



REMUNERATION REPORT
OF MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD
OF CCC S.A.
FOR 2021

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1. Introduction

Fulfilling the obligation arising from Article 90g of the Act of 29 July 2005 on public offering and the conditions for introducing financial instruments to organized trading system and on public companies (Journal of Laws 2021, item 1983, as amended; hereinafter referred to as the "**Act on Offering**"), the Supervisory Board of CCC S.A. (hereinafter: "**the Company**" and together with its subsidiaries - "**the Group**") prepares an annual report on remuneration (the "**Report**"), providing a comprehensive overview of compensation, 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 1.02.2021 to 31.01.2022, in accordance with the Policy of remuneration of members of the Management Board and the Supervisory Board of CCC S.A. of June 24, 2020, including changes adopted by Resolution of the Ordinary General Meeting No. 19/ZWZA/2021 of June 22, 2021 (hereinafter: "**Remuneration Policy**").

The report covers the full financial year of the Company, i.e. the period from 1.02.2021 to 31.01.2022. (hereinafter: "**2021**"). For comparative purposes, the data presented in this Report also include the most significant data for the previous financial year, i.e., the period from 01.01.2020 to 31.01.2021. (hereinafter: "**2020**"), in accordance with the Report on remuneration of the members of the Management Board and the Supervisory Board for 2019 and 2020 (after possible adjustment with respect to the projected amounts included in the aforementioned Report).

However, one should notice that the fiscal year 2020 exceptionally constituted a 13-month period due to the change of the Company's fiscal and tax year to the period from February 1 to January 31, with effect from 01.02.2021. (in accordance with Resolution No. 3/NWZA/2019 of the Extraordinary General Meeting of the Company of September 26, 2019), so that the comparative data presented for this year also refers to a 13-month period.

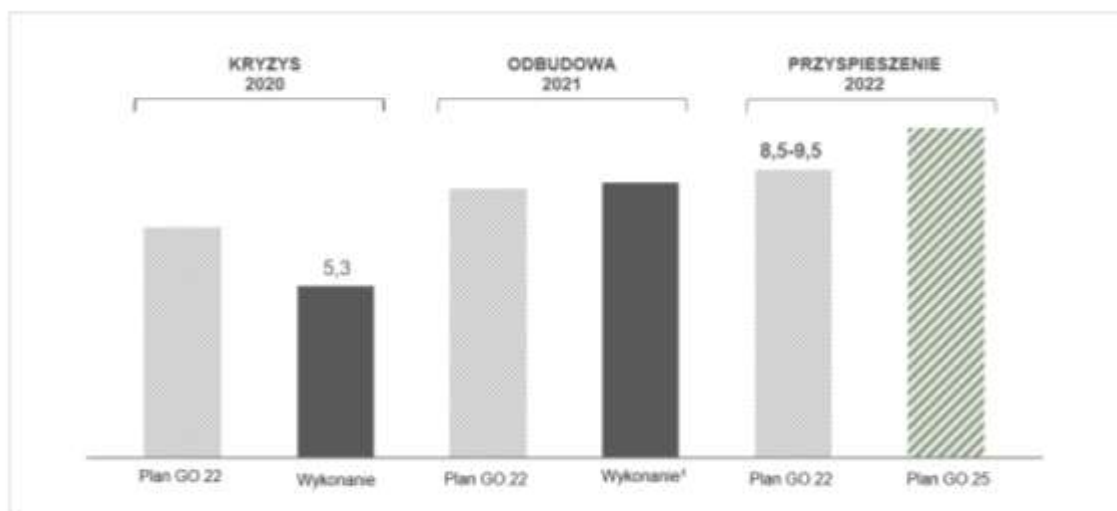
Unless otherwise indicated, all monetary amounts in the Report are presented in Polish zloty and on a gross basis.

The Company provides below a summary of compensation highlights for the period covered.

1.1. Key events in the business environment of the Company influencing remuneration of members of the Management Board or Supervisory Board

The year 2021 was - after 2020 - another period of intensive efforts to neutralize the negative impact on the business from the still ongoing COVID-19 pandemic, but also further strong changes in both the Group and its environment and acceleration of market trends in the apparel and footwear retail sector. Key trends include (i) the acceleration of the development of digital channels, the importance of which was additionally stimulated by periods of offline store closures (lockdowns), (ii) further rapid development of the casual and sports clothing and footwear segment (the so-called "sneaker trend"), and (iii) the acceleration of the development of the retail segment. (ii) further rapid growth of the casual and sports apparel and footwear segment (sneaker trend), (iii) growing importance of circularity and environmental issues, (iv) further growth of the value for money segment, where consumers seek the best value for money, including well-known brands, and (v) further market consolidation and market share gains by the largest players. Overall, in terms of value, the footwear and apparel market recovered somewhat in 2021 after a deep decline in value in 2020 due to the outbreak of the COVID-19 pandemic and repeated restrictions on the ability to trade (lockdowns).

The market trends described above were identified by the Company back in the GO.22 strategy adopted in early 2020. In 2021. Management implemented the actions planned in the GO.22 strategy adapted to pandemic conditions and responded on an ongoing basis to new market opportunities that arose in order to strengthen the Group's market position. As a result, the CCC Group was able to exceed the revenue targets in the GO.22 strategy in 2021 and rebuild sales faster than the broad market.



Realizacja vs plany z GO 22, 2020-2022 (mid PLN)

*Tłum z procentów wartości (2420 000, realizowane na 100%), źródło: Plan Biznesowy CCC w Austrii

Source: Strategy GO.25; strategy.ccc.eu

The key actions implemented by the Management Board, which led to strengthening the Group's market position in a difficult period for the sector, include

- Further digitalization of CCC stores, including the introduction of e-kiosks in over 700 stores, the introduction of deferred payment service in offline stores, the launch of Order Management System transforming stores into logistics hubs, performing shipments of products purchased online by customers. At the same time, the CCC stores network was optimized by reducing the number of stores by about 10%, mainly through the transformation of the largest CCC stores (less effective in the context of market trends) into stores of the newly established HalfPrice format.
- Launch of a new store format in the off-price segment, i.e. the HalfPrice chain. Nearly 50 stores with a total area of more than 80,000 m² in seven markets in the CEE region (Poland, Czech Republic, Austria, Croatia, Hungary, Slovakia, Slovenia) were launched within a few months of 2021. Additionally, the ecommerce channel halfprice.eu was launched in December 2021 as planned.
- Continued rapid growth of the Modivo Group (includes ecommerce platforms Eobuwie and Modivo). Eobuwie strengthened its position as the leader of the online footwear trade market in Central and Eastern Europe, while realizing significant growth in selected markets of Western Europe. A very rapid development of the Modivo platform also took place, which in 2021 reached a scale of approximately PLN 500 million in revenues (an increase of more than 100% y/y). Work was also initiated on the Modivo marketplace, which is scheduled to launch in 2022. The Modivo Group also launched a new logistics center in Bucharest and its first hybrid offline store outside Poland - in Prague (Czech Republic).
- The rapid growth of the Modivo Group's business was accompanied by ownership changes implemented by the Management Board of CCC Group, involving the purchase by CCC Group of 20% of shares from a minority shareholder of Modivo and their sale to new investors (Cyfrowy Polsat and A&R Investments), as well as the acquisition of a new investor - the largest global technology fund, i.e. the Softbank Group, which invested PLN 500 million in Modivo.
- A radical reduction of the Group's presence in the area of offline stores in the DACH region (Germany, Switzerland, Austria) through the sale of shares in the NG2 company (owner of the Karl Voegelé chain) and closing down the operation of physical stores under the CCC banner on the Austrian market.
- The Group's refinancing process carried out by the Board in 2021, providing the Group with financial stability by obtaining long-term financing including bank and bond financing.

The above actions strengthened the leadership of CCC Group in the footwear industry and opened opportunities for growth in the clothing sector.

In 2021, the Company's Management Board was also competently strengthened with the appointment of four new members, managers with extensive market experience in their assigned areas: Adam Holewa, Igor Matus, Kryspin Derejczyk and Adam Marciniak. In addition, Modivo S.A. named the new President of the Management Board. (formerly eobuwie S.A.), Damian Zapata was appointed as the new CEO of Modivo S.A.

The Management Board believes that new business opportunities are ahead of the Group as a result of the above-mentioned acceleration of market changes occurring in 2020-2021 due to the COVID-19 pandemic. In the second half of 2021. Management conducted a process of in-depth strategic analysis and a thorough review of the organization, resulting in the preparation and adoption of CCC Group's updated corporate strategy, called *GO.25. Everything Fashion. Omnichannel platform*.

Key objectives of the updated strategy through 2025 include:

- Triple the scale of the Group's business using an omnichannel platform model,
- Achieve EBITDA profitability of over 12%,
- Increased share of new product categories to over 1/3 share of sales - strong entry into new product categories with fashion as a common denominator, including, among others, apparel and home decor and beauty products,
- 60% share of online channels in sales,
- Improved customer satisfaction as measured by a 10 point increase in NPS (net promoter score) for all signboards and sales channels,
- Achieve an A+ rating on the MSCI ESG rating,
- Achieve +10 pp vs industry average for employee engagement index.

The events described above demonstrate the continued growth of the Company's and the CCC Group's business in 2021. The Company's operations and performance were significantly impacted by the ongoing COVID-19 pandemic, which involved the complexity of management processes and ongoing efforts to adapt the business to new market conditions.

The most up-to-date information on operations and business strategy is posted on a regular basis on the website: <https://corporate.ccc.eu/news/aktualnosci>.

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

In 2021, the composition of the Company's Management Board changed due to the appointment of new Board members. It consisted of the following persons:

- Marcin Czyczerski - President of the Management Board;
- Mariusz Gnych - Vice-President of the Management Board;
- Karol Półtorak - Vice President of the Management Board;
- Adam Holewa - Vice President of the Management Board (from 01.04.2021);
- Igor Matus - Vice-President of the Management Board (from 07.06.2021);
- Kryspin Derejczyk - Vice President of the Management Board (from 01.07.2021);
- Adam Marciniak - Vice-President of the Management Board (from 16.09.2021).

On 11.01.2022 Mr. Mariusz Gnych resigned from the position of Vice President of the Management Board of the Company, effective as of 31.01.2022. (end of the reporting period), after nearly 18 years of performing the function in the Management Board of the Company. With his resignation, Mr. Mariusz Gnych has expressed his intention to further engage in the affairs of the Company and become a candidate to the Supervisory Board of the Company.

In 2021, the composition of the Supervisory Board changed slightly. On July 12, 2021. Mr. Henry McGovern resigned from the Supervisory Board. As a result, the composition of the Supervisory Board in 2021 was as follows:

- Dariusz Miłek - Chairman of the Supervisory Board;
- Wiesław Oleś - Vice Chairman of the Supervisory Board;
- Zofia Dzik - Member of the Supervisory Board, member of the Audit Committee;

- Waldemar Jurkiewicz - Member of the Supervisory Board, member of the Audit Committee;
- Filip Gorczyca - Member of the Supervisory Board, Chairman of the Audit Committee;
- Henry McGovern - Member of the Supervisory Board (until 12 July 2021).

1.3. Key changes to the Remuneration Policy

On 22.06.2021, the General Meeting of Shareholders of the Company adopted resolution no. 19/ZWZA/2021 on adopting amendments to the Remuneration Policy for the members of the Management Board and the members of the Supervisory Board of CCC S.A. .

The amendment to the Remuneration Policy provided for in the aforementioned resolution (which received 97% of votes at the AGM) consisted in:

- modification of the rules for granting and paying long-term bonuses to Management Board Members - the bonus was divided into two parts, where the first part of the bonus depends on the increase in the Company's share price over the period 1 January 2020 - 31.07.2021, and the second part of the bonus depends on an increase in the Company's share price in the period 1.08.2021. - 31.07.2024 r.;
- detailing the principles for the payment of long-term bonuses in the event of dismissal or resignation from the Company's Management Board;
- allowing settlement of a long-term bonus for Management Board Members in shares and determining the rules for such settlement;
- allowing members of the Company's Management Board to participate in incentive programs created by other entities of the CCC Group under conditions approved by the Supervisory Board.

The above changes were made in connection with the completion of the 3-person Board phase focused on stabilizing the Company financially following a period of sales restrictions related to COVID Pandemic 19 resulting in a significant expansion of the Board's expansion.

In accordance with the principles of the Management Board's work and the Remuneration Policy, each member of the Management Board plays an important role by pursuing individual and team objectives which translate into the development and operation of the Company and, moreover, the achievement of its business strategy, long-term interests and stability. The changes introduced to the Remuneration Policy are intended to increase the motivation of the members of the Management Board to work effectively for the Company, to encourage them to cooperate with the Company in the long term and to further link the interests of the members of the Management Board with the interests of the Company.

At the same time, the Ordinary General Meeting of CCC S.A. of 22.06.2021 passed a resolution giving an opinion on the report on the remuneration of the members of the Management Board and the Supervisory Board, i.e. Resolution No. 17/ZWZA/2021 of the Ordinary General Meeting of CCC S.A. of 22.06.2021 on giving an opinion on the Report on the remuneration of the members of the Management Board and the Supervisory Board of the Company for the period from 1.01.2019 to 31.01.2021.

1.4. Deviations from the Remuneration Policy

In the reporting period, the Company did not apply any deviations from the Remuneration Policy or deviations referred to in Article 90f of the Act on Public Offering.

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

In separate tables below, the Company presents the total remuneration, including all benefits, regardless of their form, received by individual members of the Management Board and Supervisory Board or due to individual members during the reporting period, together with the proportions between the variable and fixed components.

The data is presented in Polish zloty, rounded to full zloty. Unless otherwise indicated, **the tables present remuneration due (payable) and paid at the same time to the members of the governing bodies (as a rule, all due benefits were paid) during the reporting period.**

As fixed remuneration is payable by the 10th of the following month, the Report includes fixed remuneration payable for the months of January 2021 to December 2021 paid between February 2021 and January 2022, i.e. during the reported financial year.

2.1. Total remuneration of the Management Board members

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

As part of variable remuneration, semi-annual bonuses (based on individual criteria), 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) are generally paid. Information on bonus criteria for 2021 is included in section 4 of the Report.

In accordance with para. II. 1. 2) 1. of the Remuneration Policy, the short-term individual bonus for the first half-year is paid by 30.09 of a given year, and for the second half-year - by 31.03 of the following year. On the other hand, the short-term team bonus, covering the period of the financial year, is paid by 31.03 of the following year. In the case of a long-term bonus for the years 2020-2022, according to the wording of the Remuneration Policy after the changes introduced by Resolution of the Ordinary General Meeting of Shareholders No. 19/ZWZA/2021 on the adoption of changes to the Remuneration Policy for the members of the Management Board and the Supervisory Board of CCC S.A., it is paid twice, each time in two equal parts - for the first period in the deadlines of 31.08.2021 and 30.11.2021 and for the second period in the deadlines of 30.09.2024 and 30.11.2024.

The Company reports the amounts of all bonuses in the Remuneration Report covering the year in which they were paid or became payable (generally: short-term individual bonus for the second half of the previous year and the first half of the reported year, short-term team bonus for the previous year, long-term bonus in parts payable when due in the reported financial year).

Pursuant to resolutions of the Supervisory Board No. 01/04/2020/RN of April 30, 2020, No. 03/09/2020/RN of September 29, 2020 and No. 02/01/2021/RN of January 28, 2021, adopted at the request of the Company's Management Board, **short-term bonuses for 2020 (for H1 and H2) were paid until March 31, 2021.** Therefore, the payment of bonuses for the 1st half of 2020 was postponed due to the prevailing market situation (COVID-19 pandemic). The semi-annual bonuses for H1 and H2 2020 are therefore included in this Report (in the table of total remuneration of the members of the Management Board in 2021), due to the timing of their payment.

Independently, in order to comprehensively present the implementation of the Remuneration Policy in the reporting period, the Company also presents the amount of bonuses granted for the financial year 2021, payable in the financial year 2022, as well as the criteria applied and information concerning their implementation (point 4 of the Report).

In accordance with the Remuneration Policy, the Company designs its remuneration system so that the share of variable remuneration amounts to 65% to 150% of fixed remuneration (**excluding long-term share-based bonus**). The remuneration system currently in place is designed in accordance with these assumptions - by way of model, in the case of awarding all bonuses provided for in the Policy, their amounts fluctuate within the indicated range. However, bearing in mind the nature of the variable remuneration (dependence of its granting and amount on the fulfilment of defined criteria, which are affected not only by the activity of members of the Management Board, but also the business environment, market conditions, etc.), the proportion of variable remuneration actually paid in a given financial year compared to fixed remuneration may not be within the range defined in the Remuneration Policy. Such a situation occurred in the reported period - this ratio was affected by the circumstance of non-payment to the members of the Management Board of the annual bonus due for

2020 (short-term team bonus), the payment date of which - if granted - would have been in 2021. The criteria for granting this bonus are described in the remuneration report for 2019 and 2020/21.

Total remuneration of the Management Board members ^[1]

Surname of the member, position		Fixed remuneration components		Variable components of remuneration		The sum of all remuneration components	Proportion of remuneration (e.g. term share price) in accordance with the Remuneration Policy
		Remuneration on appointment	Additional monetary and non-monetary benefits, including benefits for loved ones	Short-term bonus ^[2]	Long-term bonus (for the period 1.01.2020 - 31.07.2021) ^[3]		
Krawczyk, Member of the Board	2021	1 200 000	8 320	600 000	8 148 000	9 956 320	50%
	2020	1 204 375	8 320	0	0	1 212 695	n/a. - no variable components
Krawczyk, Member of the Board	2021	840 000	5 200	420 000	8 148 000	9 413 200	50%
	2020	976 500	5 200	140 000	0	1 121 700	14%
Krawczyk, Member of the Board	2021	840 000	9 100	420 000	8 148 000	9 417 100	49%
	2020	976 500	9 100	140 000	0	1 125 600	14%
Krawczyk, Vice Chairman of the Board (2021)	2021	630 000	-	140 000	0	770 000	22%
	2020	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Krawczyk, Vice Chairman of the Board (2021)	2021	480 000	46 200	0	0	526 200	n/a. - no variable components
	2020	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Krawczyk, Member of the Board (2021)	2021	420 000	53 300	0	0	473 300	n/a. - no variable components
	2020	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Krawczyk, Member of the Board (2021)	2021	245 000	-	0	0	245 000	n/a. - no variable components
	2020	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.

^[1] One should notice that the fiscal year 2020 was exceptionally a 13-month period due to the change of the Company's fiscal and tax year to the period from February 1 to January 31, with effect from 01.02.2021, so that the comparative figures presented for this year relate to a 13-month period.

^[2] Amounts shown include:

- in relation to 2020 - bonuses paid in 2020 for the second half of 2019; as the payment of the bonus for the first half of 2020 was postponed until 31.03.2021, the amount of this bonus was already paid in 2021;
- with respect to 2021, bonuses paid in 2021 for the first half of 2021 and the first and second half of 2020; the short-term team bonus for 2020 was not awarded and paid.

^[3] Amounts shown include:

- in respect of 2021 - long-term bonuses for the first period from 1.01.2020 to 31.07.2021;

Premiums awarded for 2021
payable in 2022

Name and surname of the Management Board member, position	Short-term individual bonus	Payment date
	H2 2021	
Marcin Czyczerski , President of the Management Board	200 000	by 10.04.2022.
Karol Półtorak , Vice-President of the Management Board	140 000	
Adam Holewa , Vice President of the Management Board (from 01.04.2021)	140 000	
Igor Matus , Vice President of the Management Board (from 07.06.2021)	140 000	
Kryspin Derejczyk , Vice President of the Management Board (from 01.07.2021)	140 000	
Adam Marciniak , Vice-President of the Management Board (from 16.09.2021)	140 000	

2.2. Total remuneration of the Supervisory Board members

The amounts of remuneration of the members of the Supervisory Board indicated in detail below illustrate the total remuneration received by the members of the Supervisory Board in 2021 (all due benefits have been paid).

Pursuant to item II. 1. 1) 1. Remuneration Policy Members of the Supervisory Board receive basic remuneration for the appointment in the amount determined by a resolution of the General Meeting. The amount of monthly basic remuneration may vary between individual Supervisory Board members due to the functions they perform.

Basic remuneration for the appointment is payable by the 10th day of each month (in arrears). The remuneration for a given month shall not be due if a member of the Supervisory Board fails to attend a properly convened meeting at least once in that month for unjustified reasons.

Pursuant to the content of the Remuneration Policy, in addition to the fixed remuneration for the appointment, members of the Supervisory Board may also receive additional cash and non-cash benefits listed in item II. 1. 1) 3 of the Remuneration Policy. In the financial year 2021, the Chairman of the Supervisory Board (Mr. Dariusz Miłek) benefited from additional benefits, i.e. a private medical care package covering also his closest relatives. The other members of the Supervisory Board did not receive any additional benefits.

Pursuant to item II. 1. 2) 15. of the Remuneration Policy, members of the Supervisory Board do not receive variable components of remuneration. Due to the lack of variable remuneration components

for the Supervisory Board members, it is not possible to determine the proportion between fixed and variable components, as referred to in Art. 90d item 3.2 of the Act on Public Offering.

Detailed rules for remuneration of Supervisory Board Members are set out in Resolution No. 20/ZWZA/2021 of the Ordinary General Meeting of Shareholders of the Company dated 22.06.2021 on changing the rules for remuneration of Supervisory Board Members. Prior to its adoption, Resolution No. 24/ZWZA/2019 of the Ordinary General Meeting of Shareholders of the Company dated 18.06.2019 was in force in this respect.

The Chairman of the Supervisory Board voluntarily does not receive remuneration for the appointment due to his role as a shareholder - Mr. Dariusz Miłek holds through ULTRO S.à r.l. Dariusz Miłek holds through ULTRO S.à r.l. 31.12% of shares in the share capital of the Company (38.22% of votes at the General Meeting).

Total remuneration of the Supervisory Board members ^[1]

Name and surname of the Supervisory Board member, position		Fixed remuneration components		The sum of all remuneration 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 loved ones		
Dariusz Miłek, Chairman of the Supervisory Board	2021	0	8 190	8 190	n.d. - no variable remuneration
	2020	0	8 190	8 190	
Wiesław Oleś, Vice Chairman of the Supervisory Board	2021	183 333	0	183 333	
	2020	130 000	0	130 000	
Waldemar Jurkiewicz, Member of the Supervisory Board, Member of the Audit Committee	2021	146 667	0	146 667	
	2020	104 000	0	104 000	
Filip Gorczyca Member of the Supervisory Board, Chairman of the Audit Committee	2021	165 000	0	165 000	
	2020	117 000	0	117 000	
Sophie Dzik, Member of the Supervisory Board, Member of the Audit Committee	2021	146 667	0	146 667	
	2020	104 000	0	104 000	
Henry McGovern, Member of the Supervisory Board (from 24.06.2020 to 12.07.2021)	2021	74 000	0	74 000	
	2020	43 429	0	43 429	

^[1] One should notice that the fiscal year 2020 was exceptionally a 13-month period due to the change of the Company's fiscal and tax year to the period from February 1 to January 31, with effect from 01.02.2021, so that the comparative figures presented for this year relate to a 13-month period.

3. An of the way 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 compensation, including all benefits, regardless of form, received by or payable to individual members of the Company's Management and Supervisory Boards during fiscal year 2021 - in accordance with the Compensation Policy.

It should be considered that **the total remuneration of the members of the Company's Management Board and Supervisory Board is in line with the adopted Remuneration Policy**. This is due to the following circumstances:

- Pursuant to Art. 90e of the Act on Public Offering, in the period from the entry into force of the Remuneration Policy, the Company paid remuneration to the members of the Management Board and the Supervisory Board only in accordance with the provisions of the Policy - the remuneration included only components provided for in the Remuneration Policy and was paid in accordance with its principles, including in the correct amount, on the correct legal basis and based on predetermined criteria;
- In accordance with the assumptions of the Remuneration Policy, the bonus criteria applied to the members of the Management Board contribute to the implementation of the business strategy, long-term interests and stability of the Company, as they are intended to motivate members of the Management Board to take actions related to the objectives adopted by the Company, aimed at developing the main segments of activity of CCC Capital Group. In this regard, the following bonus objectives/criteria can be distinguished, for example:
 - o e-commerce development
 - o preparing a new strategy, recapitalizing and simultaneously strengthening the Modivo (former eobuwie.pl) management team,
 - o HalfPrice format development,
 - o limitation of the CCC Group's activities in the DACH region,
 - o obtaining and stabilizing financing,
 - o preparing an update of the Group's business strategy (updated CCC GO.25 strategy).

Comparison of the described business strategy and objectives set for the members of the Management Board leads to the conclusion that the entitlement to receive individual bonuses is directly related precisely to the fulfillment of the business strategy of the Company, as well as of the entire CCC Group. In this way, the interests of the members of the Management Board are directly linked to the interests of the Company and its shareholders. Due to the establishment of objectives in accordance with the Remuneration Policy, the remuneration paid contributes to the fulfillment of the business strategy, long-term interests and stability of the Company.

In addition, **the total compensation of the members of the Management Board and Supervisory Board contributes to the Company's long-term performance** by, among other things:

- awarding variable remuneration based on criteria covering half-yearly, annual and more than one year periods, which allows for increased motivation of the Management Board members to achieve results consistent with the Company's strategy;
- Thanks to periodic criteria, including long-term ones, it is also possible to maintain continuity of the Company's management, which ensures stability of its operations;
- payment of remuneration adequate to the results achieved, proportionate and determined in accordance with market practice, the amount of which is sufficient to recruit, retain and motivate persons with competences necessary for the proper management and supervision of the Company, and which corresponds to the size of the enterprise and remains in reasonable relation to the economic results of the Company;

It is important to emphasize that the reported period of 2021 (the second year of the COVID-19 pandemic) was very dynamic for the CCC Group and brought a number of challenges described in more detail in Section 1.1 of the Report. The CCC Group not only met these challenges, but also emerged from this turbulent period strengthened, which was reflected in the bonus criteria and targets for the Board Members who directly contributed to these activities and their effects. Thus, the compensation

paid to them contributed to the long-term performance of the Company and the CCC Group during the reported period.

4. Information on how the performance criteria were applied

4.1. Individual short-term bonus for the first and second half of 2021

In accordance with point. II.1.2) 2 of the Remuneration Policy, a bonus is granted if the targets are met at a minimum level of 80%. The Supervisory Board determines the amount of individual short-term bonuses up to a maximum of 120% of the base value, i.e. four times the monthly remuneration to which a given Management Board member is entitled.

The criteria (annual targets) for 2021, which are the basis for the individual and team short-term bonus, are detailed in the target charters adopted by the Supervisory Board respectively:

- with reference to short-term individual goals for the Management Board members for the first half of 2021 and short-term team goals determined jointly for the entire Management Board for 2021 - by Resolution No. 09/03/2021/RN dated 29.03.2021,
- with regard to short-term individual targets for the Management Board members for the second half of 2021 - by Resolution No. 05/09/2021/RN dated 16.09.2021.

The degree of fulfillment of each objective was determined in accordance with the methods indicated in II. 2. 1) and 2) of the Remuneration Policy, viz:

- with respect to financial criteria - based on financial data presented by the Company in the standalone or consolidated financial statements for the relevant period covered by the criterion or from financial and management accounting systems;
- in terms of non-financial criteria - based on data published by the Company in its annual non-financial report or included in other non-financial documents and reports of the CCC Group.

The approval of the achievement of the targets and the award of the individual bonus for the first and second half of 2021 was made in the resolutions of the Supervisory Board No. 04/09/2021/RN of 16.09.2021. (1st half of the year) and No. 01/03/2022/RN dated 24.03.2022. (2nd half-year).

Aggregate information in respect of the bonus criteria applied to individual short-term bonuses for the first and second half of 2021 is included below.

Name, post	Bonus criteria (covering the whole year)	Semester	Overall achievement of all objectives for the year (aggregate value)	Premium amount	Payment date
Marcin Czyczerski , President of the Management Board	Financial and non-financial goals - related to, among others, increasing the Company's financial performance, profitability and efficiency, organizational and management improvements, including digitalization of the organization, personal strengthening of the CCC Group	I 2021	96%	200 000	1st half - 30.09.2021.
		II 2021	96%	200 000	Semester II - 10.04.2022.
Karol Półtorak , Vice-President of the Management Board	Financial and non-financial goals - development of projects Development of digital sales projects (ecommerce), mobile application, CRM, CCC Club; strategic capital projects for Modivo; strengthening of marketing.	I 2021	97%	140 000	1st half - 30.09.2021.
		II 2021	91%	140 000	Semester II - 10.04.2022.
Mariusz Gnych , Vice-President of the Management Board	Financial and non-financial objectives - development of the Company and the CCC Group in the field of production and logistics, restructuring projects; transactions of sale and purchase of shares / stocks.	I 2021	86%	140 000	1st half - 30.09.2021.
		II 2021	69%	-	
Adam Holewa , Vice President of the Management Board (from 01.04.2021)	Financial and non-financial goals - increasing the Company's profitability, optimizing reporting processes, project management, B2B channel development.	I 2021	100%	140 000	1st half - 30.09.2021.
		II 2021	97%	140 000	Semester II - 10.04.2022.
Igor Matus , Vice-President of the Management Board (from 07.06.2021)	Financial and non-financial goals - development of the Company and CCC Group in the field of logistics, operationalization of the strategy, implementation of changes in the share capital.	I 2021	n.d.	n.d.	
		II 2021	100%	140 000	Semester II - 10.04.2022.
Kryspin Derejczyk , Vice President of the Management Board (from 01.07.2021)	Non-financial goals - team integration and onboarding, project management, fundraising activities.	I 2021	n.d.	n.d.	
		II 2021	95%	140 000	Semester II - 10.04.2022.
Adam Marciniak , Vice-President of the Management Board (from 16.09.2021)	Non-financial goals - development of technology and digitalization area, own e-commerce platform, team integration and onboarding.	I 2021	n.d.	n.d.	
		II 2021	100%	140 000	Semester II - 10.04.2022.

4.2. Short-term team bonus for 2021

In accordance with point II. 1. 2) 1. b of the Remuneration Policy, the short-term team bonus is based on short-term objectives, common for the entire Management Board and is granted for annual periods. The basis for determination of the bonus amount is four times the monthly remuneration to which a given Management Board member is entitled (whereby the bonus amount may be set up to a maximum of 120% of value of the aforementioned basis). The bonus is generally payable by 31.03 of the following year.

The team goals set for the members of the Management Board for 2021 were met; however, due to the lack of the Company's expected net profitability ratio, the short-term team bonus for 2021 was not awarded and paid.

Accomplished team goals for 2021 included:

- Updating and implementing the GO.22 strategy
- Accelerating the growth of EObuwie
- HalfPrice project startup
- Restructuring of DACH operations
- Development of E-COM 2.0
- Refinancing

4.3. Long-term premium 2020-2024

The terms of the long-term (3-year) bonus for 2020-2022 were adopted by resolution of the EGM of June 24, 2020, at a time of the greatest market turmoil caused by the COVID-19 pandemic. The purpose of the bonus was to motivate the Company's Management Board to implement actions aimed at ensuring the Company's financial and operational stability in a period of high volatility and uncertainty and, in the long term, to achieve the objectives of the GO strategy.²²The bonus was based on the change in the share price (an objective and measurable factor), i.e. it would be due only if the actions aimed at increasing the value of the Group's business were reflected in an increase in the Company's share price.

In accordance with Section II. 1. 2) 7.-10. of the Remuneration Policy, long-term bonus:

- is not granted in the case of dismissal of a Management Board member by the Supervisory Board, expiration of the mandate (regardless of the reasons) or failure to appoint the previous Management Board member for the next term of office before the end of the half of the period for which the award is granted;
- shall not be entitled in the case of resignation of a member of the Management Board;
- will be paid out proportionally to the period of holding the position by a given Management Board member in the event of dismissal of a Management Board member by the Supervisory Board, expiry of the mandate or failure to appoint the existing Management Board member for the next term of office after half of the period for which the payment is granted;
- in case of appointment of a new Management Board member during the given period of long-term bonus settlement, the Supervisory Board decides on awarding the bonus.

Considering the above, despite the same "base" amount of long-term bonus for all Management Board Members, the actual bonus amounts paid out may vary depending on the situation of a given Management Board Member (moment of appointment, resignation from the position held, etc.).

In connection with the achievement of the aforementioned goals, described in more detail also in section 1.1 of the Report, already in 2021, and also in view of the significant changes in the composition of the Company's Management Board (expansion of the Management Board by four new members), a decision was made to modify the rules for the payment of long-term bonuses. The changes consisted in replacing one bonus period (years 2020-2022) with two, i.e. the first one from 1 January 2020 to 31 July 2021 for the current composition of the Management Board (Marcin Czyczerski, Karol Półtorak, Mariusz Gnych) and the second one from 1 August 2021 to 31 July 2024 for the composition of the Management Board including the new members who joined the CCC Group in 2021.

The above decision to change the date of payment of the bonus was adopted by the shareholders by a majority of 97% votes at the AGM on 22.06.2021 in Resolution No. 19/ZWZA/2021 on the adoption of amendments to the Remuneration Policy for members of the Management Board and Supervisory Board of CCC S.A. in the above mentioned rules for the payment of long-term bonuses.

According to point II. 1. 2) 1. c of the Remuneration Policy (in the wording established after the changes introduced by the above mentioned resolution of the AGM), the long-term cash bonus is based on the increase in the value of CCC SA (understood as an increase in share price). It is granted to each member of the Management Board:

- for the first period from 01/01/2020 to 31/07/2021 as 100,000 x the difference between the average price of the Company's shares in the second quarter of the financial year 2021 (from 01/05/2021 to 31/07/2021) and the issue price of series I and J shares - payable in 2 equal parts by 31/08/2021 and 30/11/2021, respectively,
- for the second period from 1 August 2021 to 31 July 2024 as 100,000 x the difference between the average price of the Company's shares in the second quarter of the financial year 2024 (i.e. from 1 May 2024 to 31 July 2024) and the average price of the Company's shares in the second quarter of the financial year 2021 - payable in 2 equal parts by 30 September 2024 and 30 November 2024, respectively.

After the end of the first period, the Supervisory Board on 2 August 2021 resolved to grant bonuses to the members of the Management Board in the amount calculated on the basis of the above assumptions (in respect of each member of the Management Board, respectively, Resolutions No. 01/08/2021/RN, No. 02/08/2021/RN and No. 03/08/2021/RN).

The long-term bonus for the first period is therefore reportable in this report, while the long-term bonus for the second period will be reported in the 2024 compensation report (as determined).

Information is included below with respect to the difference between the Company's average share price in the second quarter of fiscal 2021 and the issue price of Series I and Series J shares, as well as the calculated amount of the first period long-term bonus awarded to the three members of the Management Board during the reported fiscal year.

Issue price of series I and J shares	Average price of the Company's shares in Q2 2021	Difference	"Base" premium amount	Name, post	Bonus amount to which the Management Board member is entitled (taking into account the differences resulting from dismissal / appointment / resignation during the bonus period)	Payment date
37,00	118,48	81,48	8 148 000	Marcin Czyczerski , President of the Management Board	8 148 000	4,074,000 – by Aug. 31, 2021. 4,074,000 - by November 30, 2021.
				Karol Półtorak , Vice-President of the Management Board	8 148 000	4,074,000 - by Aug. 31, 2021. 4,074,000 - by November 30, 2021.
				Mariusz Gnych , Vice-President of the Management Board	8 148 000	4,074,000 - by Aug. 31, 2021. 4,074,000 - by November 30, 2021.
				Adam Holewa , Vice President of the Management Board (from 01.04.2021)	-	-
				Igor Matus , Vice President of the Management Board (from 07.06.2021)	-	-
				Kryspin Derejczyk , Vice President of the Management Board (from 01.07.2021)	-	-
				Adam Marciniak , Vice-President of the Management Board (from 16.09.2021)	-	-

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

In accordance with Article 90g (3) of the Offering Act, data for the years 2017-2018 for which the Supervisory Board was not required to prepare a remuneration report have been omitted.

Data in PLN thousand	2019	2020 ^[1]	2021 ^[2]
Remuneration of the Management Board (total)	4 087,1	3 460	30 801,12
Year-on-year change		-15%	+790%
Average remuneration of the Member of the Management Board (annual)	1 196,2	1 153,3	4 400,16
Year-on-year change		-4%	+282%
Remuneration of the Supervisory Board (total)	450,8	506,6	723,9
Year-on-year change		+12%	+43%
Average remuneration of a Supervisory Board Member (annual)	94,91	92,1	132,6
Year-on-year change		-3%	+44%
Sales revenues	2 270 068	1 822 790	2 408 271
Year-on-year change		-20%	+32%
Gross profit on sales	693 729	728 719	803 710
Year-on-year change		+5%	+10%
Average remuneration of the Company's employees other than members of the Management Board and Supervisory Board (per financial year) - data in PLN	42 071,04	46 019,41	49 519,35
Year-on-year change		+9%	+8%

^[1] The data for fiscal 2020 exceptionally includes a 13-month period; therefore, the percentage change presented of the Company's compensation and results on an annual basis may not reflect the actual trend of change;

^[2] During 2021, the composition of the Management Board increased from 3 to 7 members, 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 during the period and is included in this summary; therefore, the year-over-year percentage comparison of the Company's compensation and performance may not reflect the true trend of change.

6. Remuneration from entities belonging to the same group

According to the Remuneration Policy, the total remuneration of the members of the Management Board received from other entities of the Group should not exceed 50% of the total remuneration received from the Company. In the reported financial year, this requirement was fulfilled.

Remuneration of the members of the Management Board from CCC Group entities ^[1]

Name and surname of the Management Board member, position		Paying agent	Fixed remuneration components			The sum of all remuneration components	Total remuneration from all entities
			Remuneration on appointment		Remuneration under the employment contract		
			Remuneration	Function			
Marcin Czyczerski, President of the Management Board	2021	CCC Factory sp. z o.o.	0	-	35 310	35 310	35 310
		Modivo S.A. (formerly eObuwie.pl S.A.)	0	Member of the Supervisory Board	0	0	
	2020	CCC Factory sp. z o.o.	0	-	32 800	32 800	33 083
Modivo S.A. (formerly eObuwie.pl S.A.)	283	Member of the Supervisory Board	0	283			
Karol Półtorak, Vice-President of the Management Board	2021	Modivo S.A. (formerly eObuwie.pl S.A.)	0	Member of the Supervisory Board	0	0	0
	2020	Modivo S.A. (formerly eObuwie.pl S.A.)	283	Member of the Supervisory Board	0	283	283
Mariusz Gnych, Vice-President of the Management Board	2021	CCC Factory sp. z o.o.	90 000	President of the Management Board	0	90 000	90 000
	2020	CCC Factory sp. z o.o.	63 750	President of the Management Board	0	63 750	63 750
Adam Holewa, Vice President of the Management Board (from 01.04.2021)	2021	CCC Factory sp. z o.o.	0	-	28 210	28 210	28 210
	2020	not applicable	not applicable	not applicable	not applicable	not applicable	not applicable
Igor Matus, Vice President of the Management Board (from 07.06.2021)	2021	CCC Factory sp. z o.o.	0	-	22 343	22 343	22 343
	2020	not applicable	not applicable	not applicable	not applicable	not applicable	not applicable

Kryspin Derejczyk, Vice President of the Management Board (from 01.07.2021)	2021	DeeZee sp. z o.o.	0	-	14 000	14 000	14 000
	2020	not applicable	not applicable	not applicable	not applicable	not applicable	not applicable
Adam Marciniak, Vice- President of the Management Board (from 16.09.2021)	2021	DeeZee sp. z o.o.	0	-	9 800	9 800	9 800
	2020	not applicable	not applicable	not applicable	not applicable	not applicable	not applicable

^[1] One should notice that the fiscal year 2020 was exceptionally a 13-month period due to the change of the Company's fiscal and tax year to the period from February 1 to January 31, with effect from 01.02.2021, so that the comparative figures presented for this year relate to a 13-month period.

Remuneration of Supervisory Board members from CCC Group entities ^[1]

Name and surname of the Supervisory Board member, position		Paying agent	Fixed remuneration components		The sum of all remuneration components
			Fixed remuneration on appointment	Function	
Dariusz Miłek , Chairman of the Supervisory Board	2021	Modivo S.A. (formerly eObuwie.pl S.A.)	0	Member of the Supervisory Board	0
	2020	Modivo S.A. (formerly eObuwie.pl S.A.)	283	Member of the Supervisory Board	283
Waldemar Jurkiewicz , Member of the Supervisory Board, Member of the Audit Committee	2021	Modivo S.A. (formerly eObuwie.pl S.A.)	0	Member of the Supervisory Board	0
	2020	Modivo S.A. (formerly eObuwie.pl S.A.)	279	Member of the Supervisory Board	279

^[1] One should notice that the fiscal year 2020 was exceptionally a 13-month period due to the change of the Company's fiscal and tax year to the period from February 1 to January 31, with effect from 01.02.2021, so that the comparative figures presented for this year relate to a 13-month period.

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

As stated in the Remuneration Policy, no remuneration in the form of financial instruments is currently awarded to members of the Management Board or Supervisory Board.

On 22.06.2021 r. The General Meeting of Shareholders of the Company adopted a resolution No. 19/ZWZA/2021 on the adoption of changes to the Remuneration Policy for the members of the Management Board and Supervisory Board of CCC S.A., which change is based, among others, on allowing the participation of members of the Management Board in the incentive programs created by other entities of the CCC Group under the conditions approved by the Supervisory Board.

In the reporting period, no financial instruments were granted or offered as part of incentive schemes operating in the Company or in other entities of the CCC Group.

8. Information on the use of the option to claim back variable remuneration components

The Company did not claim any variable remuneration during the period covered by this report.

9. Information on deviations from the Remuneration Policy, including an explanation of the rationale and procedure, and 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 reporting period, the Company did not deviate from the procedure for implementing the Remuneration Policy.

9.2. Information on exemptions applied pursuant to Article 90f of the Act on Public Offering

In the reporting period, the Company did not take advantage of the possibility to temporarily withdraw from the application of the Remuneration Policy in accordance with the procedure provided for in Article 90f of the Act on Public Offering and Section IX. IX of the Remuneration Policy.

Due to special market circumstances (the outbreak of the COVID-19 pandemic in the first quarter of 2020) and in order to safeguard the interests of the Company, the Supervisory Board decided to postpone the payment of individual bonuses for the members of the Management Board for 2020. The payment was finally postponed to 2021, so these bonuses were paid in the reported financial year. However, due to the introduction of these measures prior to the entry into force of the Remuneration Policy and taking into account the fact that the changes only consisted in withholding of remuneration and not in payment of remuneration in an amount or proportion higher than provided for in the Remuneration Policy, this event is not treated as a deviation from the Remuneration Policy.

10. Explanation of the manner in which the General Meeting's opinion resolution relating to the previous remuneration report was taken into account

The last resolution giving an opinion on the Report on the remuneration of members of the Management Board and the Supervisory Board for 2019 and 2020, i.e. Resolution No. 17/ZWZA/2021 of the Ordinary General Meeting of CCC S.A. of 22.06.2021 on the opinion on the Report on remuneration of members of the Management Board and the Supervisory Board of the Company for the period from 1.01.01.2019 to 31.01.2021 contained a positive assessment of the above mentioned report and did not indicate additional comments or postulates on the Remuneration Policy, and therefore there was no need to take additional action to implement it.

In the reported financial year, the Company and the CCC Group therefore continued to apply the good practices developed so far in the field of remuneration of the members of the Management Board and the Supervisory Board and the reporting of the remuneration paid.

The report was approved by the Supervisory Board by Resolution No. 14/04/2022/RN dated April 28, 2022.

The report was evaluated by the auditor with regard to the inclusion in it of the information required under Article 90g, sections 1-5 of the Act on Public Offering. The entity authorised to evaluate the remuneration report is Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.

Done:	Signature:
Dariusz Miłek	
Wiesław Oleś	
Waldemar Jurkiewicz	
Filip Gorczyca	
Zofia Dzik	
April 28, 2022.	