



**SALARY REPORT**  
**MANAGEMENT AND SUPERVISORY BOARD MEMBERS OF**  
**CCC S.A. COMPANY**  
**FOR THE YEAR 2023**

<b>Subject:</b>	CCC S.A.
<b>Address:</b>	6 Strefowa St., 59-101 Polkowice
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## 1. Introduction

Fulfilling the obligation under Article 90g of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (i.e. Journal of Laws of 2022, item 2554, as amended; hereinafter: the "**Offering Act**"), the Supervisory Board of CCC S.A. (hereinafter: the "**Company**") prepares an annual remuneration report (hereinafter: the "**Report**").

The report presents a comprehensive overview of remuneration, including all benefits, regardless of their form, received or due (payable) to individual members of the Management Board and Supervisory Board in the period from 1.02.2023 to 31.01.2024, shown in accordance with their due dates. As a rule, all due benefits were paid on time.

The report is in accordance with the Remuneration Policy for Members of the Management Board and Supervisory Board of CCC S.A. dated **June 24, 2020, as amended by Resolution of the Annual General Meeting No. 17/ AGM/2021 dated June 22, 2021, and as amended by Resolution of the Annual General Meeting No. 27/ AGM/2022 dated June 15, 2022** (hereinafter: the "**Remuneration Policy**").

The Report covers the full fiscal year of the Company, i.e. the period from 1.02.2023 to 31.01.2024 (hereinafter: "**2023**"). For comparative purposes, the information presented in the Report also includes the most relevant data for the previous fiscal year, i.e. for the period from 01.02.2022 to 31.01.2023 (hereinafter: "**2022**"), in accordance with the report on the remuneration of members of the Management Board and Supervisory Board for 2022. Unless otherwise indicated, all amounts in the Report are presented in Polish zloty (rounded to the nearest whole zloty) and in gross terms.

The Company provides below a summary of the most significant compensation developments for the period under review.

### 1.1. Key events in the Company's business environment affecting the remuneration of members of the Management Board or members of the Supervisory Board

The year 2023 was already another period of significant challenges for the Company's business environment, which resulted primarily from the unfavorable macroeconomic situation following, among other things, the outbreak of war in Ukraine. High inflation and increased interest rates reduced the consumer's disposable income and thus limited demand for the goods offered by the Company and its subsidiaries (hereinafter collectively: the "**Group**"). At the same time, the high USD/PLN exchange rate and increased freight costs still in the first half of the year limited gross margin growth. The mechanism of indexing rental costs to inflation, the elevated EUR/PLN exchange rate and the increase in the minimum wage, in turn, exerted pressure on the Company's selling and administrative costs. Finance costs, meanwhile, were affected by high-interest rates, with which central banks limited the rate of inflation.

In addition, business challenges persisted in 2023 for the e-commerce industry, which accounted for nearly half of the Group's consolidated revenues. The industry-wide over-commoditization problems experienced in 2022 continued to have an impact on pricing and margins in 2023, and the change in the purchasing power of money adversely affected traffic acquisition costs.

The Company has successfully performed in the business environment described above by consistently developing its omnichannel business model. The Group invariably strives to strengthen its market leadership position in the Central and Eastern European region.

Among the key measures implemented by the Management Board, which were aimed at strengthening the Group's market position in a difficult period for the industry, are:

- Driving the CCC and HalfPrice banners to good profitability levels, supporting the restoration of operating cash flow and further deleveraging.
- Reorganize the way the Product Department operates and purchasing efficiency, along with reaching out to new suppliers and obtaining more favorable terms (price and quality) for the Group's commercial goods purchases.

- Increasing the effectiveness of discount and promotional campaigns at CCC, allowing further expansion of the gross margin of this business line.
- Entering into strategic partnerships for the distribution of products in a licensing format (including for the Reebok brand), aimed at strengthening the product portfolio of all the Group's business lines and increasing the potential for gross margin growth.
- Expansion of the HalfPrice store network (32 openings), aimed at developing a globally unique business model combining full-price and off-price sales channels.
- Launching 14 more eobuwie hybrid stores and additional eobuwie zones in CCC stores - to increase the reach of the Reserve & Collect service, strengthen the efficiency of returns handling and stimulate customer migration between sales channels.
- Integration of CCC's offline store inventory with eobuwie's online store (so-called OMS) to maximize product availability to customers and optimize working capital.
- Marketplace Modivo's expansion into Italy (the second market after Marketplace Modivo's debut in Poland in 2022) - the development of a new Modivo business line, allowing further expansion of the format and market share growth without investment in working capital.
- Development of CCC, eobuwie and Modivo mobile apps, targeted at increasing organic traffic in the face of high-performance marketing costs and improving purchase conversions.
- Finalizing the inventory optimization process and deep technological transformation of the MODIVO Group, unleashing the potential to rebuild its performance in future reporting periods.
- Simplifying the Company's organizational structure to strengthen the quality of management.
- Implementing a cost-saving program aimed at increasing organizational agility and the ability to improve performance in an inflationary business environment.
- Significant reduction in Business Unit CCC's debt, allowing it to reduce financing costs in an environment of high-interest rates.
- Initiating a refinancing process for CCC's Business Unit debt, aimed at securing more favorable financing terms.

The events described above attest to the Group's continued growth in 2023, despite market challenges. The Group's operations and performance were significantly impacted by the effects of the ongoing war in Ukraine, high inflation and low consumer purchasing power, which involved complex management processes and ongoing efforts to adapt the business to changing market conditions.

At the same time, a gradual improvement in consumer sentiment was observed throughout 2023. A significant recovery in consumer purchasing power is expected in 2024, along with an improving macroeconomic environment and expansionary fiscal policy. In the Management Board's opinion, thanks to the measures implemented to date, the Group is well prepared for the anticipated increase in demand for its products.

The most up-to-date information on operations and business strategy is published regularly on the website: <https://corporate.ccc.eu>.

## **1.2. Changes in the composition of the Management Board or the Supervisory Board**

In 2023, the Management Board consisted of the following individuals:

- Marcin Czyczerski - President of the Management Board (until 11.05.2023);
- Dariusz Miłek - President of the Management Board (as of 12.05.2023);
- Karol Półtorak - Vice Chairman of the Board;
- Igor Matus - Vice Chairman of the Board;
- Adam Holewa - Vice Chairman of the Management Board (until 12.06.2023).

On 11.05.2023, Mr. Marcin Czyczerski submitted his resignation from the position of President of the Company's Management Board, effective from 11.05.2023, due to his appointment to the position of President of the Management Board of Modivo S.A.

Accordingly, the Supervisory Board, acting based on § 10 Section 2 and § 16 Section 2 Item 1) of the Company's Articles of Association, adopted Resolution No. 02/05/2023/RN dated 11/05/2023 to appoint Mr. Dariusz Miłek to the Company's Management Board as President of the Management Board as of 12/05/2023.

On 6.06.2023. Mr. Adam Holewa resigned from the position of Vice President of the Company's Management Board and from the Management Board of the Company for personal reasons, effective 12.06.2023.

On 12.06.2023. The Company's Ordinary General Meeting of Shareholders passed Resolution No. 19/AGM/2023 on establishing the number of members of the Supervisory Board for the ninth term, which as of 12.06.2023 is up to 6 members.

The composition of the Supervisory Board in 2023 was as follows:

- Dariusz Miłek - Chairman of the Supervisory Board (until 11.05.2023);
- Wiesław Oleś - Chairman of the Supervisory Board (from 12.06.2023), Vice Chairman of the Supervisory Board (until 11.06.2023);
- Mariusz Gnych - Vice Chairman of the Supervisory Board (from 12.06.2023), member of the Supervisory Board (until 11.06.2023); member of the Audit Committee;
- Zofia Dzik - member of the Supervisory Board; member of the Audit Committee;
- Filip Gorczyca - Member of the Supervisory Board; Chairman of the Audit Committee;
- Piotr Kaminski - member of the Supervisory Board (from 12.06.2023);
- Marcin Stańko - member of the Supervisory Board (since 12.06.2023).

In connection with the appointment of Mr. Dariusz Miłek to serve as President of the Company's Management Board, Mr. Dariusz Miłek resigned from the Supervisory Board on 11/05/2023, effective as of the effective date of the resolution appointing him to the Company's Management Board and serving as President of the Management Board.

At the Annual General Meeting held on 12/06/2023, the following changes were made to the composition of the Supervisory Board:

- Mr. Marcin Stańko and Mr. Piotr Kaminski were appointed for a joint three-year term of office (Resolution No. 20/AGM/2020 and No. 21/AGM/2023, dated 12.06.2023);
- Mr. Wiesław Oleś was appointed Chairman of the Supervisory Board (Resolution No. 22/AGM/2023 dated 12.06.2023).

The above changes came into effect on the date of adoption of the aforementioned resolutions.

In addition, the Supervisory Board on 12/06/2023, pursuant to § 4(2) of the Supervisory Board Regulations, adopted Resolution No. 01/06/2023/RN on the election of Vice Chairman of the Supervisory Board - Mr. Mariusz Gnych.

### **1.3. Key changes in the Remuneration Policy**

During the reported year, the Remuneration Policy did not undergo any changes.

### **1.4. Deviations from the Remuneration Policy**

During the reporting period, the Company applied the derogation referred to in Article 90f of the Public Offering Act, which is that no variable remuneration component in the form of individual short-term bonus and team short-term bonus was granted to members of the Management Board starting from the second half of 2022. Details of the derogation applied are described in Section 9.2.

During the reported period, the Company did not apply any other deviations from the Remuneration Policy.

## 2. The amount of total remuneration broken down into components and the mutual proportions between these components

Below, the Company presents in separate tables the amount of total compensation, including all benefits, regardless of their form, received by or due to individual members of the Management Board and Supervisory Board during the reported period, along with the proportions between variable and fixed components.

The data are presented in Polish zlotys, rounded up to the nearest whole zloty. As a rule (unless otherwise indicated), **the tables present remuneration due (due, according to their due date) and simultaneously paid to members of the bodies (as a rule, all due benefits have been paid) during the reported period.** For example, the fixed remuneration for January is paid by the 10th of the following month, so it is shown in February (in accordance with the due date).

The report covers fixed remuneration paid between February 2023 and January 2024, i.e. during the reported fiscal year.

### 2.1. The amount of total remuneration of members of the Management Board

Members of the Management Board receive a fixed salary from the Company by virtue of their appointment. In addition, they receive additional monetary and non-monetary benefits listed in II. 1. 1) 3. of the Remuneration Policy, i.e., private medical care packages covering their immediate family members and the use of company cars for private purposes.

As a rule, variable remuneration includes semi-annual bonuses (based on individual criteria, i.e. dependent on the performance of individual tasks approved by the Supervisory Board by members of the Management Boards), annual bonuses (team criteria) and long-term bonuses (based on the increase in the Company's value over periods exceeding 1 year, calculated as the increase in the Company's share price).

In accordance with item II. 1. 2) 1. of the Remuneration Policy, the individual short-term bonus for the first half of the year is paid by 30.09 of the given year, and for the second half of the year - by 31.03 of the following year. In turn, the short-term team bonus, covering the period of the fiscal year, is paid by 31.03 of the following year. As for the long-term bonus, according to the wording of the Remuneration Policy, it is paid twice, each time in two equal parts - for the first period, i.e. from 1.01.2020 to 31.07.2021, by 31.08.2021 and 30.11.2021, and for the second period, i.e. from 1.08.2021 to 31.07.2024, by 30.09.2024 and 30.11.2024.

On 10.05.2023. The Supervisory Board adopted a resolution to temporarily waive the application of the Remuneration Policy insofar as it regulates the granting of variable remuneration components to members of the Management Board in the form of individual short-term bonus and team short-term bonus starting from the second half of 2022 (hereinafter: "**Resolution 01/05/2023/RN**").

Accordingly, the Supervisory Board did not set specific individual and team short-term goals in the form of a resolution, and as a result, the individual short-term bonus and team short-term bonus for the reported period were not payable. It should be emphasized that this approach gained the approval of the Management Board, as the Supervisory Board, in consultation with the Management Board, decided that it was necessary to modify the rules for awarding short-term bonuses to be able to link them more strongly to additional financial targets set for the Management Board.

According to the Remuneration Policy, the Company shapes the remuneration system so that the share of variable remuneration ranges from 65% to 150% of the amount of fixed remuneration (excluding long-term bonus based on share price). The remuneration system currently in operation is designed in accordance with these assumptions - as a model, if all the bonuses stipulated in the Remuneration Policy are awarded (in the absence of deviations from the application of the Policy), their amounts oscillate within the indicated range. However, considering the nature of variable remuneration (the dependence of its award and amount on the fulfillment of designated criteria, which are influenced not only by the activities of the members of the Management Board, but also by the business environment, market conditions, etc.), as well as the deviations from the Policy applied by

the Company, the proportion of variable remuneration actually paid in a given fiscal year in relation to fixed remuneration may not be within the framework specified in the Remuneration Policy. In the reported period, it is not possible to determine this proportion due to the failure to award variable remuneration to members of the Management Board as a result of the application of a temporary deviation from the application of the Remuneration Policy regarding variable remuneration components (individual short-term bonus and team short-term bonus).

**Table No. 1 - Total remuneration of Board members <sup>[1]</sup>**

Name of Board member, position		Fixed remuneration components		Variable components of remuneration <sup>[2]</sup>			The sum of all salary components	Proportion of variable remuneration to fixed remuneration (excluding long-term bonus based on share price - in accordance with Section II.3 of the Remuneration Policy) <sup>[3]</sup>
		Remuneration for appointment	Additional monetary and non-monetary benefits, including benefits for next of kin	One-time remuneration	Short-term bonus <sup>[3]</sup>	Long-term premium (for the period 1.01.2020 - 31.07.2021)		
<b>Dariusz Miłek,</b> CEO (as of 12.05.2023).	2023	766 667	5 082	0	0	0	771 749	n/a.
	2022	n/a.	n/a.	n/a.	n/a.	n/a.	n/a.	n/a.
<b>Marcin Czyczerski,</b> CEO (until 11.05.2023).	2023	433 333	8 282	0	0	0	441 615	n/a.
	2022	1 200 000	18 311	0	350 000	0	1 568 311 <sup>[4]</sup>	29%
<b>Karol Halftorak,</b> Vice President	2023	840 000	16 924	0	0	0	856 924	n/a.
	2022	840 000	15 359	0	245 000	0	1 100 359 <sup>[4]</sup>	28%
<b>Adam Holewa,</b> Vice Chairman of the Board (until 12.06.2023).	2023	373 333	10 543	0	0	0	383 876	n/a.
	2022	840 000	10 594	0	245 000	0	1 095 594 <sup>[4]</sup>	29%
<b>Igor Matus,</b> Vice President	2023	840 000	21 625	0	0	0	861 625	n/a.
	2022	840 000	10 464	0	245 000	0	1 095 464 <sup>[4]</sup>	29%
<b>Kryspin Derejczyk</b> Vice President (until 17.01.2023).	2023	36 667 <sup>[5]</sup>	1 973 <sup>[5]</sup>	443 333 <sup>[6]</sup>	n/a.	n/a.	481 973	n/a.
	2022	840 000	16 008	0	245 000	0	1 101 008 <sup>[4]</sup>	29%

<sup>[1]</sup> This table covers the full fiscal year of the Company, i.e. the period from 01.02.2023 to 31.01.2024 ("**2023**"). For comparative purposes, the data presented in this table also includes data for the previous fiscal year, i.e., the period from 01.02.2022 to 31.01.2023 ("**2022**"), in accordance with the 2022 report on remuneration of members of the Management Board and Supervisory Board.

<sup>[2]</sup> The amounts shown for 2022 include bonuses paid in 2022 for the first half of 2022 and the second half of 2021; the short-term team bonus for 2021 has not been awarded and paid.

<sup>[3]</sup> The Supervisory Board adopted a resolution to temporarily waive the Remuneration Policy insofar as it regulates the granting of variable remuneration components to members of the Management Board in the form of individual short-term bonus and short-term team bonus starting from the second half of the year 2022. Due to the lack of granting variable remuneration components to members of the Management Board, it is not possible to determine the proportion of variable remuneration to fixed remuneration in the reported year.

<sup>[4]</sup> In the report on the remuneration of members of the Management Board and the Supervisory Board for 2022, due to an accounting error, the sum of all components of the remuneration of individual members of the Management Board was incorrectly indicated, i.e. regarding:

- Mr. Marcin Czyczerski - PLN 1,596,877; the correct amount - PLN 1,568,311,

- Mr. Karol Półtorak - PLN 1,101,709; the correct amount - PLN 1,100,359, and the proportion of variable remuneration to fixed remuneration - 29% (instead of 28%),

- Mr. Adam Holewa - PLN 1,106,086; the correct amount - PLN 1,095,594, and the proportion of variable versus fixed remuneration - 28% (instead of 29%),

- Mr. Igor Matus -1,100,456 zloty; the correct amount - 1,095,464 zloty,

- Mr. Kryspin Derejczyk - PLN 1,108,681; the correct amount - PLN 1,101,008, and the proportion of variable remuneration to fixed remuneration - 29% (instead of 28%).

The above table already includes revised data for 2022.



<sup>[5]</sup> In the year under review, Mr. Kryspin Derejczyk received remuneration to which he was entitled for his last month of service on the Management Board (appointment fees and fringe benefits). They were due in February 2023; however, this remuneration is not related to his service on the Management Board in fiscal 2023.

<sup>[6]</sup> In the period of 18-26.01.2023. The Company entered into an assignment agreement with Mr. Kryspin Derejczyk, the subject of which was the transfer of the ongoing matters and projects that he had previously handled as a member of the Management Board, as well as the detailed implementation of the person designated by the Company as assuming management responsibilities.

## 2.2. The amount of total remuneration of members of the Supervisory Board

The amounts of remuneration of members of the Supervisory Board indicated in detail below illustrate the total compensation received by members of the Supervisory Board in 2023 (all due benefits have been paid).

In accordance with Section II. 1. 1) 1. of the Remuneration Policy, members of the Supervisory Board receive basic remuneration by virtue of their appointment in the amount determined by resolution of the General Meeting of Shareholders. The amount of monthly basic remuneration may vary between individual members of the Supervisory Board due to their functions.

Basic remuneration by virtue of appointment is payable, in arrears, by the 10th of each month. The remuneration for a given month is not due if a member of the Supervisory Board did not attend a duly convened meeting at least once in that month for unjustified reasons.

In accordance with the wording of the Remuneration Policy, in addition to the fixed remuneration for their appointment, members of the Supervisory Board may also receive additional monetary and non-monetary benefits listed in Section II. 1. 1) 3 of the Remuneration Policy. The additional benefits, i.e. a private medical care package covering also immediate family members, were enjoyed by Mr. Dariusz Miłek and Mr. Mariusz Gnych in fiscal 2023. The other members of the Supervisory Board did not receive additional benefits.

In accordance with Section II. 1. 2) 15. of the Remuneration Policy, members of the Supervisory Board do not receive variable components of remuneration from the Company. Due to the lack of variable components of remuneration for members of the Supervisory Board, it is not possible to determine the proportion between fixed and variable components, as referred to in Article 90d (3)(2) of the Public Offering Act.

Detailed rules for remuneration of members of the Supervisory Board are set out in Resolution No. 28/AGM/2022 of the Ordinary General Meeting of Shareholders of the Company of 15.06.2022 on the principles of remuneration of members of the Supervisory Board of CCC S.A. appointed for the next ninth term.

Mr. Dariusz Miłek, serving as Chairman of the Supervisory Board until 11.05.2023, submitted a statement of voluntary resignation and renunciation of remuneration for membership in the Supervisory Board and serving as Chairman of the Supervisory Board, due to his role as a shareholder - Mr. Dariusz Miłek holds through ULTRO S. à r.l. 33.33% of shares in the Company's share capital (39.01% of votes at the General Meeting of Shareholders).

**Table No. 2 - Total remuneration of members of the Supervisory Board <sup>[1]</sup>**

Name and surname of Supervisory Board member, position		Fixed remuneration components		The sum of all salary components	Proportion of variable versus fixed remuneration
		Remuneration for appointment and for additional functions in a separate committee	Additional monetary and non-monetary benefits, including benefits for next of kin		
<b>Dariusz Milek</b> <sup>[2]</sup> , Chairman of the Supervisory Board (until 11.05.2023).	2023	0	3 630	3 630	n/a. - no variable remuneration
	2022	0	8 712	8 712	
<b>Wiesław Oleś</b> , Chairman of the Supervisory Board (as of 12.06.2023), Vice Chairman of the Supervisory Board (until 11.06.2023).	2023	240 000	0	240 000	
	2022	240 000	0	240 000	
<b>Mariusz Gnych</b> , Vice Chairman of the Supervisory Board (as of 12.06.2023), Member of the Supervisory Board (until 11.06.2023), member of the Audit Committee	2023	245 714	3 960	249 674	
	2022	104 381	2 310	106 691	
<b>Filip Gorczyca</b> , Member of the Supervisory Board Chairman of the Audit Committee	2023	216 000	0	216 000	
	2022	216 000	0	216 000	
<b>Zofia Dzik</b> , Supervisory Board member, member of the Audit Committee	2023	192 000	0	192 000	
	2022	192 000	0	192 000	
<b>Piotr Kaminski</b> , Member of the Supervisory Board (as of 12.06.2023).	2023	80 571	0	80 571	
	2022	n/a.	n/a.	n/a.	
<b>Marcin Stanko</b> , Member of the Supervisory Board (as of 12.06.2023).	2023	80 571	0	80 571	
	2022	n/a.	n/a.	n/a.	

<sup>[1]</sup> This table covers the full fiscal year of the Company, i.e. the period from 01.02.2023 to 31.01.2024 ("2023"). For comparative purposes, the data presented in this table also includes data for the previous fiscal year, i.e., the period from 01.02.2022 to 31.01.2023 ("2022"), in accordance with the 2022 report on the compensation of members of the Management Board and Supervisory Board.

<sup>[2]</sup> Mr. Dariusz Milek, serving as Chairman of the Supervisory Board until 11.05.2023, submitted a statement of voluntary resignation and renunciation of remuneration for his membership in the Supervisory Board and acting as Chairman of the Supervisory Board, starting from his appointment as a member of the Supervisory Board.

### **3. Explanation of how total compensation is consistent with the adopted Compensation Policy, including how it contributes to the Company's long-term performance**

The report provides a comprehensive overview of remuneration, including all benefits, regardless of their form, received by or due to individual members of the Company's Management Board and Supervisory Board in fiscal year 2023 - in accordance with the Remuneration Policy.

**It should be considered that the total compensation of members of the Company's Management Board and Supervisory Board is in accordance with the adopted Remuneration Policy.**

In accordance with Article 90e of the Public Offering Act, the Company has paid remuneration to members of the Management Board and the Supervisory Board only in accordance with the provisions of the Policy during the period since the Remuneration Policy came into effect - remuneration included only the components provided for in the Remuneration Policy and was paid in accordance with its principles, including in the correct amount, based on the correct legal basis and based on predetermined criteria.

No variable remuneration was granted to members of the Management Board in the year under review. However, this is in accordance with the Remuneration Policy, as the Supervisory Board, pursuant to Article 90f of the Public Offering Act and Section IX of the Remuneration Policy, decided to temporarily derogate from the application of the Remuneration Policy insofar as it regulates the granting of variable remuneration components to members of the Management Board in the form of an individual short-term bonus and a short-term team bonus starting in the second half of 2022.

Pursuant to Section IX, paragraph 1 of the Remuneration Policy, a temporary deviation from the application of the Remuneration Policy may be made if necessary for:

- 1) The realization of the Company's long-term interests and
- 2) ensure the financial stability of the Company or guarantee the Company's profitability.

In accordance with Section IX, paragraph 3 of the Remuneration Policy, the waiver of the Remuneration Policy may not last for more than 2 consecutive fiscal years at a time. This period was not exceeded in the reported year.

With a particular view to the Company's financial stability, the Supervisory Board, in consultation with the Management Board, decided that it was necessary to modify the rules for awarding individual short-term bonuses to be able to link them more strongly to additional financial goals set for the Management Board, including the Company's achievement of minimum profitability targets expressed as the ratio of EBITDA to revenue. Consequently, the reason for abandoning the Remuneration Policy is the need to align the practice of paying salaries and bonuses to the Management Board with the market situation and to build an appropriate incentive - thus serving the long-term interest of the Company.

Notwithstanding the above, the total compensation of the members of the Management Board and the Supervisory Board contributes to the Company's long-term performance by paying salaries set in accordance with market practice, which are sufficient to attract, retain and motivate persons with the competencies necessary for the proper management and supervision of the Company, and which are in line with the size of the company and bear a reasonable relationship to the Company's economic performance.

### **4. Information on how the performance criteria were applied**

Since the Supervisory Board, based on Resolution 01/05/2023/RN, decided to temporarily waive the application of the Remuneration Policy insofar as it regulates the award of variable remuneration components in the form of individual short-term bonus and short-term team bonus to members of the Management Board starting from the second half of the year 2022, the Company did not set the criteria conditioning the award of individual short-term bonus and short-term team bonus. In addition, the long-term bonus for the period from August 1, 2021 to July 31, 2024, in accordance with II. 1. 2) 1. c. of the Remuneration Policy will be settled in 2024. Consequently, members of the Management Board were not entitled to variable remuneration in the reported year.

5. Information on the change, on an annual basis, in the remuneration of members of the Management Board and Supervisory Board, the Company's results and the average remuneration of the Company's employees who are not members of the Management Board or Supervisory Board

**Table No. 4 - Summary data on the remuneration of members of the Management Board and Supervisory Board, the Company's performance and the average remuneration of the Company's employees who are not members of the Management Board or Supervisory Board for the years 2019-2023 <sup>[1]</sup>**

Data in thousands of PLN	2019	2020 <sup>[2]</sup>	2021 <sup>[3]</sup>	2022	2023
<b>Remuneration of the Management Board (total)</b>	4 087,1	3 460	30 829,82	6 848,08	3 797,76
Year-on-year change		-15%	+791%	-78%	-45%
<b>Average salary of a member of the Management Board (annual)</b>	1 196,2	1 153,3	4 404,26 <sup>[3]</sup>	1 141,34	1 057,06
Year-on-year change		-4%	+282%	-74%	-7%
<b>Remuneration of the Supervisory Board (total)</b>	450,8	506,6	723,9	849,12	1 062,45
Year-on-year change		+12%	+43%	+17%	+25%
<b>Average salary of a member of the Supervisory Board (annual)</b>	94,91	92,1	132,6	169,82	191,34
Year-on-year change		-3%	+44%	+28%	+13%
<b>Sales revenue of the Company</b>	2 270 068	1 822 790	2 408 271	2 721 871	2 655 647
Year-on-year change		-20%	+32%	+13%	-2%
<b>Company's gross profit on sales</b>	693 729	728 719	803 710	793 669	768 667
Year-on-year change		+5%	+10%	-1%	-3%
<b>Average compensation of the Company's employees other than members of the Management Board and RN (for the ..)</b>	42 071,04	46 019,41	49 519,35	55 534,44	57 624,15
Year-on-year change		+9%	+8%	+12%	+4%

<sup>[1]</sup> The 2019 fiscal year covered the period from January 1, 2019 to December 31, 2019. ("2019"). The fiscal year 2020 covered the period from 01/01/2020 to 31/01/2021. ("2020"). The 2021 fiscal year covered the period from 01.02.2021 to 31.01.2022 ("2021"). The 2022 fiscal year covered the period from 01.02.2022 to 31.01.2023 ("2022"). The 2023 fiscal year covered the period from 1.02.2023 to 31.01.2024 ("2023").

<sup>[2]</sup> The data for fiscal year 2020 exceptionally covers a 13-month period, so the presented percentage change in the Company's salaries and performance on an annual basis may not reflect the actual trend of change.

<sup>[3]</sup> During 2021, the composition of the Management Board increased from 3 to 7 people, and in addition, a long-term bonus - by design paid at intervals of several years and in amounts higher than short-term bonuses - was paid and included in this summary, so the year-on-year percentage comparison of the Company's compensation and performance may not reflect the true trend of change.

Since the long-term bonus (paid in 2021) is by definition settled in intervals of several years and in higher amounts than short-term bonuses, the year-on-year percentage comparison of the Company's compensation and performance may not reflect the actual trend of changes. The following table shows the total compensation of the Management Board and the annual average compensation of a member of the Management Board without considering the long-term bonus:

**Table No. 5 - Summary data on remuneration of members of the Management Board  
For the years 2019-2023 without considering the long-term bonus**

Data in thousands of PLN	2019	2020	2021	2022	2023
<b>Remuneration of the Management Board (total)</b>	<b>4 087,1</b>	<b>3 460</b>	<b>6 385,82</b>	<b>6 848,08</b>	<b>3 797,76</b>
Year-on-year change		-15%	+85%	+7%	-45%
<b>Average salary of a member of the Management Board (annual)</b>	<b>1 196,2</b>	<b>1 153,3</b>	<b>912,26</b>	<b>1 141,34</b>	<b>1 057,06</b>
Year-on-year change		-4%	-21%	+25%	-7%

## 6. The amount of remuneration from entities belonging to the same capital group

According to the Compensation Policy, the total compensation of members of the Management Board received from other Group entities should not exceed 50% of the total compensation received from the Company. In the reported fiscal year, this requirement was met.

This table presents the remuneration of the members of the Management Board that they received from Group entities other than the Company during their tenure at CCC S.A. The table includes only those members of the Management Board who received fixed or variable components of remuneration from Group entities during the reported year.

**Table No. 6 - Remuneration of Management Board members from Group entities <sup>[1]</sup>**

Name of Board member, position		Disbursing entity	Fixed remuneration components		The sum of all salary components	Total wages from all entities
			Management contract	Employment contract		
<b>Marcin Czyczerski</b> , President of the Management Board of CCC S.A. (until 11.05.2023).	2023	CCC Factory sp. z o.o. <sup>[2]</sup>	n/a.	19 250	19 250	19 250
	2022	CCC Factory sp. z o.o.	0	39 720	39 720	39 720
<b>Adam Holewa</b> , Vice President of the Management Board of CCC S.A. (until 12.06.2023)	2023	CCC Factory sp. z o.o. <sup>[3]</sup>	n/a.	21 543	21 543	21 543
	2022	CCC Factory sp. z o.o.	n/a.	36 120	36 120	36 120
<b>Igor Matus</b> , Vice President of the Management Board of CCC S.A.	2023	MODIVO S.A.	12 000	n/a.	12 000	55 120
		HalfPrice sp. z o.o.	n/a.	14 400	14 400	
		CCC Factory sp. z o.o.	n/a.	28 720	28 720	
	2022	CCC Factory sp. z o.o.	n/a.	36 120	36 120	47 120
		MODIVO S.A.	11 000	n/a.	11 000	
<b>Kryspin Derejczyk</b> , Vice President of the Management Board of CCC S.A. (until 17.01.2023).	2023	DeeZee <sup>[4]</sup> sp. z o.o.	n/a.	5 500	5 500	5 500
	2022	DeeZee sp. z o.o.	n/a.	36 120	36 120	36 120

<sup>[1]</sup> This table covers the full fiscal year of the Company, i.e. the period from 01.02.2023 to 31.01.2024 ("**2023**"). For comparative purposes, the data presented in this table also includes data for the previous fiscal year, i.e., the period from 01.02.2022 to 31.01.2023 ("**2022**"), in accordance with the 2022 report on remuneration of members of the Management Board and Supervisory Board.

<sup>[2]</sup> The remuneration received from CCC Factory sp. z o.o. covers the period 01.02.2023. - 31.05.2023, i.e. until the end of the month in which Mr. Marcin Czyczerski served as Chairman of the Board in the Company.

<sup>[3]</sup> The remuneration received from CCC Factory sp. z o.o. covers the period 01.02.2023. - 30.06.2023, i.e. until the end of the month in which Mr. Adam Holewa served as Vice President of the Management Board in the Company.

<sup>[4]</sup> The remuneration received from DeeZee sp. z o.o. covers the period from 01.01.2023. - 31.01.2023, i.e. until the end of the month in which Mr. Kryspin Derejczyk served as Vice President of the Management Board in the Company in fiscal year 2022. The payment date of the remuneration was February 2023, hence the remuneration is shown in this table.

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## **7. The number of financial instruments granted or offered and the main conditions for exercising the rights from these instruments**

In 2022, Board members: Marcin Czyczerski (President of the Management Board until 11 May 2023), Karol Póltorak and Igor Matus, as well as Dariusz Miłek (who also serves as Chairman of the Supervisory Board until 11 May 2023) signed Participation Agreements for the MODIVO Incentive Program (organized by MODIVO S.A., a Group company). Based on the concluded Participation Agreements, these persons may acquire rights to subscribe for and/or purchase shares in MODIVO S.A. at the time of settlement of this program, provided that the conditions specified in this program are met. During the reported period, the MODIVO Incentive Program was not settled, so participants did not acquire any Entitlements or subscribe for/acquire MODIVO S.A. shares under this program.

Members of the Company's Management Board and Supervisory Board, except for participation in the MODIVO Incentive Program, do not participate in other incentive programs organized by the Company or other Group entities, and therefore no financial instruments have been granted or offered.

## **8. Information on the use of the option to request reimbursement of variable remuneration components**

During the period covered by this report, the Company did not claim any variable remuneration.

## **9. Information on deviations from the Remuneration Policy, including an explanation of the rationale and procedure, and an indication of the elements from which deviations have been applied**

### **9.1. Information on deviations from the procedure for implementing the Remuneration Policy**

During the reported period, the Company did not deviate from the procedure for implementing the Remuneration Policy.

### **9.2. Information on derogations applied in accordance with Article 90f of the Public Offering Act**

The Company exercised the option to temporarily waive the application of the Remuneration Policy in accordance with the procedure provided for in Article 90f of the Offering Act and Item IX of the Remuneration Policy. The withdrawal was based on Resolution 01/05/2023/RN dated 10/05/2023, to the extent that the Remuneration Policy regulates the granting of variable remuneration components to members of the Management Board in the form of individual short-term bonus and team short-term bonus starting from the second half of 2022.

The reason for the waiver is the need to align the practice of paying salaries and bonuses to the Management Board with the market situation and to build adequate motivation for Board members.

Indeed, the Supervisory Board noted the need for a stronger link between individual short-term bonuses and the Company's ongoing performance and the achievement of budget targets. According to the current Remuneration Policy, the individual short-term bonus depends on the fulfillment of individualized tasks assigned to members of the Management Board, which relate to financial and non-financial goals. With a particular focus on the Company's financial stability, the Supervisory Board, in consultation with the Management Board, decided that it was necessary to modify the rules for awarding individual short-term bonuses to be able to link them more strongly to the achievement of additional financial goals set for the Management Board, including in particular the achievement of minimum profitability targets expressed as the EBITDA-to-revenue ratio.

Consequently, the application of the waiver was justified by the need to adjust the practice of pursuing the Company's long-term interests and financial stability, and to guarantee its profitability.

The above waiver is temporary in nature, pending amendments to the Remuneration Policy regarding the variable components of remuneration for members of the Management Board in the form of individual short-term bonus and team short-term bonus.

**10. Explanation of the manner in which the General Assembly's opinionative resolution relating to the previous remuneration report was considered**

The last resolution giving an opinion on the report on the remuneration of members of the Management Board and the Supervisory Board for 2022, i.e. Resolution No. 18/AGM/2023 of the Ordinary General Meeting of CCC S.A. of 12.06.2023 on giving an opinion on the Report on the remuneration of members of the Management Board and the Supervisory Board of the Company for 2022, contained a positive assessment of the aforementioned report and did not indicate any additional comments or demands regarding the Remuneration Policy, so there was no need to take additional actions to implement it.

In the reported fiscal year, therefore, the Company and the CCC Group continued to apply the good practices developed to date regarding the remuneration of members of the Management Board and Supervisory Board and the reporting of remuneration paid.

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The report was approved by the Supervisory Board by Resolution No. 12/05/2024/RN of May 16, 2024.

The report was evaluated by a certified auditor regarding the inclusion of information required under Article 90g, paragraphs 1-5 of the Public Offering Act. The entity authorized to evaluate the remuneration report is Ernst & Young Audyt Polska sp. z o.o. sp. k.

Done:	Signatures:
Wiesław Oleś	
Filip Gorczyca	
Zofia Dzik	
Mariusz Gnych	
Piotr Kamiński	
Marcin Stańko	
Polkowice, May 16, 2024.	