

**DRAFT RESOLUTIONS OF THE ORDINARY GENERAL ASSEMBLY  
OF PRZEDSIĘBIORSTWO PRZEMYSŁU SPOŻYWCZEGO  
“PEPEES” S.A.**

**with its registered office in ŁOMŻA on 21 April 2020**

**RESOLUTION No. 1**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego “PEPEES” S.A. with its registered office in Łomża dated 21 April 2020 concerning the election of the Chairman of the Assembly.

It is resolved as follows:

**§ 1**

Mr/Ms ..... has been elected as Chairperson of the Assembly.

**§ 2**

This resolution shall enter into force on the day of its adoption.

**RESOLUTION  
No. 2**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego “PEPEES” S.A. with its registered office in Łomża dated 21 April 2020 concerning the election of the Ballot Counting Committee consisting of three members.

It is resolved as follows:

**§ 1**

The following three members shall be appointed to the Ballot Counting Committee:

- 1 \_\_\_\_\_
- 2 \_\_\_\_\_
- 3 \_\_\_\_\_

**§ 2**

This resolution shall enter into force on the day of its adoption.

**RESOLUTION No.  
3**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego “PEPEES” S.A. with its registered office in Łomża dated 21 April 2020 concerning the adoption of the agenda.

It is resolved as follows:

**§ 1**

The following agenda is hereby adopted:

- 1. Opening of the Ordinary General Assembly.
- 2. Election of the Chairperson of the Ordinary General Assembly.

3. Confirmation of the correct convocation of the Ordinary General Assembly and its ability to take resolutions.
4. Selection of the three-member Ballot Counting Committee.
5. Adoption of the resolution concerning adoption of the agenda.
6. Consideration and approval of the following by resolutions:
  - financial statement of the Company for the financial year 2019;
  - consolidated financial statement of the PEPEES Capital Group for the financial year 2019;
  - report on the operations of the PEPEES Capital Group for the financial year 2019 (including disclosures required for the Report of the Management Board on the operations in the above-mentioned period);
  - report of the Supervisory Board on the assessment of the individual financial statement of the Company and the consolidated financial statement of the PEPEES Capital Group for the year 2019, and the report of the Management Board on the operations of the PEPEES Capital Group and “PEPEES” S.A. for the year 2019;
  - report on the activities of the Supervisory Board for the financial year 2019;
  - on the allocation of net profit for the financial year 2019.
7. Adoption of resolutions concerning:
  - approval of the performance by the Members of the Company’s Management Board of their duties for the financial year 2019;
  - approval of the performance by the Members of the Company’s Supervisory Board of their duties for the financial year 2019;
8. Adoption of the resolution concerning acceptance of the Remuneration Policy.
9. Closing of the session.

## § 2

This resolution shall enter into force on the day of its adoption.

### RESOLUTION No.

4

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego “PEPEES” S.A. with its registered office in Łomża dated 21 April 2020 concerning consideration and approval of the Company’s financial statement for the period from 01.01.2019 to 31.12.2019.

Pursuant to Article 393(1) and 395(2)(1) of the Commercial Companies Code in conjunction with Article 53(1) of the Accounting Act of 29.09.1994 r. (OJ 1994, No. 121, Item 591 as amended), it is resolved as follows:

## § 1

It is decided to approve the financial statement of "PEPEES" S.A. for the year 2019, consisting of:

1. statement of financial position prepared as at 31.12.2019, which on the assets and liabilities side shows the amount of PLN 275,662,000 (two hundred and seventy-five million six hundred and sixty-two thousand zlotys),
2. statement of comprehensive income for the period from 01.01.2019 to 31.12.2019 showing net profit of PLN 19,182,000 (nineteen million one hundred and eighty-two thousand zlotys) and total positive income of PLN 19,143,000 (nineteen million one hundred and forty-three thousand zlotys),
3. statement of changes in equity showing an increase in equity by: PLN 7,743,000 (seven million seven hundred and forty-three thousand zlotys),
4. cash flow statement showing an increase in net cash in the course of the financial year 2019 by PLN 6,295,000 (six million two hundred and ninety-five thousand zlotys),
5. additional information on accounting principles and other explanatory notes to the financial statement.

These documents have been drawn up correctly, in accordance with applicable laws.

## **§ 2**

This resolution shall enter into force on the day of its adoption.

### **RESOLUTION No. 5**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning consideration and approval of the consolidated financial statement of the PEPEES Capital Group for the period from 01.01.2019 to 31.12.2019.

Pursuant to Article 395(5) of the Commercial Companies Code, it is resolved as follows:

## **§ 1**

It is decided to approve the consolidated financial statement of the Capital Group PEPEES S.A. for the year 2019, consisting of:

1. consolidated statement of financial position prepared as at 31.12.2019, which on the assets and liabilities side shows the amount of PLN 363,662,000 (three hundred and sixty-three million six hundred and sixty-two thousand zlotys),
2. consolidated statement of comprehensive income for the period from 01.01.2019 to 31.12.2019 showing net profit of: PLN 24,782,000 (twenty-four million seven hundred and eighty-two thousand zlotys), including net profit due to shareholders of the parent company in the amount of PLN 24,091,000 (twenty-four million ninety-one thousand zlotys) and

total net income due to shareholders of the parent company in the amount of PLN 24,052,000 (twenty-four million fifty-two thousand zlotys).

3. consolidated statement of changes in equity for the period from 01.01.2019 to 31.12.2019 showing an increase in equity by PLN 14,065,000 (fourteen million sixty-five thousand zlotys),
4. consolidated cash flow statement for the period from 01.01.2019 to 31.12.2019 showing an increase in net cash by PLN 1,162,000 (one million one hundred and sixty-two thousand zlotys),
5. additional information on accounting principles and other explanatory notes to the consolidated financial statement.

These documents have been drawn up correctly, in accordance with applicable laws.

§ 2

This resolution shall enter into force on the day of its adoption.

**RESOLUTION No. 6**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning consideration and approval of the report of the Management Board of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. on the operations of the PEPEES Capital Group for the year 2019 (including disclosures required for the Report of the Management Board on the operations in the above-mentioned period).

Pursuant to Article 395(5) of the Commercial Companies Code, it is resolved as follows:

§ 1

It is decided to approve the Report of the Management Board of "PEPEES" S.A. on the operations of the PEPEES Capital Group for the financial year 2019 (including disclosures required for the Report of the Management Board on the operations in the above-mentioned period);

§ 2

This resolution shall enter into force on the day of its adoption.

**RESOLUTION No. 7**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning consideration and approval of the report of the Supervisory Board on the assessment of the individual financial statement of the Company and the consolidated financial statement of the PEPEES Capital Group for the year 2019, and the report of the Management Board on the operations of the PEPEES Capital Group and "PEPEES" for the year 2019.

Pursuant to Article 395(5) of the Commercial Companies Code, it is resolved as follows:

## **§ 1**

It is decided to approve the report of the Supervisory Board on the assessment of the individual financial statement of the Company and the consolidated financial statement of the PEPEES Capital Group for the year 2019, and the report of the Management Board on the operations of the PEPEES Capital Group and the Company "PEPEES" for the year 2019.

## **§ 2**

This resolution shall enter into force on the day of its adoption.

### **RESOLUTION No. 8**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 on the consideration and approval of the report of the Supervisory Board on its activities as the Company's governing body for the financial year 2019.

Pursuant to Article 395(5) of the Commercial Companies Code, it is resolved as follows:

## **§ 1**

It is decided to approve the report of the Supervisory Board of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" Spółka Akcyjna with its registered office in Łomża on the activities of the Supervisory Board as the Company's governing body for the financial year 2019.

## **§ 2**

This resolution shall enter into force on the day of its adoption.

### **RESOLUTION No. 9**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 on the allocation of net profit of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. for the financial year 2019.

Pursuant to Articles 348(1) and (4), and 395(2)(2) of the Commercial Companies Code, it is resolved as follows:

## **§ 1**

Acting under Article 395(2)(2) of the Commercial Companies Code, the General Assembly hereby distributes the profit for the year 2019 in the amount of PLN 19,181,930.51 (nineteen million one hundred and eighty-one thousand nine hundred and thirty zlotys and fifty-one grosz) in such a way that a part of the profit, i.e. the amount of PLN 5,700,000 (five million seven hundred thousand zlotys), shall be allocated to the payment of dividends of PLN 0.06 (six grosz) per share, whereas the rest of the profit in the amount of PLN 13,481.930.51 (thirteen million four hundred and eighty-one thousand nine hundred and thirty zlotys and fifty-one grosz) shall be allocated to the Company's supplementary capital.

## **§ 2**

The date on which the list of shareholders eligible for payment of the dividend referred to in §1(1) above (the dividend date) shall be 1 July 2020. The dividend payment date shall be 31 July 2020.

### **§ 3**

This resolution shall enter into force on the day of its adoption.

### **RESOLUTION No. 10**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning the approval of the performance by the President of the Company's Management Board of his duties for the financial year 2019.

Pursuant to Article 395(2)(3) of the Commercial Companies Code, it is resolved as follows:

### **§ 1**

Mr Wojciech Faszczewski is granted approval of the performance of his duties as the President of the Company's Management Board in the financial year 2019, in the period from 01.01.2019 to 31.12.2019.

### **§ 2**

This resolution shall enter into force on the day of its adoption.

### **RESOLUTION No. 1 1**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning the approval of the performance by the Member of the Company's Management Board of his duties for the financial year 2019.

Pursuant to Article 395(2)(3) of the Commercial Companies Code, it is resolved as follows:

### **§ 1**

Mr Tomasz Rogala is granted approval of the performance of his duties as the Member of the Company's Management Board in the financial year 2019, in the period from 01.01.2019 to 31.12.2019.

### **§ 2**

This resolution shall enter into force on the day of its adoption.

### **RESOLUTION No. 1 2**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning the approval of the performance by the Chairman of the Company's Supervisory Board of his duties for the financial year 2019.

Pursuant to Article 395(2)(3) of the Commercial Companies Code, it is resolved as follows:

**§ 1**

Mr Maciej Kaliński is granted approval of the performance of his duties as the Chairman of the Company's Supervisory Board in the financial year 2019, in the period from 01.01.2019 to 31.12.2019.

**§ 2**

This resolution shall enter into force on the day of its adoption.

**RESOLUTION No.  
13**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning the approval of the performance by the Deputy Chairman of the Company's Supervisory Board of his duties for the financial year 2019.

Pursuant to Article 395(2)(3) of the Commercial Companies Code, it is resolved as follows:

**§ 1**

Mr Tomasz Nowakowski is granted approval of the performance of his duties as the Deputy Chairman of the Company's Supervisory Board in the financial year 2019, in the period from 01.01.2019 to 31.12.2019.

**§ 2**

This resolution shall enter into force on the day of its adoption.

**RESOLUTION No.  
14**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning the approval of the performance by the Secretary of the Supervisory Board of his duties for the financial year 2019.

Pursuant to Article 395(2)(3) of the Commercial Companies Code, it is resolved as follows:

**§ 1**

Mr Robert Malinowski is granted approval of the performance of his duties as the Secretary of the Company's Supervisory Board in the financial year 2019, in the period from 01.01.2019 to 31.12.2019.

**§ 2**

This resolution shall enter into force on the day of its adoption.

**RESOLUTION No. 15**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning the approval of the performance by the Member of the Supervisory Board of his duties for the financial year 2019.

Pursuant to Article 395(2)(3) of the Commercial Companies Code, it is resolved as follows:

**§ 1**

Mr Piotr Marian Taracha is granted approval of the performance of his duties as the Member of the Company's Supervisory Board in the financial year 2019, in the period from 01.01.2019 to 31.12.2019.

**§ 2**

This resolution shall enter into force on the day of its adoption.

**RESOLUTION No. 1 6**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning the approval of the performance by the Member of the Company's Supervisory Board of his duties for the financial year 2019.

Pursuant to Article 395(2)(3) of the Commercial Companies Code, it is resolved as follows:

**§ 1**

Mr Krzysztof Stankowski is granted approval of the performance of his duties as the Member of the Company's Supervisory Board in the financial year 2019, in the period from 01.01.2019 to 31.12.2019.

**§ 2**

This resolution shall enter into force on the day of its adoption.

**RESOLUTION No. 1 7**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning the approval of the performance by the Member of the Company's Supervisory Board of her duties for the financial year 2019.

Pursuant to Article 395(2)(3) of the Commercial Companies Code, it is resolved as follows:

**§ 1**

Ms Agata Czerniakowska is granted approval of the performance of her duties as the Member of the Company's Supervisory Board in the financial year 2019, in the period from 01.01.2019 to 31.12.2019.

**§ 2**



This resolution shall enter into force on the day of its adoption.

**RESOLUTION  
No. 18**

of the Ordinary General Assembly of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. with its registered office in Łomża dated 21 April 2020 concerning acceptance of the Remuneration Policy

Pursuant to Article 395(5) of the Commercial Companies Code and Article 90d(1) of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, it is resolved as follows:

**§ 1**

The following Remuneration Policy shall be accepted:

**"REMUNERATION POLICY FOR  
MEMBERS OF THE MANAGEMENT BOARD  
AND THE SUPERVISORY BOARD  
OF PRZEDSIĘBIORSTW PRZEMYSŁU SPOŻYWCZEGO "PEPEES"  
S.A.**

Implementation of the strategy and development of Przedsiębiorstwo Przemysłu Spożywczego "Pepees" S.A., including the short-term and long-term increase of the value of the Company and the stability of its operation, requires involvement of the best managers to perform the functions of the Company's Management Board and Supervisory Board.

**I. GENERAL PROVISIONS**

**§1**

1. Remuneration Policy for Members of the Management Board and the Supervisory Board of Przedsiębiorstwo Przemysłu Spożywczego "Pepees" S.A. (hereinafter: "Pepees" or the "Company") sets out the principles for the remuneration of the Company's collective bodies, i.e., members of the Management Board and the Supervisory Board.
2. This the purpose of this Remuneration Policy is to:
  - a) establish the remuneration principles of members of the Company's collective bodies in such a way as to contribute to the implementation of the business strategy, attainment of long-term interests and business goals of the Company, and to ensure its stability;
  - b) create a system of remuneration based on transparent principles of its calculation and based on criteria taking into account the Company's financial results, as well as non-financial criteria regarding the Company's performance, which will provide competitive remuneration conditions corresponding to the market situation;
  - c) ensure that shareholders have an effective influence on the remuneration policy;

- d) define criteria for the corporate social responsibility to be taken into account in the development and implementation of the Remuneration Policy;
- e) define the procedure for the introduction, revision and amendment of the Remuneration Policy;
- f) prevent conflict of interest.

3. The Remuneration Policy has been developed based on:

- a) Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies (the “Act”);
- b) Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement
- c) Good Practices of Companies Listed on the WSE 2016;
- d) Statutes of the Company (the “Statutes”).

## II. ADOPTION AND REVISION OF THE REMUNERATION POLICY

### § 2

1. The Management Board of the Company shall be responsible for the development, introduction and implementation of the Remuneration Policy and its amendments.
2. The Supervisory Board shall assess the draft Remuneration Policy which then shall be accepted by resolution of the General Assembly. Any amendments to the Remuneration Policy shall follow the same procedure.
3. The General Assembly may authorise the Supervisory Board to elaborate in more detail on the specific rules and provisions of the Remuneration Policy, including:
  - a) the rules for determining and granting fixed and variable components of remuneration and their amount, as well as bonuses and other cash and non-cash benefits;
  - b) the conditions and criteria for granting of variable remuneration components, participation in incentive and bonus schemes;
  - c) the criteria for taking into account social interests, the Company’s contribution to the protection of the environment and action aimed at preventing and eliminating adverse social consequences of the Company’s activity;
  - d) to determine deferral periods and allow the Company to request reimbursement of variable remuneration components;
  - e) to determine periods in which members of the Company’s Management Board acquire the right to receive remuneration in the form of financial instruments, including the determination of the rules for their disposal.

### III. ASSUMPTIONS OF THE REMUNERATION POLICY

#### § 3

1. The level of remuneration for members of the Management Board and the Supervisory Board should enable the Company to attract and adequately motivate persons with the highest competencies to manage the Company in a manner that contributes to the attainment of its economic and financial objectives, as well as to its proper supervision. The level of remuneration should correspond to the roles and responsibilities of specific individuals, as well as to their competencies and experience.
2. The introduction of an incentive scheme, which makes the amount of the bonus conditional on the Company's financial results, is intended to maintain the highest level of involvement on the part of members of the Management Board in the implementation of the Company's business objectives, and to align the business objectives of the Company and members of the Management Board.
3. The Remuneration Policy shall take into account the principle of ensuring competitive remuneration compared to the level of remuneration offered in equal positions in the food sector and in companies with a similar business profile.
4. When determining the remuneration of members of the Management Board, the Supervisory Board should take into account roles and responsibilities associated with the function of a member of the Management Board, as well as qualifications and experience of the specific member of the Management Board. In addition, the Supervisory Board should take into account the level of remuneration for members of the boards offered by other entities operating in the food industry and by companies with a similar business profile.
5. The principles regarding the consideration of work and remuneration conditions for the Company's employees other than members of the Management Board shall be implemented by establishing remuneration conditions specifying the structure and level of remuneration of the Company's employees and the remuneration components, the allocation and amount of which depend on the performance of the Company and the degree of performance of employees' individual objectives. In addition, it is possible to introduce an incentive scheme, including a scheme based on the Company's financial instruments, which will align the economic objectives of the Company, members of the Management Board and the management staff.
6. The Remuneration Policy shall take into account objectives related to corporate social responsibility, activities undertaken by the Company for the protection of the environment, as well as preventing and eliminating adverse social consequences of the Company's activity. As part of its involvement in corporate social responsibility, the Company may:
  - 6.1. verify whether its activities have a negative impact on the environment, take corrective action, support environmental initiatives and reduce negative impact on the environment;

- 6.2. investigate negative social consequences arising from the Company's activity, and then take initiatives to minimize such effects.
7. As part of the process of development, implementation and periodic revisions of the Remuneration Policy, the Company shall implement rules to prevent conflicts of interest related to the Remuneration Policy, as well as rules for the management of such conflicts. The Remuneration Policy shall be established through the cooperation between the collective bodies of the Company, i.e., the Management Board, the Supervisory Board and the General Assembly.
8. The Supervisory Board shall make periodic evaluations of the principles governing the remuneration of members of the Management Board and shall take these into account in determining the amount of remuneration and the granting of additional benefits to individual members of the Management Board. The Supervisory Board may file proposed amendments to the Remuneration Policy.
9. The Company's Management Board shall periodically analyse the implementation of the Remuneration Policy assumptions and shall present proposed changes to the Supervisory Board.
10. The Remuneration Policy and its implementation shall be assessed by the Supervisory Board with the results to be presented in an Annual Report submitted to the General Assembly. The General Assembly shall accept the Remuneration Policy and its amendments. The Annual General Assembly shall deliver an opinion on the Report in the form of a resolution.

#### IV. RULES OF EMPLOYMENT FOR MEMBERS OF THE COMPANY'S GOVERNING BODIES

##### § 4

1. Unless otherwise decided by the Supervisory Board due to special circumstances, the Company shall employ members of the Management Board on the basis of management contracts concluded for the duration of the term of office or until expiry of mandate of the member of the Management Board, unless the member of the Management Board is re-elected. Detailed information on the employment conditions for members of the Management Board have been specified in Appendix 1 to this Remuneration Policy.
2. A resolution of the Supervisory Board may stipulate that the management contract provide for remuneration for the time of non-performance of the duties of a member of the Management Board in the calendar year, remuneration for non-performance of competitive activity after leaving the role of a member of the Management Board, or reimbursement of expenses related to the performance of the role.
3. Members of the Supervisory Board shall not be employed at the Company. Remuneration of members of the Supervisory Board shall be determined by the General Assembly. Members of the Supervisory Board shall be appointed for a joint three-year term, with their mandates expiring at the latest on the date of the ordinary General Assembly which approves the Company's financial statement for the last full financial year served as member of the Supervisory Board. Members of the Supervisory Board may be dismissed at any time by the General Assembly.

## V. RULES OF REMUNERATION FOR MEMBERS OF THE COMPANY'S GOVERNING BODIES

### § 5

1. Remuneration shall be determined and paid in accordance with this Remuneration Policy.
2. Remuneration of members of the Company's Management Board and the Supervisory Board shall be governed by separate provisions.
3. Remuneration of members of the Company's Management Board shall consist of fixed remuneration, variable remuneration (bonus) and additional benefits.
4. Remuneration of members of the Supervisory Board shall consist of fixed remuneration set at a monthly rate and additional benefits.

### § 6

1. The Supervisory Board shall, by resolution, determine the amount of Fixed Remuneration of the Company's Management Board, taking into account the qualifications, experience, roles and responsibilities of the member of the Management Board as a governing body of a listed company, and the need to ensure a competitive level of remuneration.
2. The General Assembly shall, by resolution, determine the remuneration of members of the Supervisory Board. The General Assembly shall determine the remuneration of the Supervisory Board differentiated according to their roles, taking into account the degree of involvement of the Supervisory Board members in the performance of their duties and the principles of responsibility of a member of the Supervisory Board in a listed company. Detailed information on the employment conditions for members of the Supervisory Board have been specified in Appendix 1 to this Remuneration Policy.

### § 7

1. The variable component of remuneration for members of the Management Board in the form of quarterly and annual bonuses shall depend on the degree of achievement of key objectives in accordance with the principles set by the Supervisory Board, taking into account the financial results obtained and the degree of achievement of the objectives set by the Supervisory Board.
2. The objectives shall be set by the Supervisory Board on the basis of the current operational and strategic objectives of the Company for the given period along with the measures of their completion, including execution of the planned sales budget, achievement of the planned profit or the level of EBIDTA.
3. The Supervisory Board shall evaluate the implementation of the objectives after the end of the given bonus period.
4. Timing of the bonus payment should be linked to the publication of the financial results and in the case of the annual bonus - to the completion of the audit of the consolidated and individual financial statements of the Company for the financial year constituting the bonus period.

5. No deferred payment of bonuses shall be allowed, and the Company may not request repayment of the bonuses disbursed.

#### § 8

1. The maximum total amount of the remuneration components constituting a bonus for a member of the Company's Management Board may depend, among others, on the level of the earned profit, and may constitute a percentage of the net profit earned above the planned level, taking into account the role of such a member.

#### § 9

1. Members of the Management Board may be entitled to additional benefits in the form of financial instruments granted by the Company under the incentive scheme.
2. The incentive scheme for members of the Management Board and key management staff should grant the right (option) to receive the Company's shares with a view of creating dependant mechanisms in the Company and its subsidiaries motivating to activities which ensure a long-term increase in the value of the Company and its shares, stable growth of the Company's results and dividends for shareholders and its subsidiaries, and also implementation of the Pepees Group's strategy.
3. The incentive scheme may be set for a definite period for a defined group of people. The incentive scheme may be implemented through the issue of financial instruments granting the right to receive the shares of the Company or through the purchase of own shares to be offered to the scheme participants, however, the price of shares sold to the participants may not be lower than the price of the acquisition of shares by the Company.
4. Exercise of the right to shares should require being employed at the Company or its subsidiary, compliance with the competition ban or other loyalty conditions, as well as meeting the individual and financial objectives set by the Supervisory Board.
5. The period between the granting of right to acquire or subscribe for the shares in the Company under the incentive scheme and the possibility to exercise it should be a minimum of 2 years.
6. Members of the Supervisory Board may not participate in incentive schemes.

#### § 10

1. Members of the Management Board and the Supervisory shall be entitled to Additional Benefits in the form of:
  - 1.1. a Company car with a driver for business or private use;
  - 1.2. personal computer and Company phone;
  - 1.3. medical care package, including for immediate family members;

- 1.4. Company-provided accommodation if the permanent place of work is at a significant distance from the place of residence;
  - 1.5. participation in training courses financed by the Company;
  - 1.6. civil liability insurance for company management;
  - 1.7. other benefits in accordance with the regulations adopted by the Company applicable to all employees.
2. Members of the Management Board and the Supervisory Board may be covered by the Occupational Pension Scheme in accordance with the same principles as other employees of the Company.

## VI. TEMPORARY **SUSPENSION** OF REMUNERATION POLICY

### § 11

1. At the request of the Management Board, the Supervisory Board may decide to temporarily suspend the application of the Remuneration Policy. The request of the Management Board should be duly substantiated, and in particular it should indicate grounds for the waiver, its purpose and period.
2. The option to suspend the Remuneration Policy may only be exercised if it is necessary for the attainment of long-term interests of the Company and to ensure its stability, or to guarantee its profitability.
3. In particular, the following shall be considered to justify a temporary suspension of the Remuneration Policy:
  - 3.1. significant decrease in the Company's EBITDA in a period of more than 1 year;
  - 3.2. significant decrease in the average market price of the Company's shares on a regulated market in a period of at least one quarter;
  - 3.3. changes in market or regulatory environment that may have a significant negative impact on the Company's economic or financial situation or its prospects.
4. Suspension of the Remuneration Policy may apply to the determination of fixed as well as variable remuneration.
5. Suspension of the Remuneration Policy shall require a resolution of the General Assembly.
6. The Remuneration Policy may not be suspended for more than 1 year.

## VII. REMUNERATION REPORTS

### § 12

1. The Supervisory Board shall prepare an annual Report containing all items required by Article 90g of the Act, which shall be presented to the General Assembly.

**Z komentarzem [MK1]:** odstąpienie - nie jest do końca jasne, czy chodzi o zawieszenie stosowania polityki, czy też o odstąpienie, tj. zmiany w stosowaniu poszczególnych zapisów

2. The General Assembly shall deliver an opinion on the Report in the form of a resolution.  
This resolution shall be of a purely advisory nature.
3. The Report of the Supervisory Board shall contain a comprehensive overview of remuneration, including all benefits, irrespective of their form, received by or payable to individual members of the Management Board and the Supervisory Board under this Remuneration Policy in the last financial year.
4. In preparing the Report for the specific financial year, the Supervisory Board shall take into account the opinion of the General Assembly contained in the resolution referred to in paragraph 2 for the previous financial year and shall indicate how its content has been included in the relevant Report.
5. The Report shall be drawn up on the basis of the form enclosed as Appendix 2 to this Remuneration Policy.
6. The Report shall be subject to assessment by a statutory auditor as regards the information referred to in Article 90g of the Act.

#### VIII. FINAL PROVISIONS

##### § 13

1. This Remuneration Policy and the resolution of the General Assembly concerning its acceptance, along with the date of the resolution and results of the vote, shall be published immediately on the Company's Website.
2. The Company shall immediately publish the Report on the Website and make it available free of charge for the period specified in Article 90g(9) of the Act.
3. Any matters not provided for in this Remuneration Policy shall be governed by separate internal documents of the Company, in particular by the Statutes and internal rules of the General Assembly, Supervisory Board and Management Board, and by agreements with members of the Management Board.

##### § 14

The Remuneration Policy shall enter into force on the date of its acceptance by resolution of the General Assembly and it should be taken into account in determining the principles and amounts of the remuneration for Members of the Company's Governing Body as of the date of its acceptance.



First and last name	Type of the legal relationship that forms the basis for employment	Duration of the legal relationship concluded which forms the basis for employment	Notice period for the legal relationship which forms the basis of employment

[illegible]

Appendix 2 to the Remuneration Policy of Pepees

<i>Full name of the Member of the relevant Governing Body</i>	
Total remuneration in a given year:	
- Fixed Remuneration	
- Variable Remuneration split into separate elements	
Indication of how the Fixed Remuneration is consistent with the Remuneration Policy and how it contributes to the achievement of the Company's long-term results.	
Level of achievement of the Bonus Objectives	
Information on any change in the remuneration, results of the Company and average remuneration of the Company's employees other than those in the Management Board and Supervisory Board, during the period of at least the last five financial years	
Remuneration from entities belonging to the same capital group	
The number of financial instruments granted or offered and the main conditions for exercising the rights in these instruments (price, date of exercise and any amendments)	
Information on deviations from the procedure of implementation of the Remuneration Policy and temporary suspension of the Remuneration Policy	

Value of cash and non-cash benefits granted to immediate family, i.e., to a spouse, ascendant, descendants, siblings, relative in the same line or in the same degree within the meaning of Article 617 in conjunction with Article 616 of the Family and Care Code, a person in the adoption relationship and his or her spouse, and also a person in a cohabitation relationship.	
Explanation of how the report takes account of the resolution giving an opinion on the previous remuneration report	

## § 2

This resolution shall enter into force on the day of its adoption.