



**Report of the Supervisory Board of
LPP SA on Remunerations of
Members of the Management Board
and the Supervisory Board for 2024**



This report on remunerations of members of the Management Board and the Supervisory Board of LPP SA with its registered office in Gdańsk (the "Company") for 2024 (the "Report") has been drawn up under Article 90g of the Act of 29 July 2005 on *Public Offering and the Terms and Conditions for Introducing Financial Instruments to Organised Trading and on Public Companies* (consolidated text: Journal of Laws of 2025, item 592, as amended) and comprises an overall review of remunerations, including, first of all, benefits received by individual members of the governing bodies or payable to them in 2024 in line with the Remuneration Policy for Members of the Management Board and the Supervisory Board of LPP SA, adopted by resolution of the General Meeting of Shareholders no 20 of 30 June 2023 ("Remuneration Policy").

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Unless provided otherwise, all figures are given in PLN thousand.

1. Introduction

In accordance with Article 90g of the *Act on Public Offering*,¹ the Supervisory Board of LPP SA draws up an annual report on remunerations, presenting their comprehensive review, including all benefits in any form, received by individual Members of the Management Board and the Supervisory Board or payable to them in the last financial year in line with the Remuneration Policy. This Report has been drawn up for 2024. The Report was approved by resolution of the Supervisory Board of 11 June 2025 and it will be assessed by a statutory auditor as required under Article 90g(10) of the *Public Offering Act*.

Unless this Report provides otherwise, definitions shall have the meaning as set forth in the Remuneration Policy and the *Public Offering Act*.

2. Remunerations of Members of the Management Board and the Supervisory Boards

2.1. Value of the total remuneration broken down into components and description of their mutual proportions.

Information presented below specifies the value of the total remuneration broken down into components referred to in Article 90d(3)(1) of the *Act on Public Offering* (i.e. a description of fixed and variable components of the remuneration as well as bonuses and other cash and in-kind benefits which may be awarded to Members of the Management Board and the Supervisory Board) and their mutual proportions.

Marek Piechocki, President of the Management Board – data for the financial year 01.02.2024 – 31.01.2024, fixed remuneration: PLN 1,712.30 thousand [amount disbursed], no other non-salary benefits, variable share-based remuneration offered under the incentive scheme for Members of the Management Boards, totalling PLN 4,305 thousand, therefore, the fixed remuneration constituted 28% of the salary, with the variable remuneration amounting to 72% of the salary.

Przemysław Lutkiewicz, Vice-President of the Management Board – data for the financial year 01.02.2024 – 31.01.2024, fixed remuneration: PLN 735.10 thousand [amount disbursed], no other non-salary benefits, variable share-based remuneration offered under the incentive scheme for Members of the Management Boards, totalling PLN 2,583 thousand, therefore, the fixed remuneration constituted 22% of the salary, with the variable remuneration amounting to 78% of the salary. Przemysław Lutkiewicz served on the Management Board of the Company until 17.10.2024.

Sławomir Łoboda, Vice-President of the Management Board – data for the financial year 01.02.2024 – 31.01.2024, fixed remuneration: PLN 1,039.22 thousand [amount disbursed], no other non-salary benefits, variable share-based remuneration offered under the incentive scheme for Members of the Management Boards, totalling PLN 2,583 thousand, therefore, the fixed remuneration constituted 29% of the salary, with the variable remuneration amounting to 71% of the salary.

¹ Act of 29 July 2005 on *Public Offering and the Terms and Conditions for Introducing Financial Instruments to Organised Trading and on Public Companies* [Journal of Laws of 2025, item 592, as amended].

Marcin Piechocki, Vice-President of the Management Board – data for the financial year 01.02.2024 – 31.01.2024, fixed remuneration: PLN 1,042.86 thousand [amount disbursed], no other non-salary benefits, variable share-based remuneration offered under the incentive scheme for Members of the Management Boards, totalling PLN 2,583 thousand, therefore, the fixed remuneration constituted 29% of the salary, with the variable remuneration amounting to 71% of the salary.

Mikołaj Wezdecki, Vice-President of the Management Board – data for the financial year 01.02.2024 – 31.01.2024, fixed remuneration: PLN 1,003.78 thousand [amount disbursed], no other non-salary benefits, no variable remuneration, therefore, the fixed remuneration constituted 100% of the salary.

Marcin Bójko, Vice-President of the Management Board – data for the financial year 01.02.2024 – 31.01.2024, fixed remuneration: PLN 226.93 thousand [amount disbursed], no other non-salary benefits, no variable remuneration, therefore, the fixed remuneration constituted 100% of the salary. Marcin Bójko was appointed to the Management Board on 15.11.2024.

In accordance with the Remuneration Policy, in 2024, Members of the Management Board received the following in-kind benefits (other non-salary benefits): the right to use a company car also for private purposes and access to medical care.

Miłosz Wiśniewski, Chairman of the Supervisory Board – data for the financial year 01.02.2024 – 31.01.2024, fixed remuneration: PLN 40 thousand [amount disbursed], no other in-kind benefits, no variable remuneration, therefore, the fixed remuneration constituted 100% of the salary.

Piotr Piechocki, Member of the Supervisory Board – data for the financial year 01.02.2024 – 31.01.2024, fixed remuneration: PLN 24.82 thousand [amount disbursed], no other in-kind benefits, no variable remuneration, therefore, the fixed remuneration constituted 100% of the salary.

Grzegorz Słupski, Member of the Supervisory Board – data for the financial year 01.02.2024 – 31.01.2024, fixed remuneration: PLN 28.04 thousand [amount disbursed], no other in-kind benefits, no variable remuneration, therefore, the fixed remuneration constituted 100% of the salary.

Alicja Milińska, Member of the Supervisory Board – data for the financial year 01.02.2024 – 31.01.2023, fixed remuneration: PLN 17.46 thousand [amount disbursed], no other in-kind benefits, no variable remuneration, therefore, the fixed remuneration constituted 100% of the salary.

Jagoda Piechocka, Member of the Supervisory Board – data for the financial year 01.02.2024 – 31.01.2023, fixed remuneration: PLN 17.46 thousand [amount disbursed], no other in-kind benefits, no variable remuneration, therefore, the fixed remuneration constituted 100% of the salary.

In 2024, Members of the Supervisory Board received no in-kind benefits.

2.2. Compatibility of remunerations with the Remuneration Policy and correlation between the level of the remuneration and the achievement of the Company's long-term results

Below, this Report clarifies the manner of assuring the compliance of the total remuneration with the Remuneration Policy adopted, including how it contributes to the achievement of the Company's long-term results.

Remuneration payments to the members of the Management Board and the Supervisory Board in 2024 were made in accordance with the Remuneration Policy adopted by the General Meeting to define the

applicable rules and policies on remuneration of Members of the Management Board and Supervisory Board of LPP SA. In accordance with the principles of the Remuneration Policy, Members of the Management Board and the Supervisory Board received the fixed part of the remuneration, described in clause 2.1 above. In relation to Members of the Management Board, remuneration terms and conditions, including rules for receiving and awarding a variable part of the remuneration due for 2024, were determined by the Supervisory Board in accordance with the Remuneration Policy, with due consideration of the criteria referred to in clause 2.3 below.

The solutions adopted in the Remuneration Policy contribute to implementing the business strategy, long-term interests and stability of the Company, including the achievement of the economic performance targets, the Company's actual long-term financial position and the long-term growth of shareholder value as well as the stability of the company's activities, among others, by linking, based on the terms of the Incentive Scheme, the variable share-based portion of the remuneration of members of the Management Board to the results achieved.

The detailed criteria are described in clause 2.3 below.

2.3. Application of Results Criteria

Below, information on how the performance criteria are applied is presented.

Members of the Management Board are paid a basic fixed remuneration (comprising payments and bonuses owed to persons eligible under the Remuneration Policy for their function and work performed as well as their liability level) which is not subject to the result criteria or evaluation of a given person's work performance. Variable benefits in the form of the awarded right to acquire the Company's shares are based on the Incentive Scheme. Members of the Management Board may also be awarded a variable remuneration in the form of an annual bonus (award) the value of which depends on the results gained. Such bonus may be paid either in cash or in kind. The decision on awarding the annual bonus, including determination of the terms and conditions for its disbursement, falls within the scope of competence of the Supervisory Board. Proportions of the fixed and variable parts of the remuneration of Members of the Management Board may vary due to the fact that the value of the variable part is correlated with the results achieved. In 2024, no annual bonuses were awarded or paid. However, eligible persons were granted rights to subscribe to shares under the Incentive Scheme as referred to hereinafter in this Report.

2.4. Changes in Remunerations and the Company's Results YoY

Below, the Report provides YoY and overall information on changes in remunerations of Members of the Company's governing bodies, its results and the average remuneration of LPP SA employees other than Members of the Management Board and the Supervisory Board. The data refers to 2024 and previous years covered by the obligation to prepare a remuneration report, in a comparative form.

Management Board:

Marek Piechocki - President of the Management Board, YoY change in terms of fixed remuneration components, 2024 vs 2023: 0%.

Przemysław Lutkiewicz - Vice-President of the Management Board, YoY change in terms of fixed remuneration components, 2024 vs 2023: -30%. The change results from performing the function in the Company Management Board until 17 October 2024.

Sławomir Łoboda - Vice-President of the Management Board, YoY change in terms of fixed remuneration components,

Marcin Piechocki - Vice-President of the Management Board, YoY change in terms of fixed remuneration components,

2024 vs 2023: 0%.

Mikołaj Wezdecki - Vice-President of the Management Board, YoY change in terms of fixed remuneration components, 2024 vs 2023: 254%. The change results from performing the function in the Company Management Board from 17 November 2023.

The variable remuneration received by the Management Board in 2024 had the form of shares offered under the incentive scheme, totalling 700 shares, i.e., respectively: Marek Piechocki - 250 shares, Przemysław Lutkiewicz - 150 shares, Sławomir Łoboda - 150 shares, Marcin Piechocki - 150 shares. The amount of variable remuneration in 2024 compared to the previous year increased by 25% for the President of the Management Board and by 21% for the Vice-Presidents.

Data on changes in the remuneration of Marcin Bójko, Vice-President of the Management Board, is not provided due to the fact that Marcin Bójko started to act as the Vice-President of the Management Board in 2024.

Supervisory Board:

Miłosz Wiśniewski - Chairman of the Supervisory Board, change YoY 2024 vs 2023: 8%.

Piotr Piechocki, Member of the Supervisory Board, change YoY 2024 vs 2023: -3%.

Grzegorz Słupski - Member of the Supervisory Board, change YoY 2024 vs 2023: 14%.

Alicja Milińska - Member of the Supervisory Board, change YoY 2024 vs 2023: 603%. The change results from performing the function in the Supervisory Board from 30 June 2023.

Jagoda Piechocka - Member of the Supervisory Board, change YoY 2024 vs 2023: 252%. The change results from performing the function in the Supervisory Board from 2 June 2023.

In accordance with Resolution No. 4 of the Extraordinary General Meeting of LPP SA of 15 November 2024,

the previous formula of remuneration paid to Supervisory Board members for attending meetings of the body was abandoned. It was replaced by a fixed monthly salary model as of 15 November 2024. To this end, the remuneration of Supervisory Board members has been adjusted to comply with principle 6.4 of the 2021 Code of Best Practice for GPW Listed Companies.

Group's revenue on sales	1.02.2020 - 31.01.2021	1.02.2021 - 31.01.2022	1.02.2022 - 31.01.2023	1.02.2023 - 31.01.2024	1.02.2024 - 31.01.2025
	7,848,079	11,338,788	15,926,504	17,406,224	20,194,000
		+44.48%	+40.46%	+9.29%	+16%
Financial performance Group net	1.02.2020 - 31.01.2021	1.02.2021 - 31.01.2022	1.02.2022 - 31.01.2023	1.02.2023 - 31.01.2024	1.02.2024 - 31.01.2025
	-190.130	953.522	1,093,541	1,612,002	1,747,000
		+601.51%	+14.68%	+47.41%	+8.4%
EBITDA	01.02.2020 - 31.01.2021	01.02.2021 - 31.01.2022	1.02.2022 - 31.01.2023	1.02.2023 - 31.01.2024	1.02.2024 - 31.01.2025
	1,296,717	2,265,704	2,473,549	3,664,818	4,104,000
		+74.73%	+9.17%	+48.16%	+11.9%

Average remuneration of employees	1.02.2020 - 31.01.2021	1.02.2021 - 31.01.2022	1.02.2022 - 31.01.2023	1.02.2023 - 31.01.2024	1.02.2024 - 31.01.2025
	6.6	6,843	7,671	8,342	9,136
		+3.68%	+12%	+9%	+10%

* The detailed description of the criteria adopted for "results" is given in clause 2.3 above.

2.5. Value of Remunerations Paid by Entities belonging to the LPP SA Group

In 2024, Members of the Management Board and the Supervisory Board received no remunerations or other benefits from the LPP SA Group companies.

Under the Remuneration Policy, Members of the Company's governing bodies are permitted to be employed in companies belonging to the LPP Group under employment contracts or other civil law agreements for a specified or unspecified period of time, be appointed to the governing bodies of such subsidiaries and be remunerated for the above.

2.6. Financial Instruments Awarded or Offered

In accordance with the Remuneration Policy adopted, Members of the Management Board may be awarded financial instruments under the Incentive Scheme.

Under the 2023 Incentive Scheme, based on share subscription agreements of 17 June 2024, Members of the Management Board were awarded 700 ordinary bearer shares of the M series of the nominal value of PLN 2.00 per share, as follows: Marek Piechocki - 250 shares, Przemysław Lutkiewicz - 150 shares, Sławomir Łoboda - 150 shares, Marcin Piechocki - 150 shares. As part of the Incentive Scheme for the financial year 1.02.2024 - 31.01.2025, members of the Management Board did not receive benefits in the form of ordinary bearer shares.

2.7. Return of Variable Remuneration Components

In the reporting period, the Company did not exercise the option of returning variable remuneration components.

2.8. Deviations from the Procedure for Implementation and Application of the Remuneration Policy

When implementing the Remuneration Policy and in the reported period, the Company did not deviate from the procedure for implementing the Remuneration Policy as referred to in Article 90f of the *Public Offering Act*.

2.9. Benefits for the Closest Relatives of Members of LPP's Governing Bodies

According to the Remuneration Policy adopted, remunerations of Members of the Management and Supervisory Boards comprise no cash or non-cash benefits awarded to their closest relatives as referred to in Article 90g(5) of the *Public Offering Act*.

3. Shareholders' Advisory Resolution

According to Article 90g(6) of the *Public Offering Act*, the general meeting adopts a resolution providing an opinion on the remuneration report. This resolution is of advisory nature. The last resolution providing an opinion on the report on remunerations of Members of Management Board and the Supervisory Boards in 2023, i.e. resolution no 7 of the Ordinary General Meeting of Shareholders of LPP SA of 12 July 2024, providing an opinion on the Supervisory Board's Remuneration Report, included a positive opinion on the above-mentioned report, incorporating no remarks, reservations or recommendations concerning the Remuneration Policy executed by the Company. Consequently, there were no grounds for implementing changes arising from the opinion of the General Meeting of Shareholders.

In view of the foregoing, in the financial year covered by this Report, the Company and its Group continued to implement the assumptions arising from the adopted Remuneration Policy.

Supervisory Board of LPP SA