

Report on the remuneration of members of the Management Board and Supervisory Board of Grupa Pracuj S.A. for the year 2021

1. Introduction

Pursuant to Article 90g(1) of the Act of 29 July 2005 on Public Offering and the Conditions Governing the Introduction of Financial Instruments Into an Organised Trading System and on Public Companies (Journal of Laws No 184, item 1539, as amended; hereinafter the “**Act on Offering**”), the Supervisory Board of Grupa Pracuj S.A. (hereinafter the “**Company**”) prepared an annual remuneration report (hereinafter the “**Report**”) presenting a summary of the remuneration and all other benefits received by the members of the Management Board and the Supervisory Board in the period from 1 January 2021 to 31 December 2021, in accordance with the Remuneration Policy for members of the Management Board and the Supervisory Board of Grupa Pracuj S.A., adopted by the Resolution No. 4 of the Extraordinary General Meeting of Grupa Pracuj S.A. with its registered office in Warsaw of 22 October 2021 (hereinafter the “**Remuneration Policy**”).

All monetary amounts presented in the Report are gross amounts in Polish zlotys (PLN), unless stated otherwise.

Pursuant to Article 90g(3) of the Act on Offering, in its Report the Supervisory Board omitted information concerning financial years for which it was not required to prepare a remuneration report, in particular information on changes, on an annual basis, in the remuneration, results of the company and the average remuneration of employees of that company who are not members of the Management Board or the Supervisory Board, during at least the last five financial years, taken together, in a manner that allows making a comparison. In order to enable comparing the data for 2021, the Supervisory Board presented the data for 2020 in the following items of the Report:

- a comparison of the remuneration paid to members of the Management Board on an annual basis;
- a comparison of the Company's performance;
- a comparison of the performance of the Grupa Pracuj Capital Group;
- a comparison of the average remuneration of employees of the Company who are not members of the Management Board or the Supervisory Board.

2. Definitions

General Meeting – the General Meeting of Grupa Pracuj S.A.;

Supervisory Board – the Supervisory Board of Grupa Pracuj S.A.;

Management Board – the Management Board of Grupa Pracuj S.A.;

Fixed Remuneration – shall be understood as the fixed part of the remuneration, including the basic salary;

Variable Remuneration – shall be understood as the part of the remuneration of a Member of the Management Board, the award and amount of which are not guaranteed;

Legal Basis of Employment – shall be understood as an employment contract, management contract, contract of mandate, resolution on appointment or another legal relationship of a similar nature existing between the Company and a Member of the Management Board.

3. Personal composition of the Management Board and the Supervisory Board during the reporting period

Composition of the Management Board in 2021

Przemysław Gacek – President of the Management Board

Gracjan Fiedorowicz – Member of the Management Board

Rafał Nachyna – Member of the Management Board

Composition of the Supervisory Board in 2021

Maciej Noga – Chairman of the Supervisory Board

John Doran – Member of the Supervisory Board

Wojciech Stankiewicz – Member of the Supervisory Board

Przemysław Budkowski – Member of the Supervisory Board

Agnieszka Słomka-Gołębiowska – Member of the Supervisory Board since 11 August 2021

Mirosław Stachowicz – Member of the Supervisory Board since 29 October 2021

Maciej Filipkowski – Member of the Supervisory Board until 31 October 2021

4. Total remuneration of Members of the Management Board and the Supervisory Board by component together with a description of the relative proportions of the remuneration components

4.1. Management Board

Members of the Company's Management Board may be compensated on the basis of the Legal Basis of Employment. The Legal Basis of Employment as well as the remuneration rules concerning the fixed part and the variable part of the remuneration of members of the Management Board are determined individually for a Member of the Management Board by the Supervisory Board in the Legal Basis of Employment or on the basis of a separate resolution, taking into account the Remuneration Policy and the scope of responsibility of the Member of the Management Board. Regardless of the form of employment between a Member of the Management Board and the Company, a Member of the Management Board may receive a monetary remuneration consisting of two parts, i.e. a fixed part and a variable part. The Supervisory Board, when appointing a Member of the Management Board, determines the basic elements of the remuneration of the member of the Management Board, including the amount of the Fixed and Variable Remuneration and the rules governing the dependence of the Variable Remuneration on financial or non-financial performance.

Fixed Remuneration

The amount of the Fixed Remuneration is determined individually for a member of the Management Board by the Supervisory Board in the Legal Basis of Employment or by way of a separate resolution.

Variable Remuneration

Irrespective of the Fixed Remuneration, a member of the Management Board may be entitled to Variable Remuneration, the amount of which is subject to meeting the conditions concerning the fulfilment of financial or non-financial criteria.

The Variable Remuneration may consist, inter alia, of the right to:

- a) subscribe for subscription warrants incorporating the right to acquire the Company's shares or to acquire the Company's shares under a multiannual incentive programme introduced by a separate resolution of the General Meeting, or
- b) participation in an incentive system enabling payment of monetary remuneration directly dependent on the financial results of the Company, the Capital Group or the segment for which the member of the Management Board is responsible.

In addition, the Variable Remuneration may be awarded in the form of a bonus for the performance of a task, achievement of financial indicators or achievement of a management objective.

In special circumstances concerning a member of the Management Board and his/her commitment to the Company's affairs, an additional one-off monetary award may be granted to the member of the Management Board.

When establishing the Variable Remuneration criterion, the Supervisory Board defines comprehensive and differentiated criteria for financial and non-financial performance concerning the allocation of Variable Remuneration components. In particular, the achievement of the objectives set is considered as such criteria.

The performance target set for the members of the Management Board by the Supervisory Board for 2021, specifying the amount of the consolidated operating profit of the Grupa Pracuj S.A. Capital Group to be achieved, has been met, and therefore certain bonuses will be paid to the members of the Management Board in 2022 after the relevant resolution has been adopted by the Supervisory Board.

In the resolution laying down the conditions for granting the Variable Remuneration, the Supervisory Board indicates financial and non-financial criteria consistent with the Remuneration Policy.

Additional Benefits

Members of the Management Board may receive other monetary and in-kind benefits (hereinafter the “**Additional Benefits**”) in the form of:

- a) the right to use a company car;
- b) the right to use benefits such as sports cards, medical care, cafeteria system;
- c) the right to supplementary insurance, including family members;
- d) the right to participate, on general terms, in pension schemes operating in the Company;
- e) the right to receive benefits from the Company Social Benefits Fund.

Remuneration of Members of the Management Board due for 2021 (in PLN)

Surname and first name Position	Fixed Remuneration	Variable Remuneration		Additional Benefits	Total Remuneration	Ratio of Fixed and Variable Remuneration ¹
		Bonuses	Share-based payments			
Gacek Przemysław <i>President of the Management Board</i>	416,895.31	155,000.00	-	270.00	572,165.31	73%/27%
Fiedorowicz Gracjan <i>Member of the Management Board</i>	543,342.90	168,000.00	4,715,000.00	494.43	5,426,837.33	10%/90%
Nachyna Rafał <i>Member of the Management Board</i>	635,959.87	200,200.00	6,602,000.00	662.85	7,438,822.72	9%/91%

¹ The ratio takes into account the relationship between the value of the Fixed and Variable Remuneration; it does not take into account Additional Benefits

The remuneration due to individual members of the Management Board for 2021 takes into account, respectively, the social security contributions financed by the Company as the payer of the contributions.

Members of the Management Board did not receive remuneration in 2021 from entities belonging to the same capital group as the Company within the meaning of the Accounting Act of 29 September 1994 (consolidated text Journal of Laws of 2021, item 217, as amended).

4.2. Supervisory Board

Members of the Supervisory Board perform their functions on the basis of an appointment and are compensated on this account. The remuneration for performing the function of a member of the Supervisory Board is not connected with the Company's performance.

The remuneration of a member of the Supervisory Board may additionally be granted in the form of financial instruments or other non-monetary benefits which may be linked to the performance of the Company.

The amount of remuneration of a member of the Supervisory Board is determined by the General Meeting by way of a resolution. The total remuneration of a member of the Supervisory Board may be set as monthly remuneration or remuneration on account of participation in a meeting.

A member of the Supervisory Board who is also a member of the Audit Committee receives additional remuneration in the form of a fixed, monthly lump sum set by a resolution of the General Meeting.

Remuneration of the Supervisory Board due for 2021 (in PLN)

Surname and first name Position	Fixed Remuneration	Variable Remuneration	Additional Benefits	Total Remuneration	Ratio of Fixed and Variable Remuneration ¹
Noga Maciej <i>Chairman of the Supervisory Board</i>	126,272.97	-	-	126,272.97	100%/0%
Stankiewicz Wojciech <i>Member of the Supervisory Board; Member of the Audit Committee</i>	72,557.33	-	-	72,557.33	100%/0%
Doran John <i>Member of the Supervisory Board</i>	-	-	-	-	-

Budkowski Przemysław <i>Member of the Supervisory Board; Member of the Audit Committee</i>	64,655.04	-	-	64,655.04	100%/0%
Filipkowski Maciej <i>Member of the Supervisory Board</i>	68,840.72	-	-	68,840.72 ²	100%/0%
Słomka-Gołębiowska Agnieszka <i>Member of the Supervisory Board; Chairperson of the Audit Committee</i>	48,046.85	-	-	48,046.85	100%/0%
Stachowicz Mirosław <i>Member of the Supervisory Board</i>	14,934.49	-	-	14,934.49	100%/0%

¹ The ratio takes into account the relationship between the value of the Fixed and Variable Remuneration; it does not take into account Additional Benefits

² In addition, Maciej Filipkowski received from the Company in 2021 a net remuneration of PLN 15,000.00 for the provision of consulting services as part of his business activity.

Members of the Supervisory Board received no Variable Remuneration or Additional Benefits in 2021.

The remuneration due to individual members of the Supervisory Board for 2021 includes social security contributions financed by the Company as the payer of the contributions.

Members of the Supervisory Board received no remuneration in 2021 from entities belonging to the same capital group as the Company within the meaning of the Accounting Act of 29 September 1994 (consolidated text Journal of Laws of 2021, item 217, as amended).

5. Explanation of how the total remuneration is consistent with the Remuneration Policy adopted, including how it contributes to the achievement of the Company's long-term performance.

This Report presents a statement of remuneration and all other benefits received by the members of the Management Board and the Supervisory Board paid to individual members in 2021.

Since the entry into force of the Remuneration Policy, the Company has paid remuneration to members of the Management Board and the Supervisory Board in accordance with the provisions of the Remuneration Policy. The total remuneration included only the components provided for in the Remuneration Policy and was paid in accordance with its rules, in the appropriate amount, in accordance with the Legal Basis of Employment based on predetermined criteria. In accordance with the Remuneration Policy, the criteria used ensure that the incentives for the individual performance of the members of the Management Board are balanced against the achievement of the objectives and strategies, with particular consideration of the Company's interest.

Variable Remuneration components based on criteria covering annual periods and participation in long-term incentive programmes promote motivation and pursuit of the long-term interests of the Company by stabilizing management personnel with the skills and experience necessary for the further development of the Company. In addition, clear remuneration rules improve the Company's perception among shareholders, potential investors, contribute to the increase the value of the Company's shares and positively influence the Company's image.

6. Application of the Performance Criteria

In accordance with the Remuneration Policy and the scope of responsibility, members of the Management Board are entitled to a Fixed Remuneration comprising payments and benefits for the position held and the work performed, which does not depend on criteria connected with the performance or assessment of the performance of the person concerned.

Performance criteria are defined when determining the variable components of the remuneration of members of the Management Board. Such criteria were also established prior to the entry into force of the Remuneration Policy and were based on the achievement of a certain consolidated financial results of the Grupa Pracuj S.A. Capital Group.

The criteria and rules for the payment of the Variable Remuneration are set each time in a resolution of the Supervisory Board. If a member of the Management Board is granted the possibility to receive Variable Remuneration, the target for the next financial year is set by the Supervisory Board.

When determining the conditions for granting the Variable Remuneration, the Supervisory Board indicates clear, comprehensive and diverse financial and non-financial criteria, including criteria connected with taking into account social interests, the Company's contribution to environmental protection and taking actions aimed at preventing and eliminating the negative social consequences of the Company's operations.

The maximum ratio of the Variable Remuneration awarded in a given financial year to the Fixed Remuneration due for the same financial year should not exceed 5:1. This ratio may be increased if the right to subscribe for the subscription warrants incorporating the right to acquire shares in the Company or to acquire shares in the Company under a multiannual incentive programme introduced by a separate resolution of the General Meeting is granted or exercised, or if the right to participate in an incentive system allowing for the payment of monetary remuneration directly dependent on the financial results of the Company, the Capital Group or the segment for which the member of the Management Board is responsible. In such a case, the ratio of the Fixed Remuneration to the Variable Remuneration in a given financial year takes into account the results of the commercial activity of the Company or the Grupa Pracuj S.A. Capital Group, the achievement of market, performance or loyalty objectives, as well as an increase in the value of the Company's shares, as instruments listed on the WSE, in a given period.

7. Information on the change, on an annual basis, in the remuneration, performance of the Company and the average remuneration of employees of the Company who are not Members of the Management Board or the Supervisory Board

7.1. Comparison of the remuneration due to Members of the Management Board on an annual basis, excluding share-based payments

	2020 (in PLN)	2021 (in PLN)	Amount of change (in PLN)	Percentage change (%)
Gacek Przemysław	393,482	572,165	178,683	45.4%
Fiedorowicz Gracjan	515,087	711,837	196,750	38.2%
Nachyna Rafał	589,485	836,823	247,338	42.0%
Mykhaylov Mykola (until 31 December 2020)	120,000	-	not applicable	not applicable

7.2. Comparison of the results of the Company

	2020 (PLN '000)	2021 (PLN '000)	Amount of change (PLN '000)	Percentage change (%)
Revenue from contracts with customers	240,604	398,361	157,757	65.6
Net profit	100,245	266,261	166,016	165.6

7.3. Comparison of the results of the Grupa Pracuj S.A. Capital Group

	2020 (PLN '000)	2021 (PLN '000)	Amount of change (PLN '000)	Percentage change (%)
Revenue from contracts with customers	299,308	475,113	175,805	58.7
Net profit	106,928	255,683	148,755	139.1

7.4. Comparison of the average remuneration of employees of the Company who are not members of the Management Board or the Supervisory Board

	2020 (in PLN)	2021 (in PLN)	Amount of change (in PLN)	Percentage change (%)
Average monthly remuneration of employees of the Company who are not members of the Management Board or the Supervisory Board	9,334	11,534	2,200	24.0

8. The number of financial instruments granted or offered and the main conditions for the exercise of rights under those instruments, including the price and date of exercise and changes thereto.

Shareholders' agreements concerning the possibility for, among others, members of the Management Board to take up shares were signed on 5 December 2017. Under these agreements, eligible persons could receive options (rights) allowing for conversion into shares in exchange for a cash contribution of a certain amount.

On 11 August 2021, all eligible participants, including members of the Management Board, exercised all acquired rights under those agreements, and an increase of the share capital in connection with the Company's shares issued on that basis was registered on 5 October 2021.

The number of Company's shares issued in connection therewith, subscribed for by individual Members of the Management Board at the nominal value of the shares, i.e. PLN 5 each was as follows:

Rafał Nachyna – 555,960 shares,

Gracjan Fiedorowicz – 516,830 shares.

The costs connected with the acquisition of rights in 2021 by individual members of the Management Board resulting from those agreements, as shown in the statements of comprehensive income in the Company's separate financial statements for the year ended 31 December 2021 and in the consolidated financial statements of the Grupa Pracuj S.A. Capital Group for the year ended 31 December 2021, amounted respectively to:

Fiedorowicz Gracjan – PLN 4,715,000,

Nachyna Rafał – PLN 6,602,000.

9. Information on the exercise of the possibility to demand reimbursement of variable remuneration components.

The Remuneration Policy provides that if the Variable Remuneration is awarded to the members of the Management Board, the rules of its award may provide for the possibility for the Company to demand the reimbursement of the Variable Remuneration. In the period from the date of its introduction until the end of the reporting period, the Company did not demand the reimbursement of the Variable Remuneration.

10. Information concerning deviations from the procedure for implementing the remuneration policy and deviations from this policy

The Remuneration Policy has been in force in the Company since 22 October 2021. Between the date of its enactment and 31 December 2021, there were no deviations from the procedure for implementing and applying the provisions of the Remuneration Policy.

Under the authority of the Supervisory Board of Grupa Pracuj S.A.

Agnieszka Słomka-Gołębiowska