

Resolutions adopted during the Ordinary General Meeting of Shareholders of the Tire Company Dębica S.A. convened for 25 August 2020, at 10:00 am

**Resolution No. 1**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A.**

**dated 25 August 2020**

**concerning the election of the Chairperson of the Ordinary General Meeting of Shareholders**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company elects Mr. Krzysztof Pawlisz as Chairperson of the Ordinary General Meeting.

**Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.627 "in favour"

0 "against"

0 "abstaining"

**Resolution No. 2**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" Spółka Akcyjna**

**dated 25 August 2020**

**on the adoption of the Agenda.**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company resolves to adopt the following

Agenda:

1. Opening of the Ordinary General Meeting of Shareholders.
2. Election of the Chairperson of the Company's Ordinary General Meeting of Shareholders.
3. Acknowledgment of the correctness of convention of the Ordinary General Meeting of Shareholders and its capacity to adopt resolutions.
4. Adoption of the Agenda.
5. Election of the Secretary of the Company's Ordinary General Meeting of Shareholders.
6. Review and approval of the 2019 Company's Financial Statements comprising the Balance Sheet, Profit and Loss Account, Cash Flow Statement and Notes.
7. Review and approval of the 2019 Management Board's Report on the Company Activities.
8. Review and approval the 2019 Supervisory Board's Report on Its Activities.
9. Adoption of resolution on profit distribution.
10. Granting a vote of acceptance to the members of the Company's Management Board confirming the discharge of their duties in 2019.
11. Granting a vote of acceptance to the members of the Company's Supervisory Board confirming the discharge of their duties in 2019.

12. To establish the number of the Company's Supervisory Board members.
13. Appointment of the Company's Supervisory Board members.
14. Taking a resolution concerning the adoption of the remuneration policy for the members of Management Board and Supervisory Board of Dębica S.A. Tire Company.
15. Closing of the Meeting.

**Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.627 "in favour"

0 "against"

0 "abstaining"

**Resolution No. 3**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020**

**concerning the election of the Secretary of the Ordinary General Meeting of Shareholders**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company elects Mr. Adam Motyka as Secretary of the Ordinary General Meeting.

**Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.627 "in favour"

0 "against"

0 "abstaining"

**Resolution No. 4**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020**

**on the approval of the 2019 Company's Financial Statements.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby approves the 2019 Financial Statements, presented to it on 25 August 2020, comprising:

1. Balance Sheet, drawn up as of 31 December 2019;
2. Profit and Loss Account,
3. Cash Flow Statement,
4. Notes and Explanations

**Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"  
0 "against"  
512 "abstaining"

**Resolution No. 5**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A.**

**dated 25 August 2020**

**on the approval of the 2019 Management Board's Report on the Company Activities.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. approves the 2019 Management Board's Report on the Company's Activities.

**Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"  
0 "against"  
512 "abstaining"

**Resolution No. 6**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A.**

**dated 25 August 2020**

**on the approval of the 2019 Supervisory Board's Report on its Activities.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. approves the 2019 Supervisory Board's Report on its Activities.

**Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"  
0 "against"  
512 "abstaining"

**Resolution No. 7**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A.**

**dated 25 August 2020**  
**on 2019 profit distribution.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby resolves to distribute 2019 profit totalling PLN 112,739,473.10 (in words: one hundred twelve million seven hundred thirty-nine thousand four hundred seventy-three and 10/100 zlotys) as follows:

1. the amount of PLN 56,315,220.00 (in words: fifty-six million three hundred and fifteen thousand two hundred and twenty zlotys 00/100) shall be allocated to the shareholders for the payment of PLN 4.08 per share, setting 9 October 2020 as the date of acquisition of dividend rights (dividend day) and 17 December 2020 as the dividend payment date - due to the seasonal nature of the Company's business;
2. the amount of PLN 56,424,253.10 (in words: fifty-six million four hundred twenty-four thousand two hundred fifty-three and 10/100) to be allocated to the reserve capital with an option of paying it out in the years to come.

The amount allocated to the reserve capital may also be used for distribution to shareholders in consecutive financial years, including in the form of an advance payment(s) of dividends.

**Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.627 "in favour"

0 "against"

0 "abstaining"

**Resolution No. 8**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A.**

**dated 25 August 2020**

**on granting a vote of acceptance to a Member of the Company's Management Board  
confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr Leszek Szafran, President and Member of the Management Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2** The resolution comes into force upon its  
adoption

**Resolution No. 9**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020**

**on granting a vote of acceptance to a Member of the Company's Management Board  
confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Michał Mędrek, a Member of the Management Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 10**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A.**

**dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Management Board  
confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Mirosław Maziarka, a Member of the Management Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 11**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Management Board  
confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Ireneusz Maksymiuk, a Member of the Management Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

## **Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

## **Resolution No. 12**

### **of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

## **Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Jacek Pryczek, the Chairman of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

## **Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

## **Resolution No. 13**

### **of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

## **Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Dominikus Golsong, the Deputy Chairman and a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

## **Art. 2**

The resolution comes into force upon its adoption

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 14**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Leszek Cichocki, a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 15**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Maciej Mataczyński, the Secretary and a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 16**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Ms. Renata Kowalska-Andres, a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 17**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Łukasz Rędziniak, a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 18**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Janusz Raś, a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.100 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"



0 "against"  
512 "abstaining"

**Resolution No. 19**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Andrzej Kowal, a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 20**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Lourens Roets, a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 21**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Michaël De Schrijver, a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 22**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on granting a vote of acceptance to a Member of the Company's Supervisory Board confirming the discharge of his duties in 2019.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. hereby grants the vote of acceptance to Mr. Krzysztof Mika, a Member of the Supervisory Board of Tire Company Dębica S.A., confirming the discharge of his duties in 2019.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.542.115 "in favour"

0 "against"

512 "abstaining"

**Resolution No. 23**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on establishing the number of the Supervisory Board members for the term of office starting on 25 August 2020.**

**Art. 1**

The Ordinary General Meeting of Tire Company Dębica S.A. resolves that the Supervisory Board of the term of office starting on 25 August 2020 shall consist of 5 to 9 members.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:  
12.542.115 "in favour"  
0 "against"  
512 "abstaining"

**Resolution No. 24**  
**of the Ordinary General Meeting of Shareholders**  
**Tire Company "Dębica" S.A. dated 25 August 2020.**  
**on the appointment to the Supervisory Board for a new term of office.**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company appoints Mr. Jacek Pryczek to the Supervisory Board for the term of office starting on 25 August 2020.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:  
12.042.991 "in favour"  
499 636 "against"  
0 "abstaining"

**Resolution No. 25**  
**of the Ordinary General Meeting of Shareholders**  
**Tire Company "Dębica" S.A. dated 25 August 2020.**  
**on the appointment to the Supervisory Board for a new term of office.**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company appoints Mr. Łukasz Rędziniak to the Supervisory Board for the term of office starting on 25 August 2020.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:  
12.042.991 "in favour"  
499 636 "against"  
0 "abstaining"

**Resolution No. 26**  
**of the Ordinary General Meeting of Shareholders**  
**Tire Company "Dębica" S.A. dated 25 August 2020.**  
**on the appointment to the Supervisory Board for a new term of office.**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company appoints Mr. Lourens Roets to the Supervisory Board for the term of office starting on 25 August 2020.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.042.991 "in favour"

499 636 "against"

0 "abstaining"

**Resolution No. 27**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on the appointment to the Supervisory Board for a new term of office.**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company appoints Mr. Michael De Schrijver to the Supervisory Board for the term of office starting on 25 August 2020.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.042.991 "in favour"

499 636 "against"

0 "abstaining"

**Resolution No. 28**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on the appointment to the Supervisory Board for a new term of office.**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company appoints Mr. Andrzej Kowal to the Supervisory Board for the term of office starting on 25 August 2020.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.042.991 "in favour"

499 636 "against"

0 "abstaining"

**Resolution No. 29**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on the appointment to the Supervisory Board for a new term of office.**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company appoints Mr. François Colin de Verdière to the Supervisory Board for the term of office starting on 25 August 2020.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.042.991 "in favour"

499 636 "against"

0 "abstaining"

**Resolution No. 30**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**on the appointment to the Supervisory Board for a new term of office.**

**Art. 1**

The Ordinary General Meeting of the Dębica S.A. Tire Company appoints Mr. Vincent Ganier the Supervisory Board for the term of office starting on 25 August 2020.

**Art. 2**

The resolution comes into force upon its adoption.

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.042.991 "in favour"

499 636 "against"

0 "abstaining"

**Resolution No. 31**

**of the Ordinary General Meeting of Shareholders**

**Tire Company "Dębica" S.A. dated 25 August 2020.**

**concerning the adoption of the Remuneration Policy for the members of Management Board and Supervisory Board of Dębica S.A. Tire Company.**

**Art. 1**

The Ordinary General Meeting of Shareholders of Tire Company Dębica S.A., acting pursuant to

Article 90d, par. 1 of the Act of 29 July 2005 on Terms and Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies for the Members of the Management Board and Supervisory Board of Tire Company Dębica S.A. with the wording compliant with the content of Appendix 1 to this Resolution.

**Art. 2**

The resolution comes into force upon its adoption.

**Rationale:** Art. 90d, par. 1 of the Act of 29 July 2005 on Public Offering, Terms and Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies Journal of Laws of 2019, item 623:

During voting over the resolution 12.542.627 valid votes were cast, out of 12.542.627 shares, accounting for 90.87% of the share capital of the Company, of which:

12.042.991 "in favour"

534 "against"

499 102 "abstaining"

**Appendix No. 1.** to the Resolution No. 25 of the Ordinary General Meeting of Shareholders of Tire Company Dębica S.A. of 25 August 2020 concerning the adoption of the Remuneration Policy for the Members of the Management Board and Supervisory Board of Tire Company Dębica S.A.

## **FIRMA OPONIARSKA DĘBICA S.A.**

### **Compensation Policy for the Management Board and Supervisory Board Members**

#### **General Principles**

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This Policy was prepared in accordance with the relevant laws and regulations, including the Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (the "SRD II Directive") and the Act of 29 July 2005 on offerings, terms and conditions governing the introduction of financial instruments to the organised trading system, and on publicly traded companies (Journal of Laws of 2019, Item 623, as amended).

#### **Article 1. Purpose, subject matter and scope of application of the Policy**

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1. This Policy establishes a competitive framework aligned with the Company's strategy and business environment as recommended by the 2016 Best practices for the WSE-listed companies. The Policy is designed to increase medium and long-term performance and competitiveness and is therefore in the Company's best corporate interests.
2. The Policy contributes to the Company's performance by offering the possibility to factor the Company and/or the Goodyear group's performance into the calculation of the variable and long-term compensation of its management. In particular, in the decision-making process for the determination and revision of this Policy, it has been chosen to allow the possibility to apply the variable compensation and long-term compensation programs for executives of the Goodyear group of companies. Conflicts of interest are avoided in the drafting, revision and implementation of this Policy due to the involvement of the Supervisory Board.
3. This Policy shall apply exclusively to the Management and Supervisory Board Members. The rules of remunerating the remaining employees or other persons cooperating with the Company are laid down in separate rules, regulations, policies and individual agreements.

#### **Article 2. Definitions**

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Terms used herein shall mean as follows:

**Policy** – Compensation Policy for the FIRMA OPONIARSKA DĘBICA S.A. Management Board and Supervisory Board Members.

**Company** – FIRMA OPONIARSKA DĘBICA S.A.

**Management Board Member** – a person carrying out the function of the Company Management Board Member and discharging duties applicable to different positions within the Company.

**Supervisory Board Member** – the Company's Supervisory Board Member.

### **Article 3. General terms of employment**

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1. The Company may enter into employment contracts with a Management Board Member.
2. The Company may also sign a fixed-term employment contract with a Management Board Member, within the limits specified in the Labour Code or appoint as Management Board Members persons employed with the Company or seconded by another company.
3. The Management Board Members shall be appointed to discharge their duties pursuant to the Resolution passed by the Supervisory Board, and such duties shall be closely related to their operational obligations performed as part of their employment with the Company in another capacity.
4. Management Board Members compensation programs should motivate the Company's executives to take actions that are aligned with the Company's short and long-term strategic objectives, and appropriately balance risk versus potential reward.
5. Employment contracts entered with Management Board Members may provide for a notice period, at the request of either party, longer than that stipulated in the generally applicable regulations, but no longer than 6 months. Similar to other employees who have a specific expertise that needs to be protected to prevent its use by a competitor in a manner that is detrimental to the Company's interest, Management Board Members may be subject to non-compete clause.
6. The Supervisory Board Members shall discharge their duties pursuant to the resolution passed by the Company Annual General Meeting, or upon being co-opted onto the Supervisory Board pursuant to the resolution passed by the Company Supervisory Board. The Company does not sign any employment contracts with the Supervisory Board Members (except for the situation specified in Article 3(7)).
7. Employment contracts concluded with the Supervisory Board Members being the Company employees shall remain valid, regardless of their mandate.

### **Article 4. Components of compensation**

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1. The level of the compensation of the Management Board Members should reflect the professional experience and the roles and responsibilities required for their position. It may include a base salary, a variable portion and a long-term portion which may be subject to performance conditions. It may also include other fixed compensation-like benefits under the Labour Code, including, in particular, sick pay and paid holiday leave.
2. The detailed rules of awarding the components of compensation listed in Article 4(1) and laying down the criteria referred to in Article 6(2) may be specified by the Supervisory Board in separate policies, rules and regulations concerning the rules of compensation, and in the individual employment agreements, within the limits set herein.
3. The Supervisory Board may also set specific vesting periods, deferred payment periods and decide on specific conditions allowing the Company to demand that all or part of the variable compensation components be reimbursed.
4. Each month, the Supervisory Board Members shall be entitled to the base salary for the function performed (the "base salary") except for the situations specified in Articles 4(5) and 4(6). A Supervisory Board Member's compensation shall be calculated based on the average monthly salary in the Company for the previous calendar quarter.
5. Any Supervisory Board Member may waive expressly all rights to compensation due to their appointment to the Supervisory Boards of the Company. This waiver shall not apply to the right to the reimbursement of expenses incurred due to their appointment as Company's Supervisory Board Members, which remain subject to the Company's standard procedures. Should the Supervisory Board Members waive their right to compensation for the function performed, they shall not be entitled to the base salary.

6. Supervisory Board Members employed by the companies from the Goodyear group, with exception of the Company, are not entitled to compensation for carrying out the function of Supervisory Board Member of the Company.
7. The compensation of the Management and Supervisory Board Members shall be paid on terms applicable to all Company employees, save for the special provisions stipulated herein.

## **Article 5. Base salary**

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1. The Management Board Members shall receive base salary for the discharge of their Management Board Member's duties and other duties performed as part of other positions held with the Company, and they shall not receive any separate compensation for the performance of the Management Board Member function.
2. The base salary shall be calculated in a manner reflecting the professional experience and the roles and responsibilities specified in the job description or in the employment contract.
3. The Company's Management Board Members shall not be entitled to any compensation which is not expressly approved by the Supervisory Board and shall waive expressly all rights to other compensation due to their appointment to the Supervisory or Management Boards or other managing bodies of legal persons other than the Company, being the Company's affiliates or subsidiaries. This waiver shall not apply to the right to the reimbursement of expenses incurred due to their appointment as Company's Management Board Members, which remain subject to the Company's standard procedures.
4. The Chairperson of the Supervisory Board shall be granted compensation in the amount three times the compensation referred to in Article 4(4).
5. The Vice-Chairperson and the Secretary of the Supervisory Board shall be granted compensation in the amount two and a half times the compensation referred to in Article 4(4).
6. The remaining Supervisory Board Members shall be granted compensation in the amount twice the compensation referred to in Article 4(4).

## **Article 6. Variable compensation**

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### **General terms**

1. To link the compensation of the Management Board Members with the Company's long-term interests, a Management Board Member may be awarded an annual cash incentive based on corporate and individual performance.
2. The variable compensation is designed to link annual cash compensation to attainment of key short-term performance goals measured primarily by achievement of annual operating goals at Company or regional operating units and by the individual as measured by achievement of specific strategic goals and demonstrated leadership traits.
3. The total variable compensation which may be granted in a given calendar year should not exceed 250% of the annual base salary.
4. The variable compensation may be awarded in an amount conditional on the target variable compensation level, not higher than 250% of the annual base salary.
5. The variable compensation may be granted based on clear, comprehensive, pre-defined and differential criteria relating to the financial and non-financial results, and particularly including the profits before taxation, the sales volume and other operating indices relevant for the Management Board Member's area of responsibility.



6. In determining the compensation, the Supervisory Board should consider various factors, including the Company performance against corporate and operating unit objectives, the compensation of officers with similar responsibilities at comparable companies, individual performance, current and future responsibilities, and retention considerations. As stated above, it has been chosen to allow the Supervisory Board of the Company to apply the variable compensation and long-term incentive programs for executives of the Goodyear group of companies.
7. The achieved financial and non-financial indicators may vary between 0–200%, depending on the satisfaction of the specified criteria.
8. Assessment of individual performance may include compliance with the Company's corporate responsibility strategy taking into account several factors, such as, public interest, environmental protection and social responsibility.
9. The Supervisory Board Members are not entitled to receive variable compensation for the function performed.

### **Annual variable compensation**

10. The payment of the annual variable compensation is a one-off cash payment that shall be made together with the payment of the compensation annually, after the end of the calendar year constituting the basis for the financial results in accordance with the relevant plans rules.
11. As stated above, it has been chosen to allow the Supervisory Board of the Company to apply the variable compensation programs for executives of the Goodyear group of companies.

### **Multi-year variable compensation**

12. In the event that the Company grants to its Management Board Members a multi-year variable compensation in the form of financial instruments, it shall also determine the periods in which the right to obtain such multi-year variable compensation is acquired, the rules of transferring those financial instruments as well as the explanation on its contribution to the business strategy, long-term interests and stability of the Company.
13. The multi-year variable compensation may be paid in cash or through financial instruments subject to the relevant plan rules.
14. As stated above, it has been chosen to allow the Supervisory Board of the Company to apply the long-term incentive programs for executives of the Goodyear group of companies.

### **Article 7. Additional benefits**

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1. Management Board Members may be granted additional benefits by the Supervisory Board, including in particular:
  - i. a company car based on the Company's applicable company car policy,
  - ii. private health care,
  - iii. participation in the Employee Pension Scheme on terms applicable to all employees,
  - iv. group life insurance,
  - v. accidental death and dismemberment insurance,
  - vi. contributions to the investment fund named by the Management Board Member,
  - vii. global mobility benefits,
  - viii. other additional components of compensation available to all employees of the Company on uniform terms for all employees.
2. Any changes to the above-mentioned benefits shall be reviewed by the Supervisory Board of the Company.
3. Except for Management Board Members that may be seconded by another company, the Company does not provide any old age and disability pension plans or earlier retirement plans other than the Employee Pension Scheme.

4. In the case of an employment contract termination at the Company's notice, a Management Board Member may be entitled to a one-off severance pay in the amount of up to six times the compensation due for the last full calendar month of their employment with the Company.

## **Article 8. Decision-making process to adopt, implement and review the Policy**

1. This Policy and the material amendments hereto shall be adopted and implemented by the Annual General Meeting by means of a resolution.
2. The content of the Policy shall be proposed by the Company's Management Board. Conflicts of interest are avoided in the drafting, revision and implementation of this decision due to the involvement of the Supervisory Board. The Supervisory Board may request the support of the following departments of the Company.
3. The organisational unit responsible for HR management shall, within its roles and responsibilities, participate in the compilation of the Compensation policy and related documents, and for that purpose it shall provide the Management Board or other organisational units of the Company with relevant information, e.g. with the information about the compensation structure and incentive systems.
4. The organisational unit responsible for legal matters and the organisational unit responsible for investor relations shall participate in the compilation and review of the Policy through the consultation of its provisions, to the extent corresponding to their activities in the Company.
5. Once the Policy has been adopted, the Company shall – without undue delay – publish the Policy and the relevant resolution passed with reference to its adoption on its website. The documents shall be available at least throughout their validity period.

## **Article 9. Application of this Policy**

1. This Policy shall be periodically reviewed by the Annual General Meeting, at least every four years.
2. Each and every rule established with reference to the Management or Supervisory Board Members' compensation exceeding the limits specified herein shall constitute a material amendment hereto.
3. Any modifications to the names of the organisational units or components of compensation shall not constitute material amendments hereto, provided that the terms of their payment remain compliant with the requirements set herein.
4. The Company shall pay the Management and Supervisory Board Members' compensation solely in accordance with the Policy.
5. Should the Annual General Meeting reject the amendments to the Compensation Policy or the new compensation policy, the Company shall pay the compensation in accordance with the applied compensation policy.
6. If the Company has not implemented a compensation policy, the compensation may be paid in keeping with the current practice.
7. The Supervisory Board shall exercise supervision over the application of this Policy and over its compliance with the corporate governance principles implemented at the Company, the corporate culture, risk appetite, and with the related managerial processes, and it shall also approve any subsequent material deviations from the application hereof with respect to the Management and Supervisory Board Members.
8. The application hereof may be temporarily suspended at the Supervisory Board's decision, in exceptional circumstances, such as – for example – the currently unforeseeable effects of the Covid-19 and provided that this is required to further the Company's long-term interests and ensure its financial stability, or to guarantee its profitability. In such cases, the Supervisory Board may – by means of a resolution passed with the absolute majority of votes – decide to depart from the rules specified in Articles 5 and 6 for a period of up to 12 calendar months.

9. Such departure from the rules laid down herein for the period of longer than 12 calendar months requires a resolution to be passed by the Annual General Meeting.

Adopted on 25 August 2020.