

**Supervisory Board report on remuneration  
in Creepy Jar Spółka Akcyjna with its registered office in Warsaw  
for the financial year ended 31 December 2023.**

## **I. Introduction**

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The Supervisory Board of Creepy Jar S.A. (the "**Company**", "**Creepy Jar**") acting to fulfil the obligation provided for in § 12, section 3 of the Remuneration Policy for Members of the Management Board and Supervisory Board of Creepy Jar S.A. (the "**Remuneration Policy**") and Article 90g(1) of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies (uniform text: Journal of Laws 2022.2554, as amended), hereby submits a report (the "**Report**") on the remuneration of the members of the Management Board and Supervisory Board of Creepy Jar S.A for the financial year ended 31 December 2023 (the "**Reporting Period**").

During the reporting period, members of the Company's bodies were remunerated on the basis of the Remuneration Policy, adopted by Resolution 20 of the Annual General Meeting of 24 June 2021, as amended by Resolution 4 of the Extraordinary General Meeting of the Company of 25 October 2022.

The Remuneration Policy is available on the Company's website at: <https://creepyjar.com/lad-korporacyjny/>

## **II. Remuneration of the members of the management board**

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### **1. Composition of the management board during the reporting period:**

- Krzysztof Kwiatek (President of the Management Board),
- Grzegorz Piekart (Member of the Management Board),
- Krzysztof Sałek (Member of the Management Board),
- Tomasz Soból (Member of the Management Board).

The composition of the management board did not change during the reporting period.

On 30 November 2022 the Supervisory Board of the Company adopted a resolution on changes to the composition of the Management Board of the Company. The Supervisory Board, in accordance with § 21(2) and (4) of the Company's Articles of Association, determined the number of members of Creepy Jar's management board to be 4 (four) members, including the President of the Management Board, and appointed Mr Gregory Piekart as a member of the Company's Management Board as of 1 January 2023.

Up to the date of the Report, there have been no changes in the composition of the Company's management board other than those indicated above.

### **2. Principles of remuneration of members of the Management Board**

The remuneration paid to members of the Management Board is divided into: (i) fixed remuneration received by each member of the Management Board for his or her position, (ii) fixed remuneration received by each member of the Management Board for the provision of professional services to the Company, (iii) variable remuneration, i.e. cash bonuses, incentive programmes and (iv) fringe benefits not directly in cash.



For their functions, members of the Management Board receive monthly remuneration in an equal amount for each member of the Management Board. By resolution of the Supervisory Board of the Company No. 1/09/2022 of 26 September 2022, the remuneration of each member of the Management Board for the performance of their functions was set at PLN 28,500 (twenty-eight thousand five hundred) gross per month starting from 1 January 2023. In connection with the appointment of Mr Grzegorz Piekart to the Management Board of the Company, the Supervisory Board, by resolution No. 2/11/2022 of 30 November 2022, granted him remuneration for the performance of his duties in the amount of PLN 28,500 (twenty-eight thousand five hundred) gross per month starting from 1 January 2023.

By Resolution of the Company's Supervisory Board No. 4/12/2023 of 6 December 2023, the remuneration of each member of the Management Board for his or her function was set at PLN 31,350 (thirty-one thousand three hundred and fifty) gross per month starting from 1 January 2024.

Cooperation in the provision of specialist services key to the Company's business is based on service contracts, the content of which, including remuneration, was approved by a resolution of the Company's Supervisory Board.

By resolution of the Company's Supervisory Board No. 2/09/2022 of 26 September 2022, the remuneration of each member of the Management Board for their professional services to the Company was set at PLN 28,500 (twenty-eight thousand five hundred) net per month starting from 1 January 2023. In connection with the appointment of Mr Grzegorz Piekart to the Management Board of the Company, the Supervisory Board, by Resolution No. 2/11/2022 of 30 November 2022, granted him remuneration for his professional services to the Company in the amount of PLN 28,500 (twenty-eight thousand five hundred) net per month starting from 1 January 2023.

By Resolution of the Company's Supervisory Board No. 3/12/2023 of 6 December 2023, the remuneration of each member of the Management Board for their professional services to the Company was set at PLN 31,350 (thirty-one thousand three hundred and fifty) net per month starting from 1 January 2024.

Members of the Company's management board also receive cash bonuses. Since the entry into force of the Remuneration Policy, the variable remuneration for each member of the Management Board has been awarded by the Company in a clear, comprehensive manner that ensures the effective implementation of the Remuneration Policy, by referring to the Company's financial and non-financial performance, taking into account the social interest as well as the Company's contribution to the protection of the environment and directed towards measures aimed at preventing and eliminating the negative social effects of the Company's activities.

A bonus fund is established for cash bonuses, the allocation of which is decided by the Supervisory Board on the basis of assessments that take into account elements such as:

- a) achieving the financial targets set for the financial year,
- b) the contribution of individual members of the management board to the achievement of financial and non-financial objectives,
- c) the overall operation of the Company, including the hedging of risks in key areas of its business,
- d) the financial security of the Company.

The total cash bonus budget may not exceed 6% (six per cent) of the Company's net profit for the financial year. The Supervisory Board evaluates the Company's financial result and the criteria described above on an annual basis and, on this basis, adopts a resolution determining the amount of the bonus fund and the individual Management Board members' share of this fund. In accordance with the Remuneration Policy, cash bonuses in the total amount of PLN 1,090,000, i.e. an amount representing 6% of the net profit achieved by the Company in the previous financial year, were granted to the Management Board members in 2024.



The members of the management board participated in the 2020-2022 Incentive Programme introduced on the basis of the based on the Incentive Programme Regulations adopted by the General Meeting by resolution no. 17 of 23 July 2020. ("**2020-2022 IP Regulations**"), as amended by Resolution No. 27 of 7 June 2022. Under the terms of the Regulations at the meeting of 25 August 2020 the Supervisory Board of the Company, by Resolution No. 5/08/2020, approved the list of participants in the Incentive Programme, including, inter alia, the Members of the Management Board of the Company then in office, i.e. Krzysztof Kwiatek, Krzysztof Sałek and Tomasz Soból. Under the aforementioned resolution, each of these Management Board Members was given the opportunity to subscribe for up to 5,000 shares, depending on the Company's financial performance for the years 2020-2022. The objectives of the 2020-2022 Incentive Programme were achieved, and the Management Board Members holding office during its duration (Krzysztof Kwiatek, Krzysztof Sałek, Tomasz Soból) subscribed for 5,000 shares each in May 2023. Mr Grzegorz Piekart, appointed to the management board of the Company as of 1 January 2023, took up 1,296 shares in May 2023 as part of the 2020-2022 Incentive Programme.

Members of the Management Board from 2023 also participate in the Incentive Programme 2023-2025 established by the General Meeting by Resolution No. 16 of 30 May 2023, the rules of which are set out in the Rules of the Incentive Programme 2023-2025 attached to the aforementioned resolution of the General Meeting (the "**2023-2025 IP Regulations**"). Pursuant to the rules set out in the 2023-2025 IP Regulations, at a meeting held on 13 September 2023 the Supervisory Board of the Company, by Resolution No. 2/09/2023, approved the list of participants in the Incentive Programme including, inter alia, the current Members of the Management Board of the Company. Under the aforementioned resolution, each Management Board Member was given the opportunity to acquire up to 4,625 shares, depending on the Company's realised financial results for 2023-2025.

In 2023 the Company covered the cost of medical insurance for the benefit of Management Board Members and their next of kin. Members of the Management Board were provided with company cars and the opportunity to benefit from the Company's Multisport sports and recreation programme. In addition, Members of the Management Board are covered by the Company's insurance related to their functions in the Company's bodies.

### 3. Remuneration of management board members in 2023 (PLN)

Name, function	Fixed remuneration for the function (gross)	Fixed remuneration for services provided (net)	Variable remuneration - bonuses for 2022 paid in 2023 (gross)	Ratio between variable and fixed remuneration	Additional benefits (gross)	Variable remuneration for 2023 to be paid in 2024 (gross)
Krzysztof Kwiatek, President of the Management Board	342,000	342,000	729,000	1.07	10,584	272,500
Krzysztof Sałek, Member of the Management Board	342,000	342,000	729,000	1.07	10,584	272,500
Tomasz Soból, Member of the Management Board	342,000	342,000	729,000	1.07	10,922	272,500
Grzegorz Piekart, Member of the Management Board	342,000	342,000	0	0.00	4,800	272,500

#### 4. Incentive Programme 2020-2022, including the number of allowances granted and the modalities for their implementation.

Detailed assumptions and rules for the implementation of the programme were set out in the 2020-2022 IP Regulations.

Pursuant to the 2020-2022 IP Regulations, the General Meeting, in adopting the aforementioned Regulations, indicated the general objectives of the Company applicable for the duration of the 2020-2022 Incentive Programme of its participants who have concluded the respective Participation Agreements (hereinafter "Participants"), i.e.:

- that an employee or associate of the Company remains in a legal relationship under certain contracts (e.g. service contract, employment contract) from at least the date of the Participation Agreement up to and including 31 December 2022 (Tranche 1),
- achievement by the Company of an average annual Gross Profit in 2020-2022 of PLN 20,000,000 (Tranche 2), as a condition for full allocation of Tranche 2.

The Supervisory Board, at its meeting on 19 April 2023, (i) verified the achievement of the Company's stated Specific Objectives with regard to the Company's employees and associates and the members of the Company's Management Board in accordance with Section 5(2) of the 2020-2022 IP Regulations, and (ii) drew up a list of eligible Participants to subscribe for shares in the new issue, and (iii) adopted a resolution to allocate a certain number of shares to individual Participants.

Under the 2020-2022 Incentive Programme, a total of 19,928 new shares in the Company's increased share capital, divided into two tranches, were allocated to the eligible persons. Eligible persons subscribed and paid for the following shares issued under the 2020-2022 Incentive Programme:

- 4,928 (four thousand nine hundred and twenty-eight) new series D ordinary bearer shares with a nominal value of PLN 1.00 each, which were covered by cash contributions in the form of bank transfers to the Company's account, at a unit issue price of PLN 1.00,
- 15,000 (fifteen thousand) new series E ordinary bearer shares with a nominal value of PLN 1.00 each, which were covered by cash contributions in the form of bank transfers to the Company's account, at a unit issue price of PLN 186.20.

The rights under the 2020-2022 Incentive Programme were exercised on 18 May 2023.

The table below gives details of the number of shares granted to the Management Board members, the issue price and the exercise date. Together with the conclusion of the subscription agreements, all Management Board members entered into lock-up agreements with the Company (represented by the Chairman of the Supervisory Board) restricting the transferability of the shares subscribed under the 2020-2022 Incentive Programme for a period of 12 (twelve) months.

Name, function	Number of shares granted	Issue price (PLN)	Date of exercise of entitlement
Krzysztof Kwiatek, President of the Management Board	5,000	186.20	18 May 2023.

<b>Krzysztof Sałek, Member of the Management Board</b>	5,000	186.20	18 May 2023.
<b>Tomasz Soból, Member of the Management Board</b>	5,000	186.20	18 May 2023.
<b>Grzegorz Piekart, Member of the Management Board</b>	1,296	1.00	18 May 2023.

#### 5. Incentive Programme 2023-2025, including the number of allowances granted and the modalities for their implementation.

The General Meeting of Shareholders, by Resolution No. 16 of 30 May 2023, established a new Incentive Programme 2023-2025 for key employees and associates and members of the Creepy Jar S.A. management board. The detailed assumptions and rules for the programme are set out in the 2023-2025 IP Regulations.

Under the 2023-2025 Incentive Programme, up to 37,000 new shares in the Company's increased share capital, divided into two equal tranches, could be allocated to eligible participants. Pursuant to the 2023-2025 IP Regulations, the General Meeting, in adopting the above-mentioned Regulations, indicated the general objectives of the Company applicable for the duration of the Incentive Programme for its participants who have concluded Participation Agreements in 2023 and will conclude them in subsequent years. These are as follows:

- that an employee or associate of the Company remains in a legal relationship under certain contracts (e.g. service contract, employment contract) from at least the date of the participation agreement up to and including 31 December 2025 (Tranche 1),
- achievement by the Company of an average annual pre-tax profit in 2023-2025 of PLN 30,000,000 (Tranche 2), as a condition for full allocation of Tranche 2.

The conditions for taking up shares by participants in the Incentive Programme are as follows:

- Tranche 1 - intended exclusively for employees and associates of the Company (excluding members of the Company's management board) - 18,500 shares purchased at an issue price of PLN 1 (one);
- Tranche 2 - intended for employees, associates and members of the Company's management board - 18,500 shares purchased at an issue price of one (1) zloty;

The Supervisory Board will adopt a resolution to grant a certain number of shares to the eligible persons identified by it by 30 September 2026. The rights under the Incentive Programme will be exercisable at the request of any eligible person no later than 31 December 2026.

The table below gives details of the number of shares pre-allocated to the Management Board Members in office in 2023 (the final number and subscription of which is conditional on the achievement of the financial objectives of the 2023-2025 Incentive Programme), the issue price and the date of exercise of entitlements if all the criteria set out in the 2023-2025 IP Regulations are met.

Name, function	Number of pre-allocated shares	Issue price (PLN)	Period for exercising entitlement
<b>Krzysztof Kwiatek, President of the Management Board</b>	4,625	1.00	until 31 December 2026.
<b>Krzysztof Sałek, Member of the Management Board</b>	4,625	1.00	until 31 December 2026.
<b>Tomasz Soból, Member of the Management Board</b>	4,625	1.00	until 31 December 2026.
<b>Grzegorz Piekart, Member of the Management Board</b>	4,625	1.00	until 31 December 2026.

### III. Remuneration of the Members of the Supervisory Board

#### 1. Composition of the Supervisory Board as at 1 January 2023, 31 December 2023 and as at the date of the Report:

- Michał Paziewski (Chairman of the Supervisory Board),
- Tomasz Likowski (Member of the Supervisory Board),
- Piotr Piskorz (Member of the Supervisory Board),
- Artur Lebedziński (Member of the Supervisory Board),
- Mirosława Cienkowska (Member of the Supervisory Board).

During the reporting period and up to the date of the Report, the composition of the Supervisory Board did not change.

#### 2. Remuneration principles for members of the Supervisory Board

In accordance with the Company's Articles of Association, the remuneration of the members of the Supervisory Board is determined by the General Meeting within the framework of the adopted remuneration policy by means of a resolution.

Members of the Supervisory Board are entitled to a monthly remuneration irrespective of the frequency of formally convened meetings of the Supervisory Board. Members of the Supervisory Board serving on the Audit Committee are entitled to additional remuneration in the amount, timing and manner of payment to be determined by the General Meeting. By Resolution No. 21 of 24 June 2021 the Annual General Meeting of the Company, starting from July 2021, determined the remuneration for the persons comprising the Audit Committee of the Company as follows:

- the remuneration of the Chairman of the Audit Committee was set to PLN 3,000 (three thousand) gross for each meeting of the Audit Committee;
- the remuneration of each Member of the Company's Audit Committee was set to PLN 1,500 (one thousand five hundred) gross for each meeting of the Audit Committee;

The Extraordinary General Meeting of the Company, by Resolution No. 5 of 25 October 2022, set the remuneration of the members of the Supervisory Board of the Company as follows, starting from the month of November 2022:

- the remuneration of the Chairman of the Supervisory Board of the Company was set to PLN 7,900 (seven thousand nine hundred) gross per month;
- set the remuneration of each Member of the Company's Supervisory Board at PLN 4,800 (four thousand eight hundred) gross per month.

The General Meeting is authorised to grant individual awards to members of the Supervisory Board in the amount indicated in the resolution of the General Meeting.

Members of the Supervisory Board may not receive any monetary or non-monetary remuneration from the Company other than that described above for serving as a member of the Supervisory Board.

In 2023 the members of the Supervisory Board did not receive any part of their remuneration on the basis of a bonus or profit-sharing plan, in the form of stock options, in the form of any other benefit in kind (such as healthcare or means of transport), subject to coverage under the Company's existing insurance related to their functions on its bodies.

### 3. Remuneration of members of the Supervisory Board in 2023 (in PLN)

Name	Position	Functional remuneration (gross)
<b>Michał Paziewski</b>	Chairman of the Supervisory Board, Member of the Audit Committee	100,800
<b>Mirosława Cienkowska</b>	Member of the Supervisory Board, Chairman of the Audit Committee	69,600
<b>Artur Lebiezinski</b>	Member of the Supervisory Board	57,600
<b>Tomasz Likowski</b>	Member of the Supervisory Board	57,600
<b>Piotr Piskorz</b>	Member of the Supervisory Board, Member of the Audit Committee	64,802

## IV. An explanation of how total remuneration is consistent with the remuneration policy adopted, including how it contributes to the long-term performance of the company;

Information on the manner in which the performance criteria were applied;

Members of the Company's bodies receive remuneration in accordance with the principles set out in the Remuneration Policy. At the same time, they do not receive any benefits from the Company other than those provided for in the Remuneration Policy. Taking into account the financial results achieved by the Company, the

stability and development of the production team, the achievement of operational objectives in the period after the adoption of the Remuneration Policy, it should be considered that its objectives are being met.

As part of the implementation of the Remuneration Policy, performance criteria were used in the calculation of the total fund for bonuses for Management Board members and to determine the level of achievement of the Incentive Programme targets in the tranche allocated to Management Board members.

**V. Information on the change, on an annual basis, in the remuneration of the members of the bodies, the results of the company and the average remuneration of the employees of that 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 way that allows for comparison;**

Specification (PLN)		2023	2022	2021	2020	2019
Sales revenue		37,499,910	54,910,256	46,128,029	37,670,842	6,985,927
Net profit/loss		18,327,203	36,459,277	29,103,176	22,408,772	137,155
Remuneration of Management Board Members	total	4,959,889	3,392,950	2 590,211	1,747,440	1,246,673
Remuneration of members of the Supervisory Board	total	349,200	316,200	212,543	60 739	3,081
Average remuneration of employees who are not members of the Company's bodies		9,900	0	0	0	0

**VI. 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, item 351, 1495, 1571, 1655 and 1680);**

During the period under review, the Company did not belong to any capital group.

**VII. Information on the use of the option to claim back variable remuneration components;**

The Remuneration Policy does not provide for the possibility of claiming back variable remuneration components paid in cash. Under the 2020-2022 Incentive Programme and the 2023-2025 Incentive Programme, the Company has the right to make a compulsory redemption of shares acquired under the programme by participants in a situation where, after the acquisition of the shares:

- there will be a grave breach of the employee's employment duties, a grave breach of the terms and conditions of the cooperation agreement or a grave breach of the official duties of those serving on the Company's management board,
- an employee, associate or member of the Company's management board, without the Company's prior written consent, engages in any activity that competes with the Company; or
- an employee, associate or member of the Company's Management Board is validly convicted of an intentional crime.

The final award of shares under the 2020-2022 Incentive Programme took place in May 2023 and the above rules did not apply during the period under review.





The final award of shares under the 2023-2025 Incentive Programme will be made by December 2026 and the above rules did not apply during the period under review.

**VIII. Information concerning deviations from the procedure for implementing the remuneration policy and deviations from the application of the remuneration policy in the company, including an explanation of the rationale and procedure, and an indication of the elements from which deviations have been applied.**

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At the date of the Report, the Supervisory Board is not aware of any deviations regarding the implementation and application of the Remuneration Policy.

**IX. Opinion of the General Meeting of Shareholders on the remuneration report for the previous financial year**

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The Ordinary General Meeting of the Company, acting on the basis of Article 90g(6) of the Act of 29 July 2005 on public offerings and conditions for the introduction of financial instruments into the organised trading system and on public companies, gave a positive opinion on the report of the Supervisory Board on the remuneration of the members of the Management Board and the Supervisory Board of Creepy Jar S.A. for the year 2022, without any additional reservations, by Resolution No. 15 of 30 May 2023.

**X. Proposal to the General Meeting of Shareholders.**

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The Supervisory Board requests the General Meeting of Shareholders to express a positive opinion on the Report.