
- ( ) No

AGC: 111
Where your organization has outsourced activities or functions to a third-party provider, is your cyber risk exposure documented?

- ( ) Yes
- ( ) No
- (●) Not applicable as no outsourcing

AGC: 112
What measures does your organization have to ensure early detection of a cyber attack?

- [x] Incident Response Plan
- [x] Searching for network traffic patterns
- [x] Searching for user login patterns
- [x] Logging of IT systems
- [ ] OTHER:

AGC: 113
What is the agreed resumption time for critical operations following a cyber attack?

- [ ] 8 - 24 hours
- [ ] Longer than 24 hours
- [ ] 4 - 8 hours
- [x] 1 - 4 hours
- [x] OTHER: According to the law, the recovery-time objective for each critical operation shall not be longer than 2 hours.

AGC: 114
How would you advise clients of a successful cyber attack against your organization?

- [x] By e-mail
- [ ] By telephone
- [ ] Public announcement
- [ ] Press release

AGC: 115
In the last 12 months has your organization been subject to a cyber attack that impacted the service you provide to us? If yes, please provide details.

- ( ) Yes
- (x) No

AGC: 116a
Are the following elements of your cybersecurity framework tested pre deployment of changes?

- [x] Testing of incident response process and technical/business/operations (e.g. table-top exercise)
- [x] Scenario based penetration tests
- [x] Vulnerability assessment
- [ ] OTHER:

AGC: 116b
Are the following elements of your cybersecurity framework tested post deployment of changes?

- [x] Vulnerability assessment
- [x] Scenario based penetration tests
- [x] Testing of incident response process and technical/business/operations (e.g. table-top exercise)
- [ ] OTHER:

AGC: 117
For cloud technology and associated cybersecurity risks, please confirm:
(i) that you have procedures and controls in place to protect our information from mishandling or theft;
(ii) how these procedures and controls tie back to your record retention policy

- [x] Yes
- [ ] No
- [ ] Not applicable as cloud not used

AGC: 118

Does your organisation have a cyber threat inteligence programme to understand and protect against a potential threat actor's motives, targets, and attack behaviors?

- [x] Yes
- [ ] No

AGC: 119
Is your organization aware of SWIFT’s Customer Security Program (CSP)?

- [x] Yes
- [ ] No

AGC: 120
Does your organization ensure compliance with SWIFT’s CSP controls?

- [x] Yes
- [ ] No