

## **Remuneration policy for members of the management board and supervisory board**

### **§ 1**

1. The General Meeting of Shareholders of PROCHEM S.A. adopts this remuneration policy for Members of the Management Board and Supervisory Board of PROCHEM S.A., hereinafter referred to as the "Policy", pursuant to Article 90d section 1 in connection with Article 90e section 4 of the Act indicated below. The solutions adopted in the Policy should contribute to the implementation of the business strategy, long-term interests and stability of the Company.
2. Whenever the following terms are used in the Policy, they should be given the following meanings:
  - Company – PROCHEM S.A. seated in Warsaw;
  - Management Board – the Management Board of the Company;
  - Board – the Supervisory Board of the Company;
  - Committee – the Audit Committee appointed by the Board;
  - Group – a capital group consisting of the Company as the parent entity and subsidiaries controlled by the Company
  - Act – the Act of 29 July 2005 on public offering and conditions governing the introduction of financial instruments to organised trading, and public companies.
3. The draft Policy was prepared by the Management Board and presented to the Board for opinion, before being submitted to the General Meeting of the Company for adoption by way of a resolution.

### **§ 2**

#### **Remuneration of Management Board Members**

1. The remuneration of the Management Board Members is paid within the framework of the legal relationship between the Management Board Member and the Company. The legal relationship may take the form of:
  - employment relationship based on an employment contract concluded for an indefinite period;
  - ordering the Company management service (management contract) concluded for the duration of the Management Board Member's term of office;
  - appointment to perform the function of the Management Board Member for the duration of the Management Board Member's term of office.

It is also possible to combine individual forms in the relationship between the Management Board Member and the Company.

2. The type of legal relationship and the principles of cooperation and remuneration of a Member of the Management Board are determined by the Supervisory Board

during negotiations. The legal basis for the management of the Company by a Member of the Management Board is determined by a resolution of the Board.

3. The Supervisory Board determines the level of remuneration of the Management Board Members paid by the Company, taking into account the scope of duties, including, among others, the scope of duties related to the functions performed in the Group companies, as well as the remuneration referred to in item 11 of this section.
4. A Management Board Member may receive cash remuneration consisting of two parts, i.e. a fixed part and a variable part. The Board determines the basic components of the cash remuneration of a Management Board Member, including the amount of fixed and variable remuneration and the principles of the relationship between variable remuneration and financial results. The Board may also grant a Management Board Member the right to other non-cash benefits.
5. The fixed remuneration is paid monthly in the amount specified in the agreement of the Management Board Member with the Company, on the date of payment of remuneration to the Company's employees. The amount of the monthly remuneration is specified in the gross amount. If the Company concludes an Employment Contract or a Management Contract with the Management Board Member, the amount of the fixed remuneration is clearly indicated in their content.
6. A member of the Management Board may receive variable remuneration, dependent on financial results. The variable part of remuneration may take the form of an award granted by a resolution of the Board. The dependence on financial results may apply to the results of the Company or the Group. Detailed principles for determining, calculating and paying variable remuneration are specified by the Supervisory Board in an agreement concluded with the Member of the Management Board, and in the absence of an agreement, in a resolution establishing the remuneration of the Member of the Management Board. The variable part of remuneration will be paid after the approval by the General Meeting of Shareholders of the Company of the Financial Statements of the Company for the previous year - in the case of the variable part dependent on the results of the Company, or after the approval of the financial statements of the Prochem SA Capital Group, in the case of the variable part dependent on the results of the Group.
7. Based on the decision of the Board, the variable part of the remuneration may be paid in advance in periods of quarterly financial statements. The variable part of the remuneration paid in advance will be settled within 14 days from the date of adoption of the Company's balance sheet for the financial year by the General Meeting of Shareholders of the Company.
8. A Member of the Management Board may also receive other non-cash benefits from the Company, including:
  - The right to use specific assets of the Company;
  - The right to additional insurance;
  - The right to use additional non-wage benefits (benefits) launched for persons employed in the Company and permanently cooperating with the Company,

- The right to participate on general terms in pension programs operating in the Company (including PPK).

The scope and principles of non-cash benefits due to a Member of the Management Board are specified in a resolution of the Board or an employment contract or a management contract.

9. In justified cases, a Member of the Management Board may submit to the Board a motion to change the legal basis of the established management relationship and the principle of remuneration of a Member of the Management Board, including establishing a different value of the fixed part and the variable part of the remuneration as well as a different scope and a different value of non-cash benefits.
10. A Management Board Member may be covered by an additional agreement or non-competition provisions after termination of employment, on the principles resulting from generally applicable legal provisions provided for employees. The period of the non-competition clause after termination of employment should not exceed 12 months, and the compensation due may not exceed the remuneration received by the Management Board Member before termination of employment for a period corresponding to the period of the non-competition clause.
11. A member of the Management Board may receive remuneration from Group companies, determined in accordance with applicable regulations, for functions performed in these companies or work performed for these companies.

### **§ 3**

#### **Remuneration of Supervisory Board Members**

1. Members of the Board receive remuneration in the amount and on the terms specified in the Bylaws of the Supervisory Board of PROCHEM S.A. adopted by the General Meeting of Shareholders of PROCHEM S.A.
2. A member of the Board may receive remuneration from the Company for performing a function in the supervisory body in the form of a fixed, lump sum monthly gross amount, set in the Bylaws of the Supervisory Board. The Chairman of the Board may receive higher remuneration than other Members of the Board, taking into account the additional workload resulting from the functions performed.
3. A member of the Board may receive remuneration from Group companies, determined in accordance with applicable regulations, for functions performed in these companies or work performed for these companies.

### **§ 4**

#### **Withdrawal from Remuneration Policy**

In the event of a threat to the financial stability of the Company and the inability to guarantee its profitability, resulting from the failure to implement budget assumptions in a significant part, the Board may temporarily waive the application of the Policy in whole or in part. A waiver of the application of the Policy may not be adopted at one time for a period longer than three financial years.

## **§ 5 Report**

1. The Board prepares an annual remuneration report presenting a comprehensive overview of remuneration, including all benefits, regardless of their form, received by individual Members of the Management Board and of the Board or due to individual Members of the Management Board and of the Board in the last financial year, in accordance with the remuneration policy. The Members of the Board are responsible for the information contained in the remuneration report.
2. The report on the remuneration of individual Members of the Management Board and Supervisory Board shall include in particular:
  - 1) the amount of total remuneration broken down into components referred to in art. 90d sec. 3 item 1 of the Act, and the mutual proportions between these remuneration components;
  - 2) an explanation of how the total remuneration is consistent with the adopted Policy, including how it contributes to achieving the Company's long-term results;
  - 3) information on the manner in which the performance criteria were applied;
  - 4) information on the change, on an annual basis, in remuneration, the Company's results and the average remuneration of employees of this Company who are not members of the Management Board or the Supervisory Board, over a period of at least the last five financial years, in aggregate, in a manner enabling comparison;
  - 5) the amount of remuneration from entities belonging to the same capital group within the meaning of the Act of 29 September 1994 on Accounting (i.e. of 4 November 2022 (Journal of Laws of 2023, item 120));
  - 6) the number of financial instruments granted or offered and the main conditions for exercising the rights attached to these instruments, including the exercise price and date and any changes thereto;
  - 7) information on the use of the possibility of requesting a refund of variable remuneration components;
  - 8) information on deviations from the remuneration policy implementation procedure and deviations applied in accordance with Article 90f of the Act, including an explanation of the premises and procedure, and an indication of the elements from which deviations were applied.

## **§ 6 Validity of the Policy**

1. The Policy is effective from the date of adoption of this Policy by a resolution of the General Meeting of Shareholders.