

Wrocław, 18 June 2019

Current report 2/2019_EBI

Subject: Incidental breach of the Code of Best Practice for WSE Listed Companies 2016

Acting pursuant to § 29.3 of the Warsaw Stock Exchange Rules and Regulations, in reference to EBI report 2/2018 of 13 March 2018 concerning information on the adoption of principle II.Z.3. of the Code of Best Practice for WSE Listed Companies to be applied by Zespół Elektrociepłowni Wrocławskich KOGENERACJA S.A. (the "Company"), the Management Board of the Company informs that there has been an incidental breach of the aforementioned principle.

The reason for the breach is the expiry of the mandate of Mr Raimondo Eggink as Member of the Supervisory Board as of 17 June 2019. Mr Raimondo Eggink was one of the two members of the Audit Committee of the Supervisory Board of KOGENERACJA S.A. meeting the independence criteria specified in rule II.Z.3.

To the knowledge of the Management Board of the Company, the Supervisory Board, having received information on the expiry date of the mandate of Mr Raimondo Eggink on the date of holding the Meeting, has drawn attention to this fact and the incomplete composition of the Audit Committee under the Act on Statutory Auditors, Audit Firms and Public Oversight of 11 May 2018.

On 17 June 2019, the General Meeting appointed Mr Piotr Szczepiórkowski to the Supervisory Board of the Company, who meets the criteria of independence required of a Member of the Audit Committee. The Management Board plans to request the Supervisory Board to hold a meeting of the Supervisory Board as soon as possible and, after obtaining the consent of Mr Piotr Szczepiórkowski, to appoint him to the Audit Committee. In the event that Mr Piotr Szczepiórkowski does not grant such consent, the Management Board shall take steps to convene an Extraordinary General Meeting of Shareholders, which shall enlarge the composition of the Supervisory Board by a person who meets the independence criteria and agrees to perform the functions also in the Audit Committee.