



SALARY REPORT
MANAGEMENT AND SUPERVISORY BOARD MEMBERS
CCC S.A. COMPANIES.
FOR THE YEAR 2022

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1.	Introduction	3
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	3
1.2.	Changes in the composition of the Management Board or the Supervisory Board.....	5
1.3.	Key Changes to the Remuneration Policy	5
1.4.	Deviations from the Remuneration Policy.....	6
2.	The amount of total remuneration divided into components and the mutual proportions between these components	6
2.1.	The amount of total remuneration of members of the Management Board.....	6
2.2.	The amount of total remuneration of members of the Supervisory Board	10
3.	Explanation of how total compensation is consistent with the adopted Compensation Policy, including how it contributes to the Company's long-term performance	12
4.	Information on how the performance criteria were applied.....	13
4.1.	Individual short-term bonus for the first and second half of 2022	13
4.2.	Short-term team bonus for 2022	14
4.3.	Long-term premium 2020-2024	14
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	15
6.	The amount of remuneration from entities belonging to the same capital group.....	16
7.	The number of financial instruments granted or offered and the main conditions for exercising rights from these instruments	17
8.	Information on the use of the option to request reimbursement of variable components of remuneration	17
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.....	17
9.1.	Information on deviations from the procedure for implementation of the Remuneration Policy	17
9.2.	Information on deviations applied in accordance with Article 90f of the Public Offering Act .	17
10.	Explanation of the manner in which the opinionative resolution of the General Meeting relating to the previous remuneration report was considered.....	18

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**").

It 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 1.02.2022 to 31.01.2023 (shown according to their due date). 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 Company's full fiscal year, i.e. the period from 01.02.2022 to 31.01.2023 (hereinafter: "**2022**"). For comparative purposes, the data presented in this Report also includes the most relevant data for the previous fiscal year, i.e. the period from 01.02.2021 to 31.01.2022 (hereinafter: "**2021**"), in accordance with the report on the remuneration of members of the Management Board and Supervisory Board for 2021. 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 2022 was another period after the COVID-19 pandemic, where, as a result of the changing external environment, the Company's current operations and its operating model underwent dynamic changes, caused primarily by the consequences of the war in Ukraine. Immediate decisions were made regarding the termination of operations in the Russian market and the reduction of operations in Ukraine. The weakening value of the Polish zloty and rising inflation directly affected consumer sentiment and sales levels.

Despite unfavorable macroeconomic conditions, key development trends still remained:

- (i) accelerating sales growth through digital channels and further transformation of offline stores;
- (ii) the rapid growth of the casual and athletic apparel and footwear segment (the so-called sneaker trend);
- (iii) the growing importance of circularity and environmental issues;
- (iv) the systematic development of the value-for-money product segment, where consumers seek the best bargains from a price-quality perspective;
- (v) Continue to consolidate the market and increase market share through the largest players.

In terms of value, the footwear and apparel market in 2022 has increased over the previous year, both in terms of sales volume and prevailing prices. The key driver of sales growth remains price, which will be one of the main factors driving sales momentum over the next year.

The market trends described above were identified by the Company back in the GO.22 strategy adopted in early 2020 and confirmed in the subsequent GO.25 update. In 2022. Management implemented the actions planned in the GO.25 strategy by adapting them to the prevailing conditions and responding on an ongoing basis to new market opportunities to strengthen the Group's market position. The result is strong growth in digital channels and the consolidation of the Group's leadership position in the region.

Among the key activities implemented by the Management Board, which led to the strengthening of the Group's market position in a difficult period for the industry, are:

- Further digitization of CCC stores and consistent development of digital sales channels. The implemented store transformation solutions (OMS) and online e-kiosks (nStore) were introduced in more foreign markets. The number of downloads of the CCC mobile application exceeded 10 million, and digital sales in the CCC network reached more than PLN 900 million in 2022 (22% share of the signboard's revenue).
- Dynamic growth of the off-price store format, i.e. HalfPrice chain. After launching nearly 50 stores with a total area of more than 80,000 sqm in seven markets in the CEE region (Poland, Czech Republic, Austria, Croatia, Hungary, Slovakia, Slovenia) in 2021, further expansion was carried out in the reported period and the network increased to more than 90 stores. During the year, the chain became profitable at the operating level and consistently continues to increase its profitability.
- Modivo Group's intensive growth, including offline stores, ecommerce platforms eobuwie and Modivo. Eobuwie maintains its position as the market leader in online footwear trading in Central and Eastern Europe, while developing more hybrid offline stores in the region. The very rapid growth of the Modivo platform brought in about PLN 900 million in revenue in 2022. Recent months have also seen dynamic growth of the Modivo marketplace.
- Consistent program in improving operational excellence, cost savings, as well as working capital reduction (CCC inventory reduction of 481 million over the financial year).
- The opening of a dedicated logistics center for the Modivo platform in partnership with InPost and the development of a logistics center in Romania, which is beginning to take over shipments to neighboring markets.
- Execution by the Management Board in 2022 of the Group's refinancing process by extending loan and reverse factoring agreements with liquidity guarantees in the amount of PLN 785 million at the CCC business unit. As a result of the Group's refinancing process, in October and December 2022, agreements with banks were extended for another 2 years. At the same time, a number of annexes were signed for the Modivo business unit, such as with PKO BP SA to the credit agreement in the form of a multi-purpose credit limit, the available limit was PLN 123 million, and an annex to the multi-purpose credit limit agreement with Bank Polska Kasa Opieki Spółka Akcyjna extending the term of the credit limit until April 29, 2023, granted up to a total amount of PLN 260 million. In addition, a reverse factoring agreement with BGK guarantee in the amount of PLN 60 million was signed with PKO BP bank and PLN 30 million with Pekao SA bank.

The above actions strengthened CCC Group's leadership position in the footwear industry in the CEE region and opened up development opportunities in the apparel sector.

In the second half of 2021. The Management Board conducted a process of in-depth strategic analysis and a thorough review of the organization, as a result of which it prepared and adopted an updated corporate strategy for the CCC Group, called *GO.25. Fashion accessible to everyone*. The adopted strategy was strongly reflected in the goals and development directions for the Group in 2022.

Key objectives of the updated GO.25 strategy included:

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

The events described above testify to the steady development of the Company's and the CCC Group's business in 2022 despite the market turmoil. The Company's operations and performance were significantly influenced by the effects of the ongoing war in Ukraine, high inflation and weakening consumer purchasing power, which involved complex management processes and constant efforts to adapt the business to changing market conditions.

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 2022, the Management Board consisted of the following individuals:

Marcin Czyczerski - CEO;
 Karol Pótorak - Vice Chairman of the Board;
 Adam Holewa - Vice Chairman of the Board;
 Igor Matus - Vice Chairman of the Board;
 Adam Marciniak - Vice President of the Management Board (until 29.09.2022).
 Kryspin Derejczyk - Vice President of the Management Board (until 17.01.2023).

On 28.04.2022. The Supervisory Board passed a resolution at its meeting to appoint the above-mentioned members of the Company's Management Board for the next seventh term of office, commencing on the date of the General Meeting of Shareholders approving the financial statements for 2021.

On 29.09.2022. Mr. Adam Marciniak resigned from his position as Vice President of the Company's Management Board, effective 29.09.2022.

On 17.01.2023. The Supervisory Board passed a resolution to dismiss Mr. Kryspin Derejczyk from his position as Vice President of the Management Board. Responsibilities from the financial and accounting area were assumed by Mr. Lukasz Stelmach, Director of Financial Supervision of Subsidiaries, who at the same time serves as Vice President of Finance at Half Price Ltd. Supervision of the financial and accounting area on behalf of the Management Board was assumed by Mr. Marcin Czyczerski, President of the Management Board

The composition of the Supervisory Board in 2022 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 (until 14.06.2022);
 Mariusz Gnych - Member of the Supervisory Board, member of the Audit Committee (from 15.06.2022);
 Filip Gorczyca - Member of the Supervisory Board, Chairman of the Audit Committee.

1.3. Key changes in the Remuneration Policy

On 15/06/2022. The General Meeting of Shareholders of the Company adopted Resolution No. 27/OGM/2022 on the adoption of amendments to the Remuneration Policy for members of the Management Board and members of the Supervisory Board of the Company, effective as of the date of its adoption. The amendment consisted of:

- Adding a new component of remuneration for members of the Management Board, i.e. the opportunity to participate in Incentive Programs created by the Company and its subsidiaries, consisting in granting the right to take up shares in CCC S.A. itself, as well as in its subsidiaries (hereinafter: "**Incentive Programs**");
- To enable the Chairman of the Supervisory Board to participate in the incentive program of the subsidiary MODIVO S.A. (hereinafter: "**MODIVO Incentive Program**") and specifying the terms and conditions of his participation;
- Detailing the terms of participation of members of the Management Board in the Incentive Programs and the Chairman of the Supervisory Board in the MODIVO Incentive Program;
- Adding rules for sharing information regarding the participation of members of the Management Board in the Incentive Programs and the Chairman of the Supervisory Board in the MODIVO Incentive Program.

The changes made to the Remuneration Policy are aimed at increasing the motivation of Board members to work effectively for the CCC Group, encouraging long-term cooperation, and further linking the interests of Board members with those of the Company's shareholders. The above changes translate into the development and operation of the Company, in addition to the implementation of the Company's and the CCC Group's business strategy, long-term interests and stability.

With Resolutions 01/08/2022/RN and 02/08/2022/RN dated 17/08/2022 and Resolution 01/11/2022/RN dated 7/11/2022. The Supervisory Board approved the participation of Management Board Members Marcin Czyczerski, Karol Półtorak and Igor Matus in the MODIVO Incentive Program and confirmed the fulfillment of the prerequisites and legitimacy of their participation due to their direct involvement in the operational cooperation of the Company and its subsidiary Modivo S.A.

The aforementioned Members of the Management Board and Chairman of the Supervisory Board Dariusz Miłek have entered into participation agreements in the MODIVO Incentive Program in 2022 (the "**Participation Agreements**"), pursuant to which they may acquire entitlements to subscribe for and/or purchase shares in Modivo S.A. upon settlement of this program. ("**Entitlements**"), provided that the conditions set forth in this program are met. During the reported period, the MODIVO Incentive Program was not settled, and as a result, these persons did not acquire any Entitlements or acquire/acquire shares in Modivo S.A. under this program.

1.4. Deviations from the Remuneration Policy

During the reported period, the Company did not apply a derogation from the procedure for implementing the Remuneration Policy. The Company applied the derogation referred to in Article 90f of the Public Offering Act regarding the individual short-term bonus for the second half of 2022 for members of the Management Board. Details of the derogation applied are described in Section 9.2.

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 2022 and January 2023, 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, the 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). Information on bonus criteria for 2022 is included in Section 4 of the Report.

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 01.01.2020 to 31.07.2021, on dates up to 31.08.2021 and 30.11.2021, and for the second period, i.e. from 1.08.2021 to 31.07.2024, on dates up to 30.09.2024 and 30.11.2024. Thus, the long-term bonus was not paid during the reporting period.

In 2022, the Supervisory Board, while discussing the allocation of individual short-term bonuses, noted the need to link them more strongly to the Company's ongoing performance and the achievement of budget targets. The current Remuneration Policy ties the individual short-term bonus to the performance of individualized tasks assigned to members of the Management Board, set in terms of financial and non-financial targets. However, bearing in mind, in particular, 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 revenues. Consequently, the Supervisory Board has determined the need to address the General Meeting on modification of the Remuneration Policy in this regard. It should be emphasized that this approach has gained the full approval of the Management Board. The Management Board, in consultation with the Supervisory Board, will take appropriate steps to amend the current Remuneration Policy in this regard.

At the same time, due to the intensity of the Company's priority operational activities carried out at the time, which prevented comprehensive and coherent implementation of the aforementioned demands, the Supervisory Board, in consultation with the Management Board, did not set detailed individual short-term goals for the second half of 2022 in the form of a resolution, and therefore the individual short-term bonus for this period is not payable.

The Company reports the amounts of all bonuses in the Remuneration Report covering the year in which they were paid or became due (as a rule: 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 on the due date of the fiscal year).

Pursuant to Supervisory Board Resolution No. 01/03/2022/RN dated March 24, 2022, the deadline for payment to members of the Management Board of the approved individual short-term bonus for the second half of 2021 was extended to April 10, 2022. The amount of this bonus is included in the table below under Short-term bonus (the criteria for this bonus and a description of its realization are shown in the 2021 Report).

In order to comprehensively present the implementation of the Remuneration Policy in the reported period, the Company in Section 4 of the Report also presents the number of bonuses possible for the 2022 fiscal year, in principle subject to payment in the 2023 fiscal year provided the bonus criteria are met.

In accordance with the Remuneration Policy, the Company shapes the remuneration system so that the share of variable remuneration is between 65% and 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 bonuses provided for in the Remuneration Policy are awarded, their amounts oscillate within the indicated range. However, bearing in mind 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 members of the Management Board, but also by the business environment, market conditions, etc.), the proportion of variable remuneration actually paid out 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, this proportion was not maintained, among other reasons, due to the non-payment to members of the Management Board of the annual bonus (short-term team bonus) due for 2021, which, if awarded, would have

been due in 2022. The criteria for awarding this bonus are described in the 2021 remuneration report.

Mr. Mariusz Gnych served on the Management Board until the end of the previous fiscal year (i.e., until January 31, 2022), and hence he is not shown in the table below. He received the remuneration due to him for the last month of his function on the Management Board in the amount of PLN 70,730 (appointment remuneration and fringe benefits) in the reported year (in February 2022) due to the due date of this benefit (payment of remuneration in arrears, by the 10th of the following month), however, this remuneration is not related to his function on the Management Board in the 2022 fiscal year.

Table No. 1 - Total remuneration of Board members ^[1]

Name of Board member, position		Fixed remuneration components		Variable components of remuneration			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)
		Remuneration for appointment	Additional monetary and non-monetary benefits, including benefits for next of kin ^[2]	One-time remuneration ^[3]	Short-term bonus ^[4]	Long-term premium (for the period 1.01.2020 - 31.07.2021)		
Marcin Czyczerski, CEO	2022	1 200 000	18 311	0	350 000	0	1 569 877	29%
	2021	1 200 000	16 424	0	600 000	8 148 000	9 964 703	50%
Karol Halftorak, Vice President	2022	840 000	15 359	0	245 000	0	1 101 709	29%
	2021	840 000	13 544	0	420 000	8 148 000	9 421 823	50%
Adam Holewa, Vice Chairman of the Board	2022	840 000	10 594	0	245 000	0	1 106 086	28%
	2021	630 000	3 600	0	140 000	0	773 600	22%
Igor Matus, Vice Chairman of the Board	2022	840 000	10 464	0	245 000	0	1 100 456	29%
	2021	480 000	3 700	46 200	0	0	529 900	10%
Kryspin Derejczyk, Vice President of the Management Board (until 17.01.2023)	2022	840 000	16 008	0	245 000	0	1 108 681	28%
	2021	420 000	2 400	53 300	0	0	475 700	13%
Adam Marciniak, Vice President of the Management Board (until 29.09.2022)	2022	630 000	12 344	0	245 000	0	892 761	38%
	2021	245 000	3 256	0	0	0	248 255	n/a. - no variable pay

^[1] This table covers the full fiscal year of the Company, i.e. the period from 01.02.2022 to 31.01.2023 ("2022"). For comparative purposes, the data presented in this table also includes data for the previous fiscal year, i.e., the period from 01.02.2021 to 31.01.2022 ("2021"), in accordance with the 2021 report on remuneration of members of the Management Board and Supervisory Board.

^[2] In order to maintain full transparency, regarding the data for 2021, the Company indicates the corrected data [which increases the sum of the remuneration of each member of the Management Board in the range of 0.08% (regarding M. Czyczerski) to 1.33% (regarding A. Marciniak) relative to the data shown in the report for 2021], consequently:

- Correcting additional cash and non-cash benefits, including for next of kin, granted to Mr. Marcin Czyczerski and Mr. Karol Półtorak, which in the 2021 report mistakenly included a 13-month (instead of 12-month) reporting period - an accounting error resulting from the extension of the 2019/20 fiscal year;
- showing the additional medical packages awarded to Mr. M. Czyczerski, K. Półtorak, I. Matus and A. Marciniak and their relatives;
- demonstration of the benefits for the possibility of using company cars for private purposes by Mr. A. Holewa, I. Matus, K. Derejczyk and A. Marciniak.

^[3] One-time remuneration was awarded in 2021. Mr. I. Matus and K. Derejczyk due to the establishment of cooperation (*sign-on fee*) in accordance with Section II 2. 4. 2) of the Remuneration Policy pursuant to Resolution 08/09/2021/RN dated 16/09/2021. In the 2021 Report, these remunerations are shown in the column *Additional monetary and non-monetary benefits, including benefits for next of kin*. In order to ensure full transparency and readability of the report, in this Report these salaries are presented in a separately separated column.

^[4] The amounts shown include:

- regarding 2021 - paid in 2021 bonuses for the first half of 2021 and the first and second halves of 2020; the short-term team bonus for 2020 was not awarded and paid.
- regarding 2022 - bonuses paid in 2022 for the first half of 2022 and the second half of 2021; the short-term team bonus for 2021 was not awarded and paid.

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 2022 (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. 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. Remuneration for a given month shall not be due if a member of the Supervisory Board has failed to 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 2022. 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/OGM/2022 of the Ordinary General Meeting of Shareholders of the Company of 15.06.2022 on the rules of remuneration of members of the Supervisory Board of CCC S.A appointed for the next ninth term. Before its adoption, Resolution No. 20/OGM/2021 of the Ordinary General Meeting of Shareholders on amending the rules for remuneration of members of the Supervisory Board was in force in this regard.

The Chairman of the Supervisory Board voluntarily resigned and waived his remuneration for his appointment due to his role as a shareholder - Mr. Dariusz Miłek holds, through ULTRO S.à r.l. 31.12% of shares in the Company's share capital (38.32% of votes at the General Meeting of Shareholders).

Table No. 2 - Total remuneration of members of the Supervisory Board ^[1]

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		
Dariusz Miłek^[2] , Chairman of the Supervisory Board	2022	0	8 712	8 712	n/a. - no variable remuneration
	2021	0	8 190	8 190	
Wiesław Oleś , Vice Chairman of the Supervisory Board	2022	240 000	0	240 000	
	2021	183 333	0	183 333	
Waldemar Jurkiewicz , Supervisory Board Member, Member of the Audit Committee (until 14.06.2022).	2022	85 714	0	85 714	
	2021	146 667	0	146 667	
Filip Gorczyca Supervisory Board Member, Chairman of the Audit Committee	2022	216 000	0	216 000	
	2021	165 000	0	165 000	
Sophia Dzik , Supervisory Board Member, Member of the Audit Committee	2022	192 000	0	192 000	
	2021	146 667	0	146 667	
Mariusz Gnych , Supervisory Board Member, Member of the Audit Committee (as of 15.06.2022).	2022	104 381	2 310	106 691	
	2021	n/a.	0	n/a.	

^[1] This table covers the full fiscal year of the Company, i.e. the period from 01.02.2022 to 31.01.2023 ("2022"). For comparative purposes, the data presented in this table also includes data for the previous fiscal year, i.e., the period from 01.02.2021 to 31.01.2022 ("2021"), in accordance with the 2021 report on remuneration of members of the Management Board and Supervisory Board.

^[2] Mr. Dariusz Miłek submitted a statement of voluntary resignation and renunciation of remuneration for his membership in the Supervisory Board and his role 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 2022 - in accordance with the Remuneration Policy.

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

- 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 exclusively in accordance with the provisions of the Policy during the period since the entry into force of the Remuneration Policy - remuneration included only the 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; the only exception in this regard was the failure to set bonus criteria (short-term targets) and, consequently, the failure to award an individual short-term bonus to members of the Management Board for the second half of 2022. as part of the waiver of the Policy in accordance with Section IX of the Remuneration Policy, which was justified by the need to realize the Company's long-term interests and financial stability and to guarantee its profitability;
- In accordance with the remuneration policy, the bonus criteria applied for members of the Management Board contribute to the business strategy, long-term interests and stability of the Company, as they are intended to motivate members of the Management Board to undertake activities related to the objectives adopted by the Company aimed at the development of the main business segments of the CCC Capital Group.

A comparison of the described business strategy and the goals set for the members of the Management Board, leads to the conclusion that the entitlement to receive individual variable remuneration components is directly related precisely to the fulfillment of the business strategy of the Company, as well as 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 goals 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 members of the Management Board and Supervisory Board contributes to the Company's long-term performance** through, among other things:

- awarding variable remuneration based on criteria covering six months, one year and more than one year, which allows increasing the motivation of Board members to achieve results consistent with the Company's strategy;
- thanks to periodic criteria, including long-term criteria, it is also possible to maintain the continuity of the Company's management, which ensures the 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 attract, retain and motivate persons with the competence necessary for the proper management and supervision of the Company, as well as corresponds to the size of the enterprise and remains in a reasonable relation to the Company's economic performance.

4. Information on how the performance criteria were applied

4.1. Individual short-term bonus for the first and second half of 2022

Pursuant to Section II.1.2) 2. of the Remuneration Policy, the bonus is awarded upon achievement of targets at a minimum of 80%. The Supervisory Board sets the amount of the individual short-term bonus up to a maximum of 120% of the value of the base, i.e. four times the monthly salary to which the respective member of the Management Board is entitled.

The criteria underlying the short-term individual bonus for the first half of 2022 were set in the goal sheets approved by the Supervisory Board in Resolution No. 02/03/2022/RN of March 24, 2022.

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:

- regarding financial criteria - based on financial data presented by the Company in its separate or consolidated financial statements for the relevant period to which the criterion applies 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 contained in other non-financial documents and reports of the CCC Group.

Approval of the achievement of targets and the award of an individual bonus for the first half of 2022 was made based on Supervisory Board Resolution No. 01/11/2022/RN, dated 25/11/2022. - Information in this regard is presented in the table below. The bonus was paid in 2022.

The Supervisory Board, in consultation with the Management Board, did not set specific individual short-term targets for the second half of 2022 in the form of a resolution, due to the intensity of the Company's priority operational activities at that time, and therefore the individual short-term bonus for this period is not payable. Considering the diversified forms of the Management Board' bonuses, this does not affect the achievement of the Company's strategic goals or stability.

Table No. 3 - Bonus criteria and degree of achievement of individual bonus targets for the first half of 2022.

Name, post	Bonus criteria	Overall degree of achievement of objectives	Bonus amount
Marcin Czczycki, CEO	Financial and non-financial targets - related to, among other things, increasing the Company's financial performance, profitability and efficiency, updating HR strategy and updating processes, developing strategies for ESG activities, improving store efficiency, improving internal, external communication strategies along with Public Affairs and ESG, developing employee engagement activities.	96%	150 000
Karol Halftorak, Vice President	Financial and non-financial targets - related to omnichannel development, development and use of customer insights, further development of CCC's mobile application, finalization of strategic projects, structural strengthening of marketing, among others.	90%	105 000
Adam Marciniak, Vice President of the Management Board	Financial and non-financial targets - related to, among other things, the implementation of a new e-commerce project on the Magento platform, the implementation of OMS in new markets, the development of sales value in e-commerce and mobile, the acquisition of the necessary team in the areas of e-commerce, data and cybersecurity.	109%	105 000
Adam Holewa, Vice Chairman of the Board	Financial and non-financial targets - related to increasing HalfPrice's performance, developing the B2B channel, carrying out standardization of organizational structures in 9 countries, reducing rental costs of subsidiaries, developing and implementing engagement activities, among others.	92%	105 000

Igor Matus, Vice Chairman of the Board	Financial and non-financial targets - related to, among other things, implementation of OPEX targets, implementation of the new commercial calendar project, implementation of RFID activities, management of the flow of goods between sales channels: e-commerce, retail, off-price, development of a new logistics concept, development and implementation of engagement activities in the logistics area.	97%	105 000
Kryspin Derejczyk, Vice President of the Management Board	Financial and non-financial targets - related to, among other things, maintaining SG&A costs % to sales, implementation of SAP, taking over the handling of accounting processes by CUW for 3 markets, efforts to achieve a given value of the purchasing budget for non-traded goods, obtaining factoring.	88%	105 000

4.2. Short-term team bonus for 2022

In accordance with Section II. 1. 2) 1. b. of the Remuneration Policy, the short-term team bonus is based on short-term goals shared by the entire Management Board and is awarded for annual periods. The basis for determining the amount of the bonus is four times the monthly remuneration to which the member of the Management Board is entitled (however, the amount of the bonus may be set up to a maximum of 120% of the aforementioned basis). As a rule, the bonus is payable by 31.03 of the following year.

By Resolution No. 02/03/2022/RN dated March 24, 2022. The Supervisory Board set short-term goals common to the entire Board for 2022.

Objectives included:

- Improved customer service (NPS retail: PL 79, NPS ecom: 80);
- Develop the goals of the GO.25 strategy to the level of business unit leaders;
- Implementation of a working capital reduction project for inventory;
- OMS implementation for markets: Czech Republic, Slovakia, Romania, Hungary, Bulgaria;
- Implementation of "year of culture" activities (employee engagement and CCC culture development).

The team targets set for the members of the Management Board for 2022 were met. However, due to the lack of the Company's expected net profitability ratio, the short-term team bonus for 2022 was not awarded and paid.

4.3. Long-term premium 2020-2024

According to point II. 1. 2) 1. c. of the Remuneration Policy, the long-term cash bonus is based on the increase in the value of CCC S.A. (understood as an increase in share price). It is awarded to each member of the Management Board:

- For the first period from 1.01.2020 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 2021 fiscal year (from 1.05.2021 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. (payment of the bonus in this regard was reported in the 2021 compensation report),
- For the second period from 1.08.2021 to 31.07.2024 as 100,000 x the difference between the average price of the Company's shares in the second quarter of the 2024/25 fiscal year (i.e., from 1.05.2024 to 31.07.2024) and the average price of the Company's shares in the second quarter of the 2021 fiscal year - payable in 2 equal parts by 30.09.2024 and 30.11.2024, respectively.

The long-term bonus is not reportable in this report - the long-term bonus for the second period will be reported in the 2024 remuneration report, according to the agreed payment date.

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

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

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 2019-2022 ^[1]

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

^[1] 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").

^[2] 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.

^[3] During 2021, the composition of the Management Board increased from 3 to 7 people, and in addition, a long-term bonus - intentionally 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.

^[4] The figures for 2021 have been updated in accordance with the adjustments to the fringe benefits of the members of the Management Board in 2021, as referred to in the table in Section 2.1 of the Report.

The long-term bonus (paid in 2021) is, intentionally, paid at intervals of several years and in higher amounts than short-term bonuses - a year-on-year percentage comparison of the Company's compensation and performance may therefore not reflect the actual trend of change. The table below 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 2019-2022 without considering the long-term bonus ^[1]**

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

^[1] 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").

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.

Mr. Mariusz Gnych served on the Management Board of CCC Group subsidiary CCC Factory sp. z o.o. until January 31, 2022, hence he is not reported in the table below (this period does not include the current reporting period of the Company). In the reported year (in February 2022), he received remuneration in the amount of PLN 7,500 due to him for the last month of his function on the Management Board of CCC Factory sp. z o.o., due to the due date of this benefit (payment of remuneration in arrears, by the 10th day of the following month).

Table No. 6 - Remuneration of members of the Management Board from CCC Group entities^[1]

Name of Board member, position		Disbursing entity	Fixed remuneration components		The sum of all salary components	Total wages from all entities
			Remuneration under management contract	Employment contract remuneration		
Marcin Czczyński, CEO	2022	CCC Factory sp. z o.o.	0	39 720	39 720	39 720
	2021	CCC Factory sp. z o.o.	0	35 310	35 310	35 310
Adam Holewa, Vice Chairman of the Board	2022	CCC Factory sp. z o.o.	0	36 120	36 120	36 120
	2021	CCC Factory sp. z o.o.	0	28 210	28 210	28 210
Igor Matus, Vice Chairman of the Board	2022	CCC Factory sp. z o.o.	0	36 120	36 120	47 120

		Modivo S.A. (formerly eObuwie.pl S.A.).	11 000	0	11 000	
	2021	CCC Factory sp. z o.o.	0	22 343	22 343	22 343
Kryspin Derejczyk , Vice President of the Management Board (until 17.01.2023).	2022	DeeZee Ltd.	0	36 120	36 120	36 120
	2021	DeeZee Ltd.	0	14 000	14 000	14 000
Adam Marciniak , Vice President of the Management Board (until 29.09.2022).	2022	DeeZee Ltd.	0	31 552	31 552	31 552
	2021	DeeZee Ltd.	0	9 800	9 800	9 800

^[1] This table covers the full fiscal year of the Company, i.e. the period from 01.02.2022 to 31.01.2023 ("2022"). For comparative purposes, the data presented in this table also includes data for the previous fiscal year, i.e., the period from 01.02.2021 to 31.01.2022 ("2021"), in accordance with the 2021 report on remuneration of members of the Management Board and Supervisory Board.

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

During the reported period, members of the Management Board: Marcin Czyczerski, Karol Półtorak and Igor Matus, as well as Chairman of the Supervisory Board Dariusz Miłek signed Participation Agreements in the MODIVO Incentive Program (organized by Modivo S.A., a CCC 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 CCC Group entities, and therefore no financial instruments were awarded 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

During the reported period, the Company exercised the option to temporarily waive the application of the Remuneration Policy in accordance with Article 90f of the Offering Act and Item IX of the

Remuneration Policy. The withdrawal concerned the failure to set bonus criteria (short-term targets) and, consequently, the failure to award individual short-term bonuses to members of the Management Board for the second half of 2022. The withdrawal was based on a resolution of the Supervisory Board and was justified by the need to realize the long-term interests and financial stability of the Company and to guarantee its profitability.

As indicated in Sections 2.1 and 4.1 of the Report, in 2022 the Supervisory Board noted the need to link individual short-term bonuses more strongly to 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 achievement of individualized tasks assigned to members of the Management Board, which relate to financial and non-financial targets. 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.

As a consequence of the above, and considering the intensity of the Company's priority operational activities at the time, the Supervisory Board, in consultation with the Management Board, did not set specific individual short-term targets for the second half of 2022 in the form of a resolution, and therefore the individual short-term bonus for this period is not payable. Given the diversified forms of the Management Board' bonuses, such deviation does not adversely affect the achievement of the Company's strategic goals or stability, but is aimed at adapting the bonus rules to the Company's needs so that the rules contribute to the Company's long-term interests and financial stability, and guarantee its profitability. The adjustment of the bonus rules will be made by amending the Remuneration Policy.

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 2021, i.e. Resolution No. 19/OGM/2022 of the Ordinary General Meeting of CCC S.A. of 15.06.2022 on giving an opinion on the Report on the remuneration of members of the Management Board and the Supervisory Board of the Company for 2021, 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.

The report was approved by the Supervisory Board by Resolution No. 01/05/2023/RN dated May 11, 2023.

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.

Dariusz Milek

Chairman of the Supervisory Board