

CPD S.A SUPERVISORY BOARD REPORT

ON THE REMUNERATION OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD MEMBERS

A. DESCRIPTION

1. Introduction

Fulfilling the obligation resulting from art. 90g of the Act of July 29, 2005 on public offering and the conditions for introducing financial instruments to an organized trading system and on public companies (Journal of Laws No. 184, item 1539, as amended; hereinafter: "**Act on Offer**"), The Supervisory Board of CPD SA (hereinafter: "**Company**" or "**CPD**") prepares an annual remuneration report ("**Report**"), presenting a comprehensive overview of remuneration, including all benefits, regardless of their form, received or due to individual members of the Management Board and Supervisory Board in the last financial year, in accordance with the Remuneration Policy for Members of the Management Board and Supervisory Board of CPD of 27/05/2020 (hereinafter: "**Remuneration Policy**").

This Report has been prepared jointly for the years 2019 and 2020 and is the first remuneration report prepared by the Supervisory Board.

All monetary amounts in the Report are presented in Polish zlotys and in gross terms.

Based on Art. 90e of the Act on Public Offering, the assessment of compliance of the remuneration paid with the Company's remuneration policy covers the period from 27/05/2020, i.e. from the date of entry into force of the first CPD S.A. remuneration policy, until 31/12/2020.

In the years 2019-2020 in CPD and its Capital Group there were no close relatives of members of the Management Board and Supervisory Board who received cash or non-cash benefits from these entities. Therefore the report does not contain information on the value of such benefits.

Due to the fact that this is the first report prepared by the Supervisory Board, the report does not contain an explanation of how the resolution of the General Meeting giving the opinion on the previous remuneration report or the result of the discussion on the previous remuneration report that took place at the General Meeting was taken into account.

The board below provides a summary of the key remuneration developments for the financial years covered by the report.

2. The most important events in the Company and its Capital Group.

2.1. Description of the Company's activities in 2019

In the financial year 2019, the Company continued its previously conducted business activities consisting, in principle, of:

- Realization of revenues from the sale of land in Ursus;
- Conducting development processes as part of a joint venture with the Unibep group;
- Realization of revenues from the rental of office premises in buildings indirectly owned by the Company.

At the same time, the Company distributed to shareholders the funds obtained through the sale of assets, purchasing shares in CPD S.A. for redemption. In the opinion of the Supervisory Board, in 2019 the Company achieved all significant economic goals, in particular generating high revenues from the sale of assets held for sale, which allowed for a significant distribution of funds to shareholders. The basic financial parameters determining the company's business in 2019 are:

- Consolidated sales revenues in the amount of 46,834 thous. PLN
- Consolidated inflows from the sale of investment properties in the amount of PLN 101,994 thous. PLN
- Consolidated gross profit in the amount of 61,833 thous. PLN
- Total amount of distribution to shareholders PLN 43,010 thous. PLN

The company did not observe any significant problems or difficulties in the business activities conducted in 2019.

2.2. Description of the Company's activities in 2020

The activities carried out in 2020 were subject to the difficulties resulting from the Covid-19 pandemic, in particular, they related to:

- the functioning of the Company's personnel;
- threats to the timing of individual transactions due to successive waves of the pandemic and the related administrative constraints;
- increasing risk of realizing revenues from office assets.

In 2020, the Company continued the previous direction of its activities, focusing on the sale of its investment properties, obtaining a total amount of PLN 93,574 thous. on this account. Despite a significant difficulty in running a business resulting from the Covid-19 pandemic, the process of selling land in Ursus was conducted efficiently and brought the Company significant revenues.

At the same time, the Company continued to realize revenues from development activities conducted as part of a joint venture with the Unibep group. Received profits in joint ventures amounted to PLN 20,763 thous.

Considering the great interest in the apartments prepared under the joint venture, the Company also took steps to create formal and legal grounds for continuing this activity in the future.

It should be noted that the Covid-19 pandemic significantly increased the risk with regard to revenues from renting commercial premises in office buildings owned by the Company. Therefore, the Company's activities focused on securing revenues and the value of these assets, as well as maintaining relationships with financial institutions involved in lending to individual facilities. A plan was also prepared to change the purpose of one of the buildings by converting it into residential premises.

The Management Board also led to the conclusion of the tax proceedings conducted against it, which was related to the return of tax overpayments, to the advantage of the Company.

Considering the realization or planning of the sale of assets located in subsidiaries, CPD has also taken steps to significantly simplify the capital structure by eliminating redundant entities.

The company also continued the previously initiated process of distributing funds obtained from the sale of assets to shareholders through the purchase of own shares.

The basic financial parameters determining the Company's economic activity in 2020 are:

- Consolidated sales revenues in the amount of PLN 18,559 thous.
- Consolidated inflows from the sale of investment properties in the amount of PLN 93,574 thous.
- Consolidated gross profit in the amount of PLN 23,862 thous.
- Total amount of distribution to shareholders PLN 74,386 thous.

3. The and the Management Board

3.1. Company Supervisory and management board in 2019

3.1.1. Supervisory Board

In 2019, the Supervisory Board operated in the following composition:

- Mr. Andrew Pegge - Chairman of the Supervisory Board,
- Mr. Michael Haxby - Vice Chairman of the Supervisory Board,
- Mr. Wiesław Oleś - Secretary of the Supervisory Board,
- Mr. Mirosław Gronicki - Member of the Supervisory Board (independent member),
- Ms Gabriela Gryger - Member of the Supervisory Board (independent member),
- Mr. Alfonso Kalinauskas - Member of the Supervisory Board (independent member).

In 2019, the Audit Committee was composed of the following persons:

- Mr. Alfonso Kalinauskas - Chairman of the Committee,
- Mr. Mirosław Gronicki - Member of the Committee,
- Mr. Andrew Pegge - Member of the Committee.

Members of the Supervisory Board, including members of the Audit Committee, received only fixed remuneration for their appointment, determined by a resolution of the General Meeting of CPD S.A.

3.1.2. Management Board:

At the end of 2019, the Management Board was composed of:

- Mr. Colin Kingsnorth - President of the Management Board,
- Ms Elżbieta Wiczowska - Member of the Management Board,
- Ms Iwona Makarewicz - Member of the Management Board,
- Mr. John Purcell - Member of the Management Board.

During the financial year, there was a change in the management board consisting in entrusting Mr. Colin Kingsnorth with the function of the President of the Management Board in place of Mrs. Elżbieta Wiczowska.

Members of the Company's Management Board performed work for her on the basis of an appointment. At the same time, three members of the Management Board of the Company, i.e. Ms. Elżbieta Wiczowska, Ms. Iwona Makarewicz and Mr. John Purcell, provided - with the consent of the Supervisory Board - various services for CPD subsidiaries, obtaining additional remuneration for this, determined on an arm's length basis.

The Supervisory Board, accepting the fact that members of the Management Board provided additional services for CPD subsidiaries, took into account the limitation of additional remuneration in this respect so that they were in a proper relation to the total amount of benefits that CPD shareholders received from the Company in a given year through the distribution of funds from the process of buying back own shares.

3.2 Company Supervisory and management board in 2020

3.2.1. Supervisory Board

In 2020, the Supervisory Board operated in an unchanged composition:

- Mr. Andrew Pegge - Chairman of the Supervisory Board,
- Mr. Michael Haxby - Vice Chairman of the Supervisory Board,
- Mr. Wiesław Oleś - Secretary of the Supervisory Board,
- Mr. Mirosław Gronicki - Member of the Supervisory Board (independent member),
- Ms Gabriela Gryger - Member of the Supervisory Board (independent member),
- Mr. Alfonso Kalinauskas - Member of the Supervisory Board (independent member).

In 2020, the Audit Committee was composed of the following persons:

- Mr. Alfonso Kalinauskas - Chairman of the Committee,
- Mr. Mirosław Gronicki - Member of the Committee,
- Mr. Andrew Pegge - Member of the Committee.

Members of the Supervisory Board received only fixed remuneration for their appointment. Also in this respect, there have been no changes either in the amount or in the rules for determining the remuneration.

3.2.2. Management Board

In 2020, the Management Board also operated in an unchanged composition, except that on 24 April 2020, the Supervisory Board determined the number of members of the Management Board of the Company at four and appointed the following members to the Management Board of the fourth joint term of office:

- Mr. Colin Kingsnorth,
- Ms Elżbieta Wiczowska,
- Ms Iwona Makarewicz,
- Mr. John Purcell.

Moreover, the Supervisory Board entrusted Mr. Colin Kingsnorth with the function of the President of the Management Board.

The principles of remunerating the Management Board have not been changed either. Its members received a fixed remuneration for their appointment. Moreover, three persons received - with the consent of the Supervisory Board - additional remuneration for the provision of services to subsidiaries of CPD.

4. Principles of employment / remuneration of members of CPD Supervisory and management board

The rules on the basis of which Members of the Management Board and Supervisory Board perform functions in the Company and receive remuneration from CPD and its Capital Group companies have been in force for several years, hence the information on the rules applicable both in 2019 and in 2020 is presented below in one point.

4.1. Principles of employment and remuneration of the CPD Board

Members of the Management Board perform their functions in the Company on the basis of their appointment to perform the function (Management Board Member or President of the Management Board) adopted by the Supervisory Board of CPD.

The Supervisory Board determines the principles of remuneration and the amount of remuneration of individual members of the Management Board, including the President of the Management Board.

The members of the CPD Management Board are not employees of the Company (no employment contracts have been concluded with them in the Company). The company has not concluded any agreements with them providing for compensation in the event of their resignation or dismissal.

Some members of the CPD Management Board have also been appointed to management boards in other companies of the CPD Capital Group, i.e. .:

- (1) In 2019 and in 2020, Mr. Colin Kingsnorth was a member of the Management Board of companies under Polish law: Challenge Eighteen sp. z o.o., Gaston Investments sp. z o.o., Imes Poland sp. z o.o.
- (2) In 2019 and in 2020, Ms Elżbieta Wiczowska was:
 - a) a member of the Management Board in companies under Polish law: Lokia Investments sp. z o.o., Robin Investments sp. z o.o., Elara Investments sp. z o.o., Antigo Investments sp. z o.o., Belise Investments sp. z o.o., Celtic Asset Management sp. z o.o., Hub Developments Ltd sp. z o.o., Ursus Development sp. z o.o., Smart City sp. z o.o.,
 - b) an independent proxy in Polish law companies: Challenge Eighteen sp. z o.o., Gaston Investments sp. z o.o., Imes Poland sp. z o.o.,
 - c) a director in Cypriot law companies: Lokia Enterprises Ltd. based in Nicosia (Cyprus), Celtic Investments Ltd. based in Nicosia (Cyprus)
- (3) In 2019 and in 2020, Ms Iwona Makarewicz was a member of the Management Board of the Polish law company Smart City sp. z o.o. and an independent proxy in a company under Polish law, Celtic Asset Management sp. z o.o.

Members of the Management Board (or their affiliates) may provide services to entities belonging to the CPD Capital Group with the consent of the Supervisory Board. The Supervisory Board each time approves the amount of the related benefits for individual members of the Management Board.

From the moment of adopting the Remuneration Policy, the principles of remunerating members of the Management Board are defined in the provisions of this document.

4.2. Principles of remuneration of the Supervisory Board

Members of the Supervisory Board elect from among their members persons who perform special functions in the Supervisory Board (the Chairman or Vice-Chairman of the Supervisory Board and the Secretary of the Supervisory Board) on the basis of the CPD Supervisory Board Regulations adopted by them.

The General Meeting determines the principles of remuneration and the amount of remuneration of individual members of the Supervisory Board, including the Chairman of the Supervisory Board and members of the Audit Committee.

From the moment of adopting the Remuneration Policy, the principles of remunerating members of the Supervisory Board and the Audit Committee are specified in the provisions of this document.

5. Summary of the application of the CPD remuneration policy

Until the adoption of the Remuneration Policy in the Company, the principles of remuneration were established in the resolutions of the CPD Supervisory Board (for members of the Management Board) and in the resolutions of the General Meeting of CPD (for members of the Supervisory Board).

The remuneration policy for Members of the Management Board and Members of the Supervisory Board of CPD was adopted by the General Meeting of CPD on May 27, 2020. The solutions included in the Remuneration Policy comply with the requirements of the Act on Public Offering and the SRD II Directive.

5.1. Remuneration of the Supervisory Board

Members of the Company's Supervisory Board (including members of the Audit Committee) receive only fixed remuneration in accordance with the above Remuneration Policy.

The remuneration of members of the Supervisory Board should be sufficient to attract, retain and motivate persons with competences necessary to exercise proper supervision over the Company and its Capital Group.

When determining the amount of remuneration of individual Members of the Supervisory Board, the General Meetings took into account the amount of work necessary for the proper performance of their functions, the scope of duties and responsibilities related to the performance of these functions and their competences resulting from the experience of these persons.

5.2. Remuneration of the Management Board Members

In accordance with the Remuneration Policy, the remuneration of the members of the Management Board is determined taking into account the motivational nature and effective and smooth management of the Company and consists of:

- fixed components of remuneration, including additional cash and non-cash benefits;
- variable remuneration components (including, inter alia, cash bonuses).

Members of the Management Board in 2019-2020 received only fixed remuneration in CPD for appointment to the Management Board in CPD. This remuneration was determined by resolutions of the Supervisory Board of the Company separately for each member of the Management Board as a uniform amount for a calendar year. The level of remuneration is adequate to the tasks entrusted to individual persons and the related responsibilities.

Regardless of this, members of the Management Board involved in the provision of services to companies from the Capital Group received additional remuneration for such services, determined based on their market value. This form of remuneration is closely related to the way in which the Capital Group operates, which, having significant assets, directly employs a minimum number of people. Such a state requires the provision of many professional services to the special purpose vehicles from the Capital Group that held the majority of the Capital Group's assets. Each time the payment of remuneration for this type of services required the consent of the Supervisory Board.

6. Changes in the remuneration policy and deviations from its application

CPD S.A. Remuneration Policy was introduced on 27/05/2020 and was not subject to changes in the reported year. Moreover, in the reporting period, the Company did not apply any exceptions to both the procedure of implementing the remuneration policy and the exceptions referred to in Art. 90f of the Act on Public Offering.

7. Remuneration in the form of financial instruments

According to the Remuneration Policy, members of the Management Board and Supervisory Board are currently not awarded remuneration in the form of financial instruments, therefore, in the reporting period, no such instruments were granted or offered.

8. Demand for reimbursement of variable remuneration

In the period covered by the report, the Company did not grant members of the supervisory and management board variable remuneration, therefore it does not provide for the possibility of reimbursement in this respect.

9. Summary

Neither in 2019 nor in 2020 there were any key changes in the principles of remunerating members of the Company's supervisory and management board, or in the performance criteria or methodology or remuneration policy or its application compared to the previous financial year.

B. FINANCIAL DATA

The chapter contains the amount of the total remuneration of members of the Company's supervisory and management board broken down into components referred to in Art. 90d paragraph 3 point 1 of the Act on Offer ("description of fixed and variable remuneration components, as well as bonuses and other cash and non-cash benefits that may be granted to members of the Management Board and the Supervisory Board"), and the mutual proportions between these remuneration components; the chapter includes the amount of remuneration from entities belonging to the same capital group within the meaning of the Accounting Act of 29 September 1994 (Journal of Laws of 2019, items 351, 1495, 1571, 1655 and 1680 and of 2020, item . 568).

1. Remuneration of the Management Board

1.1. Remuneration of the members of the Management Board received from the CPD

In 2019-2020, members of the Management Board received from CPD only fixed annual remuneration for appointments to the Management Board in CPD

Table 1 - Remuneration of members of the CPD Management Board for the financial year 2019, 2020

Table 1 - Remuneration of members of the Management Board of CPD S.A. for the 2019, 2020 financial year

Name	Function	Year	1 Fixed salaries			2 Variable remuneration components		3 Other extraordinary benefits	4 Total salary	5 Proportion of fixed and variable remuneration
			Appointment remuneration	Additional cash benefits	Additional non-cash benefits	Annuals	Many years			
Colin Kingsnorth	President	2020	897,024.48	0	Polisa D&O (1)	~	~	0	897,024.48	100% / 0%
		2019	271,890.00	0	Polisa D&O (2)	~	~	0	271,890.00	100% / 0%
Elżbieta Wiczowska	Member	2020	817,979.18	0	Polisa D&O (1)	~	~	0	817,979.18 (4)	100% / 0%
		2019	783,648.31	0	Polisa D&O (2)	~	~	0	783,648.31 (3)	100% / 0%
Iwona Makarewicz	Member	2020	524,826.26	0	Polisa D&O (1)	~	~	0	524,826.26	100% / 0%
		2019	502,797.82	0	Polisa D&O (2)	~	~	0	502,797.82	100% / 0%
John Purcell	Member	2020	60,000.00	0	Polisa D&O (1)	~	~	0	60,000.00	100% / 0%
		2019	60,000.00	0	Polisa D&O (2)	~	~	0	60,000.00	100% / 0%

(1) D&O insurance (premium for the third party liability insurance policy of persons managing the CPD Group companies was in 2019: PLN 19,842.05)

(2) D&O insurance (premium for the third party liability insurance policy of persons managing the companies of the CPD Group in 2020: PLN 19,702.51)

(3) In 2019, Ms. Elżbieta Wiczowska took part in the share buyback program of CPD S.A. under which it resold the Company's shares - the total value of the selling price of CPD S.A. shares was PLN 70,748.38

(4) In 2020, Ms. Elżbieta Wiczowska took part in the share buyback program of CPD S.A. under which it resold the Company's shares - the total value of the selling price of CPD S.A. shares was PLN 124,731.2

1.2 Remuneration of members of the Management Board received from entities of the CPD Capital Group

1.2.1. Remuneration for performing functions in company supervisory and management board;

Members of the Management Board also received remuneration for serving in supervisory and management board of companies of the CPD Capital Group, which is shown in tables 2a and 2b below:

1.2.2. Remuneration for services provided to the companies of the Capital Group

In 2019, management board members were remunerated in connection with the provision of advisory services on an arm's length basis in Polish and foreign companies of the CPD Capital Group, carrying out individual investments within the limits set by the Supervisory Board.

Table 2a - Remuneration of the members of the Management Board for the financial year 2019 from companies from the CPD Capital Group

Table 2a - Remuneration of members of the Management Board for the financial year 2019 from companies from the CPD Capital Group

Name	Company from the Group	1 Fixed salaries			2 Variable remuneration components		3 Other extraordinary benefits	4	5 Proportions of fixed and variable remuneration	6 Total remuneration from companies from the CPD Capital Group
		Appointment / contract remuneration	Additional cash benefits	Additional non-cash benefits	Annuals	Many years				
Colin Kingsnorth	~	-	0	~	~	~	0	-	0%	
Krzysztofieta Wiczowska	Challenge Eighteen sp. z o.o. (umowa o świadczenie usług od 2014)	800,000.00	0	~	~	~	0	800,000.00	100% / 0%	822,755.60
	Smart City sp. z o.o. (członek zarządu od 2018)	12,000.00	0	~	~	~	0	12,000.00	100% / 0%	
	Gaston Investments sp. z o.o. (prokurent od 2015)	0	0	10,755.60 (3)	~	~	0	10,755.60	100% / 0%	
Katarzyna Makarewicz	2/124 Gaston Investments sp. z o.o. sp.k. (umowa agencyjna z 16.10.2019 r.)	116,000.00	0	~	~	~	0	116,000.00	100% / 0%	419,476.48
	3/93 Gaston Investments sp. z o.o. sp.k. (umowa agencyjna z 16.10.2019 r.)	284,000.00	0	~	~	~	0	284,000.00	100% / 0%	
	Smart City sp. z o.o. (członek zarządu od 2018)	12,000.00	0	~	~	~	0	12,000.00	100% / 0%	
	Gaston Investments sp. z o.o.	0	0	7,476.48 (3)	~	~	0	7,476.48	100% / 0%	
John Purcell	Challenge Eighteen sp. z o.o. (umowa o świadczenie usług z 2 maja 2019 r.)	1,719,809.95	0	~	~	~	0	1,719,809.95	100% / 0%	1,719,809.95

the cost of the medical package (private medical care)

In addition, in 2020 members of the Management Board were paid remuneration on the basis of civil law contracts with another entity belonging to the Capital Group.

The Supervisory Board, in accordance with item C.6. Of the Remuneration Policy agreed to establish or continue cooperation and set the limit of remuneration due to individual members of the Management Board on this account.

Table 2b - Remuneration of the members of the Management Board for the financial year 2020 from companies from the CPD Capital Group

Table 2b - Remuneration of members of the Management Board for the financial year 2020 from companies from the CPD Capital Group

Name	Company from the Group	1 Fixed salaries			2 Variable remuneration components		3 Other extraordinary benefits	4	5 Proportions of fixed and variable remuneration	6 Total remuneration from companies from the CPD Capital Group
		Appointment / contract remuneration	Additional cash benefits	Additional non-cash benefits	Annuals	Many years				
Colin Kingsnorth	~	-	0	~	~	~	0	-	0%	
Izbieta Wiczowska	Challange Eighteen sp. z o.o. (umowa o świadczenie usług od 2014)	1,232,000.00	0	0.00	~	~	~	1,232,000.00	100% / 0%	1,255,848.95
	Smart City sp. z o.o. (członek zarządu od 2015)	12,000.00	0	0.00	~	~	~	12,000.00	100% / 0%	
	Gaston Investments sp. z o.o. (prokurent od 2015)	-	0	11,848.95 (3)	~	~	~	11,848.95	100% / 0%	
Wona Makarewicz	5/92 Gaston Investments sp. z o.o. sp.k. (umowa pośrednictwa z 20.07.2020 r.)	300,000.00	0	0.00	~	~	~	300,000.00	100% / 0%	602,636.50
	6/150 Gaston Investments sp. z o.o. sp.k. (umowa pośrednictwa z 20.01.2020 r.)	107,699.60	0	0.00	~	~	~	107,699.60	100% / 0%	
	7/120 Gaston Investments sp. z o.o. sp.k. (umowa pośrednictwa z 20.01.2020 r.)	106,042.68	0	0.00	~	~	~	106,042.68	100% / 0%	
	18 Gaston Investments sp. z o.o. sp.k. (umowa pośrednictwa z 20.01.2020 r.)	846.87	0	0.00	~	~	~	846.87	100% / 0%	
	19/97 Gaston Investments sp. z o.o. sp.k. (umowa pośrednictwa z 20.01.2020 r.)	46,332.30	0	0.00	~	~	~	46,332.30	100% / 0%	
	20/140 Gaston Investments sp. z o.o. sp.k. (umowa pośrednictwa z 20.01.2020 r.)	21,478.55	0	0.00	~	~	~	21,478.55	100% / 0%	
	Smart City sp. z o.o. (członek zarządu od 2018)	12,000.00	0	0.00	~	~	~	12,000.00	100% / 0%	
	Gaston Investments sp. z o.o.	-	0	8,236.50 (3)	~	~	~	8,236.50	100% / 0%	
John Purcell	Challange Eighteen sp. z o.o. (umowa o świadczenie usług z 2 maja 2019 r.)	1,285,988.12	0	0.00	~	~	~	1,285,988.12	100% / 0%	1,285,988.12

1.3. Other benefits of members of the Management Board received from CPD or from entities of the CPD Capital Group

In the years 2019-2020, neither the Company nor the units subordinated to CPD paid any awards or benefits to members of the Company's Management Board, including those resulting from incentive or bonus programs based on the issuer's capital, in particular those based on priority bonds, convertible bonds, subscription warrants, money, nature or any other form. Incidentally, one of the members of the Management Board (Elżbieta Wiczowska) was covered by a medical package by one of CPD's subsidiaries.

2. Remuneration of members of the Supervisory Board

In the years 2019-2020, the remuneration of the members of the Supervisory Board of the Company included only fixed components of remuneration for appointment to the Supervisory Board of CPD and remuneration for performing additional functions in a separate Audit Committee. The amount of remuneration was determined by the General Meeting.

None of the members of the Supervisory Board of CPD received a variable financial component or remuneration from other entities in the CPD Capital Group.

Table 3 - remuneration paid for performing functions in the CPD Supervisory Board in the years 2019-2020:

Table 3 - Remuneration paid for performing functions in the CPD Supervisory Board in the years 2019-2020

Name	Function	Year	1 Fixed salaries				2 Variable remuneration components		3 Other extraordinary benefits	4 Total remuneration from companies from the CPD Capital Group	5 Proportions of fixed and variable remuneration
			Appointment / contract remuneration		Additional cash benefits	Additional non-cash benefits	Annuals	Many years			
			SB	AK							
Andrew Pegge	President	2020	84,000.00	48,000.00	0	Polisa D&O (1)	~	~	0	132,000.00	100% / 0%
		2019	84,000.00	48,000.00	0	Polisa D&O (2)	~	~	0	132,000.00	100% / 0%
Wiesław Oleś	Secretary	2020	60,000.00	0	0	Polisa D&O (1)	~	~	0	60,000.00	100% / 0%
		2019	60,000.00	0	0	Polisa D&O (2)	~	~	0	60,000.00	100% / 0%
Mirostław Gronicki	Member	2020	60,000.00	48,000.00	0	Polisa D&O (1)	~	~	0	108,000.00	100% / 0%
		2019	60,000.00	48,000.00	0	Polisa D&O (2)	~	~	0	108,000.00	100% / 0%
Michael Haxby	Wice-President	2020	60,000.00	0	0	Polisa D&O (1)	~	~	0	60,000.00	100% / 0%
		2019	60,000.00	0	0	Polisa D&O (2)	~	~	0	60,000.00	100% / 0%
Gabriela Gryger	Member	2020	60,000.00	0	0	Polisa D&O (1)	~	~	0	60,000.00	100% / 0%
		2019	60,000.00	0	0	Polisa D&O (2)	~	~	0	60,000.00	100% / 0%
Alfonso Kalinauskas	Member	2020	60,000.00	72,000.00	0	Polisa D&O (1)	~	~	0	132,000.00	100% / 0%
		2019	60,000.00	72,000.00	0	Polisa D&O (2)	~	~	0	132,000.00	100% / 0%

(1) D&O insurance (premium for the third party liability insurance policy of persons managing the CPD Group companies was in 2019: PLN 19,842.05)

(2) D&O insurance (premium for the third party liability insurance policy of persons managing the companies of the CPD Group in 2020: PLN 19,702.51)

3. Information on the annual change in the remuneration of the members of the Management Board and Supervisory Board, the Company's results and the average remuneration of the Company's employees who are not members of the Management Board or Supervisory Board

In accordance with art. 90g par. 3 of the Act on Offer data for 2016-2018, for which the Supervisory Board did not have an obligation to prepare a remuneration report, was omitted. Data for 2019 is shown for comparison purposes. Data regarding Company's results was chosen for comparison purposes due to its links with Company's business strategy.

Data in thous. PLN	2019	2020
Management Board remuneration (in total excluding remuneration paid by subsidiaries for the provision of services)	1,618.34	2,299.83
Change on an annual basis		681.49
Average remuneration of a Management Board Member (annual, excluding remuneration paid by subsidiaries for the provision of services))	404.58	574.96
Change on an annual basis		170.37
Total remuneration of members of the Management Board (with remuneration paid by subsidiaries for the provision of services)	2,962.04	3,144.47
Change on an annual basis		182.43
Remuneration of the Supervisory Board (in total) [3]	552.00	552.00
Change on an annual basis		0.00
Average remuneration of a Supervisory Board member (annual)	92.00	92.00
Change on an annual basis		0.00
Consolidated sales revenue	46,834	18,559
Change on an annual basis		-28,275
Consolidated gross profit	61,833	23,862
Change on an annual basis		-37,971

Funds paid to shareholders	43,010	74,386
Change on an annual basis		31,376
Average remuneration of the Company's employees other than members of the Management Board and Supervisory Board (for the financial year) - data in PLN	141,658.20	171,181.08
Change on an annual basis		29,522.88

C. INFORMATION ON THE COMPLIANCE OF THE REMUNERATION WITH THE REMUNERATION POLICY AND HOW THE PERFORMANCE CRITERIA WERE APPLIED

1. Compliance of the remuneration with the Remuneration Policy

The remuneration policy for members of the Management Board and members of the Supervisory Board of CPD was adopted by the General Meeting of CPD on May 27, 2020. The solutions contained in the Remuneration Policy have been established in a way that contributes to the implementation of the Company's business strategy and the interests of its shareholders. The means to achieve these goals are, inter alia, appropriate motivation of the members of the above-mentioned supervisory and management board to work effectively for the benefit of the Company and its Capital Group and linking their interests with the interests of the Company. General Meeting of CPD S.A. as the body shaping the remuneration policy, it assumed that the optimal solution would be to set appropriately high fixed remuneration, so as to attract people with the right qualifications to the Company and motivate them to carry out their tasks.

The financial statements of the Company and the description in part A. of the Report show that in the years 2019-2020 the Company successfully implemented its strategy, obtaining significant revenues from the sale of assets and organizing annual distribution of significant funds to shareholders. The process of simplifying the organizational structure of the Company, started in 2020, is also important.

The financial result of the Company and the CPD Capital Group proves that the members of the Management Board work efficiently and smoothly manage the Company and its subsidiaries.

The amount of the remuneration granted and paid to individual members of the Management Board of the Company is adequate to the performed tasks, which were entrusted to them, the amount of work incurred and the related responsibility. This salary had a positive effect on motivation, positively influencing the quality and efficiency of work.

Therefore, in the opinion of the Supervisory Board, the payment of remuneration for the years 2019-2020 is in line with the adopted Remuneration Policy.

2. Performance criteria

The amount of the remuneration awarded and paid to individual members of the Management Board of the Company is adequate to the performed tasks described above, which were entrusted to them, the amount of work incurred and the related responsibility. This salary had a positive effect on motivation, positively influencing the quality and efficiency of work.

Remuneration of the members of the Supervisory Board of the Company in 2019 and 2020 was paid in a fixed amount. Its amount is appropriate for attracting, retaining and motivating people with competences necessary to exercise proper supervision over the Company and its Capital Group. Additional remuneration paid to the members of the Management Board by subsidiaries of CPD S.A. however, they were related to the sum of funds allocated for distribution to shareholders.

When determining the amount of remuneration of individual members of the Supervisory Board, the workload necessary for the proper performance of the function of a member of the Supervisory and management board, the scope of duties and responsibilities related to the performance of this function, as well as competences resulting from the experience of these persons are taken into account. Persons serving in the Audit Committee receive additional remuneration.