



Report of the Remuneration Committee of
Dom Development S.A.
for the period from 1 January 2020 until 31 December 2020

REPORT

OF THE REMUNERATION COMMITTEE

OF DOM DEVELOPMENT S.A.

ON THE ACTIVITIES CONDUCTED

FROM 1 JANUARY 2020

TO 31 DECEMBER 2020



Warsaw, 8 March 2021



I. Personnel, composition and organisation of the Remuneration Committee of Dom Development S.A.

Pursuant to the provisions of the Statute of Dom Development S.A. with its registered seat in Warsaw ('the Company') and Remuneration Committee Bylaws dated 5 September 2006 and amended on 29 December 2006 and 5 October 2010, the Remuneration Committee is a permanent committee of the Supervisory Board.

The Remuneration Committee is composed of at least three members appointed by the Supervisory Board from among its members, at least two of whom shall be Independent Members of the Supervisory Board (in the meaning of point 7.7 of the Company's Statute).

From 1 January 2020 to 31 December 2020, the Remuneration Committee acted under the following composition:

- Marek Moczulski - Chairman of the Remuneration Committee,
- Mark Spiteri - Member of the Remuneration Committee,
- Krzysztof Grzyliński - Member of the Remuneration Committee.

The rules of organisation and the methods of operation of the Remuneration Committee are specified by the provisions of the Company's Statute and the Remuneration Committee Bylaws dated 5 September 2006 and amended on 29 December 2006 and 5 October 2010.

II. Activity of the Remuneration Committee

1. During the period under review, the Remuneration Committee conducted its activity by way of sessions convened by the Chairman of the Supervisory Board. Said sessions took place in accordance with the 2020 Company Activity Schedule and depending on needs. The Remuneration Committee also conducted sessions via teleconference and videoconference. Minutes were taken during all sessions and the decisions made by the Committee took the form of resolutions.

2. During the period from 1 January 2020 to 31 December 2020, the most important tasks of the Remuneration Committee were the periodical assessment of the terms of remuneration of the Management Board members, preparation of remuneration proposals including granting additional incentive-based benefits for management, such as share option programs, as well as submitting to the Supervisory Board the proposed remuneration policies of the Company.



During the period covered by this report, 6 sessions of the Dom Development S.A. Remuneration Committee took place, on the following dates:

- 1) 2 March 2020;
- 2) 19 March 2020 (via videoconference);
- 3) 26 May 2020 (via videoconference);
- 4) 4 August 2020 (via videoconference);
- 5) 5 October 2020 (via videoconference);
- 6) 30 November 2020 (via videoconference).

All sessions of the Remuneration Committee were convened correctly. All members of the Remuneration Committee were present at all sessions. Some sessions of the Remuneration Committee were also attended by the President of the Management Board Mr. Jarosław Szanajca and HR Director Mr. Jakub Poddany.

Session of 2 March 2020

After the meeting had opened, the Members of the Remuneration Committee discussed and analysed the remuneration of the members of the Management Board in 2019 after which they adopted a resolution on the acceptance of the Report of the Remuneration Committee on the activities conducted from 1 January 2019 to 31 December 2019 and submission of said Report to the Supervisory Board (Resolution No. 01/03/20) after which the meeting discussed and analysed the remuneration of the members of the Management Board in 2019.

The Remuneration Committee adopted the following resolutions: on a recommendation of an amendment of the Discretionary Bonus Scheme for Senior Executives and Consultants of Dom Development S.A. to the Supervisory Board (Resolution No. 02/03/20), on Company-wide Bonus Pool for 2020 including approval of bonus cap (Resolution No. 03/03/20), on proposal of determination of Pools and Pools for Distribution to be allocated for payment of Discretionary Bonuses under the Discretionary Bonus Scheme for Senior Executives and Consultants of Dom Development S.A. and a proposal of specification of Shares in the Pools for Distribution (Resolutions: No. 04/03/20, 05/03/20, 06/03/20), on proposals to award Discretionary Bonuses under the Discretionary Bonus Scheme for Senior Executives and Consultants of Dom Development S.A. (re. 2017, 2018 and 2019 Pool) (Resolutions: No. 07/03/20, 08/03/20 and 09/03/20).

Session of 19 March 2020

The Remuneration Committee recommended that the Supervisory Board approves execution of the SECP (Senior Executives Compensation Plan) for 2019 (Resolution No. 01/03/20) and also adopted the



resolution on a proposal of the acceptance of the targets of the SECP (Senior Executive Compensation Plan) for 2020 (Resolution No. 02/03/20).

Session of 26 May 2020

The Remuneration Committee members discussed operation of Management Share Options Programme IV for the Vice President of the Management Board - the Chief Operations Officer, regarding 500,000 Shares of Dom Development S.A. and of the Management Share Option Programme V for Mikołaj Konopka, Member of the Management Board of Dom Development S.A., regarding 250,000 Shares of Dom Development S.A.

Session of 4 August 2020

The Remuneration Committee members expressed a positive opinion on draft "Remuneration policy for members of Dom Development S.A. Management Board and Supervisory Board" (Resolution No. 01/08/20).

Session of 5 October 2020

The members of the Remuneration Committee analysed the results of the research on Warsaw quoted public companies' 2019 remuneration packages.

Analysis and discussion regarding the remuneration of each member of the Management Board in 2019 took place as well as a discussion concerning recommendations for remuneration of each member of the Management Board.

Furthermore, the Remuneration Committee adopted the 2021 Company Activity Schedule (Resolution No. 01/10/20).

Session of 30 November 2020

The Remuneration Committee discussed with HR Director the operation of the bonus scheme.

Furthermore, the Remuneration Committee adopted the following resolutions: a resolution on the recommendation to the Supervisory Board regarding acceptance of the Provisions of the Management Share Options Programme VI for Marcin Drobek, the Management Board Consultant – Director for Investment Realization, regarding 150,000 Shares of Dom Development S.A. (Resolution No. 01/11/20), and on the recommendation to the Supervisory Board regarding granting Options on the basis of Provisions of the Management Share Options Programme VI for Marcin Drobek, the Management Board Consultant – Director for Investment Realization, regarding 150,000 Shares of Dom Development S.A., and the number of shares that are subject to Options and the price of said shares, which may be acquired by exercising the Options (Resolution No. 02/11/20).