

DOM DEVELOPMENT S.A.

# **SUPERVISORY BOARD REPORT ON REMUNERATION FOR MEMBERS OF DOM DEVELOPMENT S.A. MANAGEMENT BOARD AND SUPERVISORY BOARD FOR 2024**



This Report was prepared in line with regulations governing remuneration in public companies under Article 90g of the Act of 29 July 2005 on public offering and the terms and conditions governing the introduction of financial instruments to an organised trading system, and on public companies (Journal of Laws of 2024, item 620).

The Report contains a comprehensive overview of the remuneration due to individual Members of the Management Board and the Supervisory Board of Dom Development S.A. (hereinafter the "Company") in 2024, awarded in accordance with the Remuneration Policy for the Members of the Management Board and the Supervisory Board of Dom Development S.A. (hereinafter referred to as the "Remuneration Policy").

In 2024, the composition of the Management Board and Supervisory Board was as follows:

Table 1

Board	Function
Jarosław Szanajca <sup>1</sup>	President
Leszek Stankiewicz <sup>2</sup>	Vice President
Mikołaj Konopka	Member
Monika Perekitko <sup>3</sup>	Member
Grzegorz Smoliński <sup>4</sup>	Member
Terry Roydon	Member

<sup>1</sup>On 28 August 2024, Mr Jarosław Szanajca resigned from the position of President of the Management Board, effective as of 31 December 2024

<sup>2</sup>On November 29, 2024, Mr Leszek Stankiewicz resigned from the position of Vice-President / Member of the Management Board with effect from February 28, 2025

<sup>3</sup>Ms Monika Perekitko resigned from the position of Member of the Management Board with effect as of October 29, 2024

<sup>4</sup>Mr Grzegorz Smoliński was appointed as a Member of the Management Board on October 29, 2024

Table 2

Supervisory Board	Function
Grzegorz Kiełpsz	Chairman
Dorota Podedworna-Tarnowska	Deputy Chairman
Mark Spiteri	Member
Janusz Zalewski	Deputy Chairman
Anna Panasiuk	Member
Edyta Wojtkiewicz	Member
Philippe Bonavero	Member

#### TOTAL REMUNERATION OF MANAGEMENT BOARD MEMBERS BY COMPONENT

The remuneration of the Management Board Members in 2024 is shown in the table below (k PLN):

Table 3

	Fixed Remuneration	Company vehicle used for personal purposes**	Other non-cash benefits (medical care, life insurance, sports card, other)	Variable Remuneration *	Ratio of variable to total salary	Ratio of fix remuneration to total salary	Ratio of fixed non-cash benefits + company car to total salary
Jarosław Szanajca	1489	5	28	2462	62%	37%	1%
Leszek Stankiewicz	2179 <sup>1</sup>	5	19	2673	55%	45%	0%
Mikołaj Konopka	396	0	0	1144	74%	26%	0%
Monika Perekitko	1920 <sup>2</sup>	4	15	3303	63%	37%	0%
Grzegorz Smoliński	170	0	0	155	48%	52%	0%
Terry Roydon***	72	0	0	2189	97%	3%	0%

\* Variable remuneration calculated in accordance with the accrual principle, some of which is deferred and will be paid in cash in future periods. Variable remuneration is the estimated sum of values due for 2024 under the Senior Executive Compensation Plan "SECP" and the long-term discretionary bonus program - Long Term Incentive Program "LTIP"

\*\* the item "company car used for private purposes" includes the monetary value of the free benefit due to a Member of the Management Board for using a company car for private purposes in accordance with the Personal Income Tax Act

\*\*\* Terry Roydon, as part of Hansom Property Company Limited, additionally provided consulting services totalling 528 (kPLN) in 2024.

<sup>1</sup>The amount of Mr Leszek Stankiewicz's fixed remuneration includes a severance pay in connection with his resignation from the position of Vice-President / Member of the Management Board in the amount of PLN 750k, which was paid by March 15, 2025 pursuant to resolution no. 9/11/24 of November 29, 2024.

<sup>2</sup>The amount of Ms Monika Perekitko's fixed remuneration includes a severance pay of PLN 720k in connection with her resignation from the position of Member of the Management Board.

In the case of Mr Terry Roydon, variable remuneration exceeded the limit of 5-times the basic salary in the Capital Group, thus failing to meet par. 6, point 3 of the Remuneration policy. Overall the variable component of Management Board Members' remuneration was considered proportionate and linked to the implementation of the Company's business strategy, which is based on long-term maximisation of the Company value and return on equity for shareholders through: geographic diversification of operations, optimisation of the portfolio of current development projects as regards the margins earned and the scale of operations, timely delivery of high-quality development projects being delivered on budget, while maintaining adequate liquidity and a strong balance sheet.

The size and nature of the remuneration was consistent with the strategic objectives and the short- and long-term interests of Dom Development S.A. Their payment was intended to strengthen the motivation of the Members of the Management Board to reach their personal goals which contribute to the achievement of the above-mentioned corporate and strategic objectives.

The payment of deferred compensation in the form of share options granted to the Management Board Members shown above ensures that the interests of the Management Board Members who receive such compensation as part of their overall remuneration are linked to the long-term objectives of the Company. Such variable remuneration is an additional incentive to ensure long-term strategic planning and decision-making aimed at maximising the value of the company over several years.

The variable remuneration in the Table 3 only includes variable remuneration calculated in accordance with the accrual principle, some of which is deferred and will be paid in cash in future periods. The remuneration resulting from the granted instruments was shown and described below in the report.

In accordance with the Remuneration Regulations adopted in the Company, fixed remuneration is paid at the end of each month.

As provided for in the rules for payment of the Variable Remuneration set out in the Remuneration Policy, the Variable Remuneration granted and paid may not be reimbursed.

Variable Remuneration for Management Board Members granted in the form of bonuses was subject to certain criteria related to both financial and non-financial performance. The value thereof was tied to strategic goals under two variable remuneration systems:

1. Variable remuneration, as a one-off payment, calculated as a specific amount (expressed as a percentage) of the basic, annual gross remuneration of the Management Board Member, and linked to performance in achieving expected levels of implementation for both individual and corporate goals. The strategic goals included, among others: net profit, net margin, costs, customer satisfaction (NPS score), land purchases and other individual tasks related to the implementation of Company strategy. The total weight of the financial goals fell in the range of 20% -40%.
2. Variable remuneration calculated as a specified percentage of the consolidated gross profit of Dom Development S.A. or the Capital Group, depending on the area of responsibility of the Management Board Member and paid in installments over a 3-year period.

The variable remuneration paid in 2024 regarding the SECP program for 2023 and the LTIP program for 2021-2023 is shown in the table below (k PLN):

Table 4

	Variable remuneration paid in 2024
Jarosław Szanajca	2000
Leszek Stankiewicz	1781
Mikołaj Konopka	810
Monika Perekitko	-
Grzegorz Smoliński	-
Terry Roydon	1549

Number of financial instruments granted and main conditions for exercising rights from these instruments, including the price and exercise date:

Table 5

OPTIONS GRANTED AND EXERCISED IN 2024	Options granted as of 1 January 2024 and not yet exercised (number of shares)	Options granted in 2024 (number of shares)	Options exercised in 2024 (number of shares)	Closing share price on option exercise day*	Price of exercising one share (strike price)	Date of exercising shares
Jarosław Szanajca	-	-	-	-	-	-
Leszek Stankiewicz*	150 000	-	50 000	164,20 zł	50,00 zł	06.02.2024
Monika Perekitko	-	-	-	-	-	-
Grzegorz Smoliński	-	-	-	-	-	-
Mikołaj Konopka	50 000	-	50 000	160,60 zł	50,00 zł	30.01.2024
Terry Roydon	-	-	-	-	-	-

\*Mr Leszek Stankiewicz unconditionally waived his right to exercise options in relation to 100,000 shares of the Company in connection with his resignation from the position on the Management Board of the Company

The main conditions for exercising the right for the options granted included notification by the Management Board Member of an intention to exercise the options. Thereupon, the Management Board Member received a proposal to purchase shares and could exercise the right to subscribe for shares. The exercise became effective upon receipt of payment for the shares subscribed. Furthermore, the options granted could have been exercised during the calendar year in which they were granted or at a later date determined by the Company, individually for each Management Board Member.

Mr Leszek Stankiewicz and Mr Mikołaj Konopka exercised some options to which they acquired the right to exercise in 2024, respectively.

#### TOTAL REMUNERATION OF SUPERVISORY BOARD MEMBERS BY COMPONENT

The remuneration of the Supervisory Board Members paid in 2024 is shown in the table below (k PLN):

Table 6

	Fixed Remuneration	Non-Cash Benefits (medical care, life insurance, sports card)	Ratio of fixed non-cash benefits to fixed remuneration
Grzegorz Kiepszc	600	35	6%
Dorota Podedworna-Tarnowska	166	7	5%
Mark Spiteri	144	0	0%
Janusz Zalewski	110	6	5%
Edyta Wojtkiewicz	127	0	0%
Anna Panasiuk	127	0	0%
Philippe Bonavero	110	0	0%

The total remuneration of the Members of the Management Board and the Supervisory Board was awarded and paid in accordance with the adopted Remuneration Policy.

#### CASH AND NON-CASH BENEFITS FOR PERSONS RELATED TO THE MANAGEMENT BOARD MEMBERS AND SUPERVISORY BOARD

The Company granted in 2024 cash and non-cash benefits to the immediate families of the Management Board and Supervisory Board Members, the total amount of which is shown in the tables below (k PLN):

Table 7

MANAGEMENT BOARD	Cash benefits to the immediate family	Non-cash benefits to the immediate family (medical care, life insurance, sports card)
Jarosław Szanajca	0	5
Leszek Stankiewicz	0	19
Mikołaj Konopka	0	0
Monika Perekitko	0	7
Grzegorz Smoliński	0	0
Terry Roydon	0	0

Table 8

SUPERVISORY BOARD	Cash benefits to the immediate family	Non-cash benefits to the immediate family (medical care, life insurance, sports card)
Grzegorz Kielpsz	0	29
Dorota Podedworna-Tarnowska	0	11
Mark Spiteri	0	0
Janusz Zalewski	0	15
Edyta Wojtkiewicz	0	0
Anna Panasiuk	0	0
Philippe Bonavero	0	0

COMPARISON OF MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBER REMUNERATION, COMPANY PERFORMANCE AND AVERAGE ANNUAL REMUNERATION OF EMPLOYEES (k PLN)

Table 9

	2019	2020	2020/2019	2021	2021/2020	2022	2022/2021	2023	2023/2022	2024	2024/2023
<b>Remunerations of Members of Management Board*</b>	<b>12 087</b>	<b>13 358</b>	<b>111%</b>	<b>13 035</b>	<b>98%</b>	<b>16 697</b>	<b>128%</b>	<b>11 816</b>	<b>71%</b>	<b>18 228</b>	<b>154%</b>
Jarosław Szanajca	2 785	2 931	105%	2 956	101%	3 406	115%	3 750	110%	3 984	106%
Małgorzata Kolarska	5 183	5 744	111%	5 985	104%	7 271	121%	1 407	19%		0%
Janusz Zalewski	2 439	2 686	110%	377	14%						0%
Monika Perekitko										5 242	0%
Grzegorz Smoliński										325	0%
Leszek Stankiewicz				1 595		3 246	204%	3 484	107%	4 876	140%
Mikołaj Konopka	604	739	122%	783	106%	1 097	140%	1 326	121%	1 540	116%
Terry Roydon	1 076	1 258	117%	1 339	106%	1 677	125%	1 850	110%	2 261	122%
<b>Remunerations of Members of Supervisory Board</b>	<b>1 301</b>	<b>1 295</b>	<b>100%</b>	<b>1 309</b>	<b>101%</b>	<b>1 389</b>	<b>106%</b>	<b>1 431</b>	<b>103%</b>	<b>1 433</b>	<b>100%</b>
Grzegorz Kielpsz	624	624	100%	624	100%	625	100%	629	101%	635	101%
Michael Cronk	110	110	100%	28	25%						0%
Markham Dumas	116	110	95%	110	100%	110	100%	50	46%		0%
Krzysztof Grzyliński	121	121	100%	121	100%	131	108%	61	47%		0%
Marek Moczulski	110	110	100%	110	100%	150	136%	73	49%		0%
Dorota Podedworna-Tarnowska	110	110	100%	110	100%	124	113%	160	129%	173	108%
Mark Spiteri	110	110	100%	110	100%	127	115%	144	113%	144	100%
Edyta Wojtkiewicz								69		127	184%
Anna Panasiuk								69		127	184%
Philippe Bonvero								60		110	184%
Janusz Zalewski				96		122	127%	116	95%	116	101%
<b>Company Profit After Tax (net profit)</b>	<b>304 665</b>	<b>264 217</b>	<b>87%</b>	<b>306 767</b>	<b>116%</b>	<b>373 684</b>	<b>122%</b>	<b>441 114</b>	<b>118%</b>	<b>419 020</b>	<b>95%</b>
<b>Consolidated Profit Before Tax (gross profit)</b>	<b>320 482</b>	<b>378 627</b>	<b>118%</b>	<b>405 485</b>	<b>107%</b>	<b>512 620</b>	<b>126%</b>	<b>573 255</b>	<b>112%</b>	<b>706 432</b>	<b>123%</b>
<b>Average employee remuneration at Dom Development S.A.</b>	<b>199</b>	<b>198</b>	<b>99%</b>	<b>215</b>	<b>109%</b>	<b>229</b>	<b>107%</b>	<b>232</b>	<b>101%</b>	<b>243</b>	<b>105%</b>

\*this item does not include remuneration obtained in other Capital Group companies. The amounts in this respect are presented in Table 10  
The remuneration of Management Board Members in this table is presented consistently with the presentation of remuneration in Table 3.

#### REMUNERATION FROM ENTITIES BELONGING TO THE SAME CAPITAL GROUP

On account of their functions in entities belonging to the Dom Development capital group, the Members of the Management Board and the Supervisory Board of the Company were granted and paid remuneration in the amounts shown in the table below (k PLN):

Table 10

	Company	2024
Jarosław Szanajca	Euro Styl S.A.	120*
Leszek Stankiewicz	Dom Construction Sp. z o.o.	40*
Grzegorz Smoliński	Dom Development Kredyty Sp. z o.o.	6
Mikołaj Konopka	Euro Styl S.A.	2 766**
	Euro Styl Construction Sp. z o.o.	6*
	Euro Styl Montownia Sp. z o.o.	6*
	GGI Dolne Miasto Sp. z o.o.	6*
	Your Destination Sp. z o.o.	6*
	Apartamenty Las Jastarnia Sp. z o.o.	6*

\*fixed remuneration

\*\*fixed and variable remuneration in the form of SECP program for 2024 and profit bonus for 2024

The variable remuneration paid in 2024 regarding the SECP program for 2022 and 2023 and profit bonus for 2023 is shown in the table below (k PLN):

Table 11

	Variable remuneration paid in 2024
Mikołaj Konopka	2073

Moreover, Mr Jarosław Szanajca was a member of the Management Board of the following companies: Dom Development Kraków 12 Sp. z o.o. (Dom Development Kraków 12 Sp. z o.o. lost its legal existence on 01.08.2024 as a result of the merger with Dom Development Kraków sp. z o.o.) and Dom Development Kraków Sp. z o.o., as well as on the Council of the NASZ DOM Foundation and did not receive remuneration for the functions performed.

Mr Leszek Stankiewicz was a member of the Management Board of the NASZ DOM Foundation and on the Supervisory Board of Euro Styl S.A. and Dom Development Kraków Sp. z o.o. and did not receive remuneration for the functions performed.

Mr Grzegorz Smoliński was a member of the Management Board of the Dom Development Grunty Sp. z o.o. and Dom Land Sp. z o.o. and did not receive remuneration for the functions performed.

Mr Mikołaj Konopka was a member of the Management Board of Dom Construction sp. z o.o. and on the Management Board of the NASZ DOM Foundation and did not receive remuneration for the functions performed.

The remuneration policy was adopted by the Company in August 2020. Since its implementation, there have been no exceptions to its application, except for Mr Terry Roydon exceeding the limit of 5-times the amount of the variable remuneration in relation to fixed remuneration.

With regard to 2024, Mr Terry Roydon's variable remuneration exceeded the limit of 5-times the basic salary in the Capital Group, thus failing to meet par. 6, point 3 of the Remuneration Policy.

Pursuant to Resolution No. 9 of June 19, 2024, the Ordinary General Meeting of Shareholders of Dom Development S.A. presented a positive opinion on the Supervisory Board Report on the remuneration of Members of the Management Board and Supervisory Board of Dom Development S.A. for 2023, in respect of its compliance with Article 90g of the Act of 29 July 2005 on public companies and public offering and the terms and conditions governing the introduction of financial instruments to an organised trading system, and its compliance with the remuneration policy for members of the Management Board and Supervisory Board of Dom Development S.A.

This Report has been reviewed by a certified auditor.