

**DRAFT RESOLUTIONS OF  
THE ANNUAL GENERAL MEETING OF  
OF PRZEDSIĘBIORSTWO PRZEMYSŁU SPOŻYWCZEGO  
"PEPEES" S.A., with its registered office in ŁOMŻA,**

**on 6 June 2024**

**RESOLUTION No. 1**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, as of 6 June 2024, as regards the election of the Chairperson of the Meeting.

It is resolved as follows:

**§ 1**

The Annual General Meeting resolves to elect Mr/Mrs \_\_\_\_\_ as the Chairperson of the Meeting.

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**§ 2**

The Resolution comes into force upon its adoption.

**RESOLUTION No. 2**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, as of 6 June 2024, as regards the election of the Returning Committee consisting of three (3) members.

It is resolved as follows:

**1**

The Annual General Meeting resolves to elect the following three (3) members of the Returning Committee:

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

**2**

The Resolution comes into force upon its adoption.

**RESOLUTION No. 3**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, as of 6 June 2024, as regards the adoption of the agenda.

It is resolved as follows:

**§ 1**

The Annual General Meeting resolves to adopt the following agenda:

1. Opening of the Annual General Meeting.

2. Election of the Chairperson of the Annual General Meeting.
3. Statement that the Annual General Meeting has been properly convened and is capable of adopting resolutions.
4. Election of the Returning Committee consisting of three (3) members.
5. Adoption of the resolution as on the adoption of the agenda.
6. Consideration and adoption of the resolutions to approve:
  - the Company's financial statements for the financial year of 2023;
  - the consolidated financial statements of the PEPEES Capital Group for the financial year of 2023;
  - the report on the operations of the PEPEES Capital Group for the financial year of 2023 (including disclosures required for the Management Board's Report on operations in the aforementioned period) and including the statement on the application of corporate governance);
  - the report of the Supervisory Board for the financial year of 2023, prepared in accordance with Article 382(3)(3) of the Polish Code of Commercial Partnerships and Companies, including in particular the assessment of the Company's financial statements for the financial year of 2023, the consolidated financial statements for the financial year of 2023 and report on the Capital Group's operations (taking into account the disclosures required for the Management Board's Report on operations in the aforementioned period and including the statement on the application of corporate governance) as regards their consistency with the books, documents and facts;
  - on the distribution of profit for the financial year of 2023.
7. Adoption of the resolutions on:
  - acknowledgement of the fulfilment of duties of the Company's Management Board Members for the financial year of 2023;
  - acknowledgement of the fulfilment of duties of the Company's Supervisory Board Members for the financial year of 2023.
8. Adoption of the resolution on the opinion on the Report concerning the remuneration of the Members of the Management Board and the Supervisory Board of Pepees S.A. in the financial year of 2023.
9. Adoption of a resolution to amend the Articles of Association of the Company.
10. Adoption of a resolution to amend the Remuneration Policy.
11. Conclusion of the meeting.

## § 2

The Resolution comes into force upon its adoption.

## RESOLUTION No. 4

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, as of 6 June 2024, as regards the consideration and approval of the financial statements of the Company for the financial year of 2023

Pursuant to Article 393(1) and Article 395(2)(1) of the Polish Commercial Companies Code in relation to Article 53(1) of the Accounting Act of 29 September 1994 (Polish Journal of Laws of 1994, No. 121, item 591, as amended), it is resolved as follows:

### § 1

The Annual General Meeting resolves to approve the financial statements of "PEPEES" S.A. for the year of 2023, including:

1. the statement of financial standing prepared as at 31/12/2023, which as for assets and liabilities shows the totals of PLN **292,556** thousand (say: two hundred and ninety-two million five hundred and fifty-six thousand Polish złoty),
2. the statement of comprehensive income for the period from 01/01/2023 to 31/12/2023 indicating the net loss of PLN **7,778** thousand (say: seven million seven hundred and seventy thousand Polish złoty),
3. the statement of changes in equity indicating the decreased equity by the amount of PLN **2,868** thousand (say: two million eight hundred and sixty-eight thousand Polish złoty),
4. the cash flow statement indicating the decreased net cash during the financial year of 2023 by the amount of PLN **13,645** thousand (say: thirteen million six hundred and forty-five thousand Polish złoty),
5. additional information on the adopted accounting principles and other explanatory information to the financial statements.

The above documents were drawn up correctly and in accordance with the currently applicable provisions of law.

### 2

The Resolution comes into force upon its adoption.

## RESOLUTION No. 5

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, as of 6 June 2024, as regards the consideration and approval of the consolidated financial statements of the PEPEES Capital Group for the financial year of 2023.

Pursuant to Article 395(5) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

**1**

The Annual General Meeting resolves to approve the consolidated financial statements of the PEPEES Capital Group for the year of 2023, including:

1. the consolidated statement of financial standing prepared as of 31/12/2023 with the total assets and liabilities in the amount of PLN **378,493** thousand (say: three hundred and seventy-eight million four hundred and ninety-three thousand Polish złoty),
2. the consolidated statement of comprehensive income for the period from 01/01/2023 to 31/12/2023 indicating the net loss in the amount of PLN **3,668** thousand (say: three million six hundred and sixty-eight thousand Polish złoty),
3. the consolidated statement of changes in equity for the period from 01/01/2023 to 31/12/2023 indicating the increased equity by the amount of PLN **6,238** thousand (say : six million two hundred and thirty-eight thousand Polish złoty),
4. consolidated cash flow statement for the period 01/01/2023 to 31/12/2023 showing an net decrease of cash of PLN **12,955** thousand (say: twelve million nine hundred and fifty-five thousand Polish złoty),
5. additional information on the adopted accounting principles and other explanatory information on the consolidated financial statements.

The above documents were drawn up correctly and in accordance with the currently applicable provisions of law.

**2**

The Resolution comes into force upon its adoption.

**RESOLUTION No. 6**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, as of 6 June 2024 on the consideration and approval of the report on the operations of the PEPEES Capital Group for the financial year of 2023 (including disclosures required for the Report of the Management Board on operations in the aforementioned period) and including the statement on the application of corporate governance);

Pursuant to Article 395(5) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

**§ 1**

The Annual General Meeting resolves to approve the "PEPEES" Management Board's Report on the PEPEES Capital Group's operations for the financial year of 2023 (including disclosures required for the Report of the Management Board on operations in the aforementioned period) and including the statement on the application of corporate governance);

**§ 2**

The Resolution comes into force upon its adoption.

**RESOLUTION No. 7**

of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, as of 6 June 2024 on the consideration and approval of the report of the Supervisory Board for the financial year of 2023, prepared in accordance with Article 382(3)(3) of the Polish Code Commercial Partnerships and Companies, including in particular the assessment of the Company's financial statements for the financial year of 2023, the consolidated financial statements for the financial year of 2023 and the report on the Capital Group's operations (taking into account the

disclosures required for the Management Board's Report on operations in the aforementioned period and including the statement on the application of corporate governance) as regards their consistency with the books, documents and facts.

Pursuant to Article 395(5) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

### **§ 1**

The Annual General Meeting resolves to approve the Supervisory Board's report for the financial year of 2022, prepared in accordance with Article 382(3)(3) of the Polish Code Commercial Partnerships and Companies, including in particular the assessment of the Company's financial statements for the financial year of 2023, the consolidated financial statements for the financial year of 2023 and the report on the Capital Group's operations (taking into account the disclosures required for the Management Board's Report on operations in the aforementioned period and including the statement on the application of corporate governance) as regards their consistency with the books, documents and facts;

### **§ 2**

The Resolution comes into force upon its adoption.

## **RESOLUTION No. 8**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża of, 6 June 2024 on the distribution of the net profit of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A. for the financial year of 2023.

Pursuant to Article 395(2)(2) and Article 396(5) of the Polish Code of Commercial Partnerships and Companies, having reviewed the proposal of the Company's Management Board concerning the allocation of the profit generated by the Company in the financial year of 2023, it is resolved as follows:

### **§ 1**

The Annual General Meeting resolves to allocate the net profit generated in the year of 2023 in the amount of PLN **7,777,632.99** (say: seven million, seven hundred and seventy-seven thousand, six hundred and thirty-two Polish złoty 99/100) to the capital reserve.

### **§ 2**

The Resolution comes into force upon its adoption.

## **RESOLUTION No. 9**

of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, as of 6 June 2024 on the acknowledgement of the fulfilment of duties by the President of the Company's Management Board for the financial year of 2023.

Pursuant to Article 395(2)(3) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

### **§ 1**

Mr **Wojciech Faszczewski** is hereby granted the acknowledgement of the fulfilment of duties of

the President of the Company's Management Board in the financial year of 2023, during the period:  
from 01/01/2023 to 31/12/2023

#### **RESOLUTION No. 10**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, of 6 June 2024, as regards the acknowledgement of the fulfilment of duties of the Company's Management Board Member for the financial year of 2023.

Pursuant to Article 395(2)(3) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

##### **§ 1**

Mr **Tomasz Rogala** is hereby granted the acknowledgement of the fulfilment of duties of the Company's Management Board Member for the financial year of 2023, during the period from 01/01/2023 to 31/12/2023.

##### **§ 2**

The Resolution comes into force upon its adoption.

#### **RESOLUTION No. 11**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, of 6 June 2024, as regards the acknowledgement of the fulfilment of duties of the Chairperson of the Company's Supervisory Board for the financial year of 2023.

Pursuant to Article 395(2)(3) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

##### **1**

Mr **Maciej Kaliński** is hereby granted the acknowledgement of the fulfilment of duties of the Chairperson of the Company's Supervisory Board in the financial year of 2023, during the period from 01/01/2023 to 31/12/2023

## § 2

The Resolution comes into force upon its adoption.

### **RESOLUTION No. 12**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, of 6 June 2024, as regards the acknowledgement of the fulfilment of duties of the Deputy Chairperson of the Company's Supervisory Board for the financial year of 2023.

Pursuant to Article 395(2)(3) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

## § 1

Mr **Robert Malinowski** is hereby granted the acknowledgement of the fulfilment of duties of the Deputy Chairperson of the Company's Supervisory Board in the financial year of 2023, during the period from 01/01/2023 to 31/12/2023.

## § 2

The Resolution comes into force upon its adoption.

### **RESOLUTION No. 13**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, of 6 June 2024, as regards the acknowledgement of the fulfilment of duties of the Secretary of the Supervisory Board for the financial year of 2023.

Pursuant to Article 395(2)(3) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

## § 1

Ms **Agata Czerniakowska** is hereby granted the acknowledgement of the fulfilment of duties of the Secretary of the Company's Supervisory Board in the financial year of 2023, for the period from 01/01/2023 to 31/12/2023.

## § 2

The Resolution comes into force upon its adoption.

### **RESOLUTION No. 14**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, of 6 June 2024, as regards the acknowledgement of the fulfilment of duties of the Company's Supervisory Board Member for the financial year of 2023.

Pursuant to Article 395(2)(3) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

## § 1

Mr **Jacek Okoński** is hereby granted the acknowledgement of the fulfilment of duties of the Member of the Company's Supervisory Board in the financial year of 2023, during the period: from 01/01/2023 to 31/12/2023

## § 2

The Resolution comes into force upon its adoption.

### **RESOLUTION No. 15**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, of 6 June 2024, as regards the acknowledgement of the fulfilment of duties of the Company's Supervisory Board Member for the financial year of 2023.

Pursuant to Article 395(2)(3) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

## § 1

Mr **Kajetan Rościszewski** is hereby granted the acknowledgement of fulfilment of duties of the Company's Supervisory Board Member in the financial year of 2023, during the period from 01/01/2023 to 31/12/2023.

## § 2

The Resolution comes into force upon its adoption.

### **RESOLUTION No. 16**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" S.A., with its registered office in Łomża, of 6 June 2024, as regards the opinion on the Report concerning the remuneration of the Management Board and the Supervisory Board Members of Pepees S.A. in the financial year of 2023

Pursuant to Article 395(21) of the Polish Code of Commercial Partnerships and Companies and Article 90g(6) of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, the Annual General Meeting resolves as follows:

## § 1

The Annual General Meeting resolves to issue a favourable opinion on the Report concerning the remuneration of the Members of the Management Board and the Supervisory Board of Pepees S.A. in the financial year of 2023

## § 2

The Resolution comes into force upon its adoption.

## **RESOLUTION No. 17**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" Spółka Akcyjna, with its registered office in Łomża, as of 6 June 2024, as regards the amendment of Article 20(20.2)(1) of the Company's Articles of Association

Pursuant to Article 480(1) of the Polish Code of Commercial Partnerships and Companies, the Annual General Meeting resolves as follows:

### **§ 1**

The previous Article 20(20.2)(1) of the Company's Articles of Association, worded as follows:

"Aside from the matters indicated in the Act, in other provisions of these Articles of Association or in resolutions of the General Meeting, the competences of the Supervisory Board include:

1. audit of the annual balance sheet, the profit and loss account and ensuring their verification by chartered auditors of their choice,

is replaced by the following wording:

"Aside from the matters indicated in the Act, in other provisions of these Articles of Association or in resolutions of the General Meeting, the competences of the Supervisory Board include:

1. assessing the reports of the Management Board on the Company's activities and the Company's financial statements for the previous financial year in terms of their conformity with the books and documents as well as with the facts, and selecting an auditing firm to conduct financial auditing activities, including the statutory audit and review of the Company's financial statements,"

### **§ 2**

The General Meeting authorises the Supervisory Board to establish the unified text of the Articles of Association of the Company.

### **§ 3**

This Resolution comes into force upon its adoption. The amendment to the Articles of Association to the extent indicated in §1 of this Resolution enters into force as of the date of registration of the amendment to the Articles of Association by the court.

*Substantiation:*

*In the letter of 27 March 2024, the Office of the Financial Supervision Authority raised doubts as regards the correctness of the provisions of the Company's Articles of Association empowering the Supervisory Board to elect the auditing firm authorised for the statutory audit. In the Company's opinion, the current provision of Article 20(20.2)(1) of the Articles of Association grants such powers to the Supervisory Board ("self-appointed," that is to say appointed by the Supervisory Board), but the Management Board decided to propose to the General Meeting to clarify the provision of the Articles of Association pertaining to the authorisation of the Supervisory Board to appoint auditors.*

## **RESOLUTION No. 18**

Of the Annual General Meeting of Przedsiębiorstwo Przemysłu Spożywczego "PEPEES" Spółka Akcyjna, with its registered office in Łomża, as of 6 June 2024, as regards the amendment of Article 20(20.2)(1) of the Remuneration Policy

Pursuant to Article 395(5) of the Polish Code of Commercial Partnerships and Companies and Article 90d(1) and Article 90e(4) of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, the Annual General Meeting resolves as follows:

### **§ 1**

It is resolved to amend the Remuneration Policy adopted pursuant to Resolution No. 17 Of the Annual General Meeting of the Company of 21 April 2020 by repealing its existing provisions and replacing them with the following ones:

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

A prerequisite for the implementation of the strategy and development of Przedsiębiorstwo Przemysłu Spożywczego "Pepees" S.A., including short- and long-term growth in the Company's value and stability of the Company's operations, is to ensure that the best managers are engaged to serve as the Members of the Management Board and the Supervisory Board of the Company.

#### **I. GENERAL PROVISIONS**

##### **§1**

1. The remuneration policy for the Members of the Management Board and the Supervisory Board of Przedsiębiorstwo Przemysłu Spożywczego "Pepees" S.A. ("**Pepees**" or "**Company**") defines the principles of remuneration for the members of the Company's collegiate bodies, i.e. the Members of the Management Board and the Supervisory Board.
2. This Remuneration Policy is aimed at:
  - a) setting the remuneration principles for the members of the Company's collegiate bodies in such a manner that they contribute to the business strategy, long-term interests and the achievement of the Company's business objectives and ensure its stability;
  - b) creating a remuneration system based on transparent rules for its determination and criteria taking into account the Company's financial performance as well as non-financial criteria related to the Company's performance, which will ensure competitive remuneration terms corresponding to the market situation;
  - c) ensuring that shareholders have an effective impact on the remuneration policy;

- d) defining the corporate social responsibility criteria taken into account in the development and implementation of the Remuneration Policy;
  - e) defining the procedure for the introduction, review and of changes to the Remuneration Policy;
  - f) preventing the emergence of conflicts of interest.
3. The Remuneration Policy has been developed on the basis of:
- a) the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (the "**Act**");
  - b) Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC with regard to the encouragement of long-term shareholder engagement;
  - c) Best Practice for WSE Listed Companies 2021;
  - d) the Articles of Association of the Company (the "**Articles**").
4. The Policy was adopted by Resolution 17 of the Company's Annual General Meeting of 21 April 2020 and subsequently amended by Resolution 18 of the Company's Annual General Meeting of 6 June 2024 (the "**Amending Resolution**").
5. The Amending Resolution clarified: (i) the scope of the Supervisory Board's authorisation, (ii) an explanation of how the labour and remuneration conditions of the company's employees other than the Members of the Management Board and the Supervisory Board were taken into account in establishing the remuneration policy, (iii) the procedure for making changes to the remuneration policy, (iv) information on the employment of the Members of the Management Board and the Supervisory Board, (v) the mutual proportions of fixed and variable remuneration components, (vi) a description of the variable remuneration components that may be awarded to the Members of the Management Board, (vii) rules for implementing incentive programmes, (viii) rules for waiving the provisions of the Remuneration Policy. The resolution referred to in Article 90g(6) of the Act does not contain proposals to be included in the content of the Policy.

## II. ADOPTING AND AMENDING THE REMUNERATION POLICY

### § 2

1. The Company's Management Board is responsible for the preparation, implementation and execution of the Remuneration Policy and amendments thereto.
2. The Supervisory Board gives its opinion on the draft Remuneration Policy, which is then adopted by resolution of the General Meeting. Amendments to the Remuneration Policy are made in the same manner.
3. The General Meeting authorises the Supervisory Board to detail certain principles and provisions of the Remuneration Policy, within the limits specified in the Remuneration Policy, within the scope of:
  - a) rules for determining and awarding fixed and variable remuneration components and their amounts, as well as bonuses and other monetary and non-monetary benefits;

- b) conditions and criteria for awarding variable components of remuneration, participation in incentive and bonus schemes;
- c) criteria related to the consideration of social interests, the Company's contribution to the protection of the environment and the undertaking of measures aimed at preventing and eliminating the negative social effects of the Company's operations;
- d) determination of deferral periods and the possibility for the Company to claim back variable remuneration components;
- e) determination of the periods during which the Members of the Company's Management Board become entitled to receive remuneration in the form of financial instruments, including the rules for their disposal.

### III. OBJECTIVES OF THE REMUNERATION POLICY

#### § 3

1. The level of remuneration of the Members of the Management Board and the Supervisory Board should enable the Company to attract and appropriately motivate persons of the highest competence to manage the Company in a manner contributing to the achievement of its economic and financial objectives, as well as to exercise sound supervision over the Company. The level of remuneration should be in line with respective individuals' tasks and responsibilities, as well as their competence and experience.
2. The introduction of an incentive system that makes bonuses dependent on the Company's financial performance is intended to maintain the highest level of commitment of the Members of the Management Board to the Company's business objectives, as well as to align the business objectives of the Company and the Members of the Management Board.
3. The Remuneration Policy factors in the principle of ensuring that remuneration is competitive with the level of remuneration offered in equivalent positions in the food sector and in companies characterised by similar business profiles.
4. When determining the remuneration of the Members of the Management Board, the Supervisory Board should take into account both the extent of the duties and responsibilities associated with the performance of the function of the Member of the Management Board and their qualifications and experience. Additionally, it should include the level of remuneration of management board members of other food and beverage operators and companies characterised by similar business profiles.
5. In establishing the remuneration policy, the labour and remuneration conditions of the Company's employees other than the Members of the Management Board and the Supervisory Board were taken into account by reviewing the structure and level of remuneration of the Company's employees and taking into account the proportion of these benefits to the remuneration of the management. The remuneration structure promotes the dependence of the variable parts of remuneration on individual and group economic and financial performance and the degree of

the achievement of individual employee targets. Additionally, it is possible to implement an incentive programme, including one that is based on the Company's financial instruments, which will introduce common economic objectives for the Company, the Members of the Management Board and executives.

6. As part of the process of preparing, implementing and periodically reviewing the Remuneration Policy, the Company implements rules to prevent and manage conflicts of interest related to the Remuneration Policy. The Remuneration Policy is established in cooperation by and between the Company's collegiate bodies, i.e. the Management Board, and the General Meeting, and it is reviewed by the Supervisory Board. In the event that a member of the Management Board or a member of the Supervisory Board has knowledge or suspicion of a conflict of interest in relation to the Remuneration Policy as regards them or another Member of the Management Board or the Supervisory Board, they are obliged to notify the Chairperson of the Supervisory Board (in the case of knowledge or suspicion concerning Members of the Management Board) or the President of the Management Board (in the case of knowledge or suspicion concerning Members of the Supervisory Board). If the Chairperson of the Supervisory Board or the President of the Management Board, whatever the case may be, is notified of a conflict of interest, they should take steps to verify whether a conflict of interest has arisen and take appropriate action to avoid the occurrence of such a conflict of interest.
7. The Supervisory Board periodically evaluates the remuneration principles for the Members of the Management Board and takes these into account in determining the amount of remuneration and the granting of additional benefits to the respective Members of the Management Board, pursuant to the Remuneration Policy.
8. The Company's Management Board periodically reviews the implementation of the Remuneration Policy and submits proposed amendments to the Supervisory Board for its opinion.
9. The Remuneration Policy and its implementation are reviewed by the Supervisory Board as presented in the Annual Report submitted to the General Meeting. The General Meeting adopts the Remuneration Policy and amendments thereto. Each year, the General Meeting gives its opinion on the Report in the form of a resolution.

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

##### 4

1. The Company employs the Members of the Management Board based on management contracts executed for the duration of the Management Board Member's term in office, from the date of appointment until the expiry of the mandate or the end of the term in office of the Management Board Member, unless there is a re-election as a Management Board Member.
2. A management contract executed with the Member of the Management Board may be terminated automatically in the event that such a Member of the Management Board ceases to serve on the Company's Management Board.
3. The Members of the Supervisory Board are not employed at the Company. Members of the Supervisory Board are appointed for a joint term of three (3) years; the mandates of such

Members of the Supervisory Board expire at the latest on the date of the Annual General Meeting approving the Company's financial statements for the last full financial year in which such a member served on the Supervisory Board. The Members of the Supervisory Board may be dismissed at any time by the General Meeting. Members of the Supervisory Board may also resign at any time.

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

### § 5

1. Remuneration is determined and paid pursuant to this Remuneration Policy.
2. Separate remuneration rules apply to the Members of the Management Board and the Supervisory Board of the Company.
3. The remuneration of the Company's Management Board Members consists of fixed remuneration, variable remuneration (bonus) and fringe benefits.
4. The remuneration of the Supervisory Board Members consists of fixed remuneration set at a monthly rate and fringe benefits.

### § 6

1. The Management Board Members are entitled to a monthly Fixed Remuneration as defined for each Member of the Management Board in the management contract. The Supervisory Board determines by way of a resolution the Fixed Remuneration of the Company's Management Board Members, taking into account the qualifications, experience, workload required for the proper performance of the function of the Management Board Member, scope of duties and responsibilities of the Management Board Member as a governing body of a listed company and the necessity to ensure the competitive level of remuneration in relation to the level offered for the position of the Management Board Member in companies with a similar profile of operations.
2. The General Meeting adopts the resolution to determine the remuneration of the Supervisory Board Members. The General Meeting of Shareholders determines varied amounts of remuneration of the Supervisory Board Members depending on the function performed, taking into account the degree of involvement of the Supervisory Board Members in duties performed and the principles of responsibility of the Supervisory Board Member of a listed company.

### § 7

1. The variable part of such remuneration of the Management Board Members, in the form of quarterly and annual bonuses ("**Periodic Bonus**"), depends on the level of achievement of the key objectives on the terms established by the Supervisory Board, taking into account the financial results achieved and the degree of achievement of the objectives set by the Supervisory Board.
2. Objectives are determined by the Supervisory Board based on the current operational and strategic goals of the Company for a given period along with the measures of their implementation, including the performance of the planned sales budget, the achievement of planned profit or

EBIDTA level. The criteria related to the consideration of social interests, the Company's contribution to the protection of the environment and the undertaking of measures aimed at preventing and eliminating the negative social effects of the Company's activities may be taken into account when determining the variable components of the remuneration of the Management Board Members.

3. The Supervisory Board evaluates the achievement of the objectives after the end of the relevant bonus period,
4. The bonus payment date should be linked to the publication of the financial results and, in relation to the annual bonus, to the completion of the audit of the Company's consolidated and separate financial statements for the financial year constituting the bonus period.
5. There are no deferral periods for the payment of bonuses and no option for the Company to demand the return of bonuses paid.

#### § 8

1. The maximum total amount of remuneration components constituting the Periodic Bonus for the Company's Management Board Member may depend, for instance, on the level of generated profit and constitute a percentage share in the net profit generated above the planned level, taking into account the functions performed.

#### § 9

1. The maximum total amount of variable remuneration components and other fringe benefits that may be granted to the Company's Management Board and Supervisory Board Members may not exceed 100% of the annual Fixed Remuneration of a Member of the Company's Management Board or Supervisory Board.
2. The ratio of the remuneration components referred to in paragraph 1 is calculated by comparing the maximum sum of all variable remuneration components and other fringe benefits that may be awarded for the year in question and the sum of all fixed remuneration components paid in the year in question.

#### § 10

1. The Management Board Members may be entitled to additional benefits in the form of financial instruments granted by the Company as part of an incentive **scheme ("Incentive Scheme")**.
2. Such an Incentive Scheme should grant the right (option) to receive shares of the Company in order to create in the Company and its subsidiaries such incentive mechanisms for activities as may ensure both a long-term increase in the value of the Company and its shares, a stable increase in the Company's results and dividends for shareholders and its subsidiaries, as well as the implementation of the Pepees Group Strategy.
3. The Incentive Scheme should be structured in such a manner that, for instance, it makes the level of remuneration of the Company's Management Board Members dependent on the actual, long-term

Company's standing in terms of financial and non-financial performance and long-term growth in shareholder value and sustainability, as well as the stability of the Company's operations.

4. The Incentive Scheme may be set up for a limited period for a specific group of individuals. The Incentive Scheme may be implemented by issuing financial instruments granting the right to receive shares in the Company or through the purchase of treasury shares subsequently offered to participants in the scheme.
5. The exercise of the right to shares should be conditional on remaining in the employment at the Company or its subsidiary, compliance with the non-competition or other loyalty terms and conditions and the achievement of the individual and financial objectives set by the Supervisory Board.
6. The implementation of the Incentive Scheme should be conditional on the eligible persons meeting, within a period of at least three (3) years, pre-determined, realistic and appropriate financial and non-financial and sustainability targets for the Company, and the price set by the eligible persons for the purchase of shares or the settlement of options may not deviate from the value of the shares at the time the Incentive Scheme was adopted.
7. The Supervisory Board Members may not participate in Incentive Schemes.

#### § 11

1. A resolution of the Supervisory Board may provide for the introduction into the management contract of a remuneration for the time of the non-performance of the duties of a Member of the Management Board and remuneration for the non-use of this benefit (the "holiday pay"), remuneration for not undertaking competitive operations after the termination of the function of a Member of the Management Board or reimbursement of expenses related to the performance of the function.

#### § 12

1. The Management Board and Supervisory Board Members may be entitled to Additional Benefits in the form of:
  - 1.1. company car, including the driver, for business or private use;
  - 1.2. a personal computer and a business telephone;
  - 1.3. a medical care package, including for immediate family members;
  - 1.4. business accommodation granted when the permanent place of work is significantly distant from the place of permanent residence;
  - 1.5. participation in training courses funded by the Company;
  - 1.6. liability insurance for company authorities;
  - 1.7. other benefits in accordance with the Company's regulations granting them to the general workforce.
2. Members of the Management Board and Supervisory Board may be covered by the Employee Pension Plan on the same terms as other employees of the Company and in accordance with the rules defined in the Act of 20 April 2004 on Employee Pension Plans (i.e. Polish Journal of Laws 2024, item 556).

## VI. TEMPORARY DEVIATION FROM THE REMUNERATION POLICY

#### § 13

1. Upon a proposal of the Management Board, the Supervisory Board may decide to temporarily waive the application of this Remuneration Policy. The request of the Management Board should be duly motivated and, in particular, state the reasons for the withdrawal and its purpose and the withdrawal period.

2. The Remuneration Policy may only be waived if this is necessary to pursue the long-term interests and financial stability of the Company or to guarantee its profitability.
3. In particular, the following are considered to be reasons justifying a temporary deviation from the Remuneration Policy:
  - 3.1 A significant decrease in the Company's EBIDTA over a period of more than one (1) year;
  - 3.2 A significant decrease in the average market price of the Company's shares traded on the regulated market over a period of at least one (1) quarter;
  - 3.3 Changes in the market or regulatory environment that could have a material adverse effect on the Company's economic or financial standing or prospects.
4. A waiver of the Remuneration Policy may concern the determination of both fixed and variable remuneration components.
5. The withdrawal may not be longer than one (1) year.

## VII. REMUNERATION REPORTS

### § 14

1. The Supervisory Board prepares an annual Report containing all the elements required by Article 90g of the Act, which is presented to the General Meeting.
2. The General Meeting expresses its opinion on the Report by way of a resolution. The resolution is advisory only.
3. The Supervisory Board's report provides a comprehensive overview of the remuneration, including all benefits, in whatever form, received or payable in accordance with this Remuneration Policy to the respective Members of the Management Board and Supervisory Board during the last financial year.
4. In preparing the Report for a specific financial year, the Supervisory Board takes into account the opinion of the General Meeting contained in the resolution referred to in paragraph 2 for the previous financial year and indicate how its contents have been taken into account in the prepared Report.
5. The Report is subject to assessment by the chartered auditor as regards the information referred to in Article 90g of the Act.

## VIII. FINAL PROVISIONS

### § 15

1. This Remuneration Policy and the resolution of the General Meeting to adopt it, together with the date of the resolution and the results of the vote, are published immediately on the Company's Website.
2. The Company promptly publishes the Report on the Website and makes it available free of charge for the period indicated in Article 90g(9) of the Act.
3. Matters not governed under the Remuneration Policy are governed pursuant to the Company's separate internal regulations, in particular the Articles of Association and the internal rules of procedure of the Company's General Meeting, Supervisory Board and Management Board, as well as agreements with members of the Management Board.

## § 16

The Remuneration Policy enters into force on the date of its adoption by resolution of the general meeting and should be taken into account in determining the principles and amounts of remuneration of Members of the Company's Bodies from the date of its adoption.

## § 2

The Resolution comes into force upon its adoption.

### *Substantiation:*

*The Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (the "Act") imposes a requirement on a public company to adopt a resolution on its remuneration policy at least every four (4) years. Additionally, a significant change to the remuneration policy requires its adoption, by way of a resolution, adopted by the general meeting.*

*The updating of the provisions of the Remuneration Policy is dictated by the necessity for the Policy to take into account the market practice developed since the adoption of the original version of the document and to clarify some of its provisions. The implementation of the proposed changes will ensure that the Policy contributes even more fully to the Company's business strategy, its long-term interests and the stability of the Company.*

*The submitted draft Remuneration Policy complies with the requirements set out in Article 90d of the Act and covers the matters required by the Act.*

*The draft amendments to the Remuneration Policy were presented by the Management Board and positively reviewed by the Supervisory Board, as specified in the Remuneration Policy.*