

**FIRMA OPONIARSKA DĘBICA S.A.  
("the Company")**

**Supervisory Board's report on compensations  
of Members of the Management Board and Supervisory Board  
for 2021**

This report has been prepared on the basis of Article 90g of the Act of 29<sup>th</sup> July 2005 on Public Offering and the Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies (Journal of Laws of 2021.1983, 2140) ("Act"):

On June 23, 2021 The Ordinary General Meeting of Firma Oponiarska Dębica S.A., acting pursuant to Article 90g, section 6 of the Act gave a positive opinion on the report on compensations of the Members of the Management Board and the Supervisory Board of the Company for the years 2019-2020.

**I**  
**Key rules regarding compensations of the Management Board  
and Supervisory Board Members:**

The level of the compensation of the Management Board Members reflects the professional experience and the roles and responsibilities required for their position. It includes 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 Labor Code.

The Compensation Policy for the Management Board and Supervisory Board Members ("Policy") contributes to the Company's performance by offering the possibility to take into account the Company and/or the Goodyear group's performance when calculating the variable and long-term components of its management remuneration. In particular, in the decision-making process for setting and reviewing this Policy, it has been decided to allow the possibility to apply the variable compensation and long-term compensation programs for executives of the Goodyear group of companies.

The Supervisory Board Members are entitled to a monthly basic salary for the function performed except for the situations when a Supervisory Board Member:

- waives expressly his or her rights to remuneration due to his or her appointment to the Supervisory Board of the Company or
- is employed by the companies from the Goodyear group, with exception of the Company.

A Supervisory Board Member's compensation is calculated based on the average monthly salary in the Company for the previous calendar quarter.

The Policy was adopted on August 25, 2020 and has entered into force on the same day.

All the rules stipulated in the Policy were applied to the compensations of the Management Board and Supervisory Board Members in the year 2021.

Members of the Management Board are entitled to a monthly basic salary under the employment contract. The remuneration is paid on the last working day of the month for which it is due in accordance with the Work Regulations of the Dębica Tire Company in force since August 2017.

The remuneration is paid with the consent of the Employee, expressed in writing, in the form of a transfer to the bank account indicated by the Employee.

The Policy allowed the members of the Supervisory Board to apply the variable compensation programs for the executives of the Goodyear group of companies to the Members of the Company's Management Board, namely:

- Executive Annual Incentive Plan ("EAIP"), and
- Long-Term Incentive Plan ("LTIP").

The EAIP and LTIP plan designs, performance metrics, and payout potential may be changed or amended from time to time in accordance with decisions made within the Goodyear group. Under the LTIP, variable remuneration consists of a cash portion, the value of which is shown in Section III, and RSUs of the number of financial instruments granted or offered by the Company, the value of which is shown in Section IV.

## II

### Composition of the Management Board and Supervisory Board

Composition of the Management Board and Supervisory Board as of 01.01.2021:

#### Management Board

1. Leszek Szafran - President of the Management Board
2. Ireneusz Maksymiuk - Management Board Member
3. Michał Mędrek - Management Board Member
4. Mirosław Maziarka - Management Board Member

#### Supervisory Board

1. Jacek Pryczek - Chairman of the Supervisory Board
2. François Colin de Verdière - Deputy Chairman of the Supervisory Board
3. Łukasz Rędziniak - Independent Member of the Supervisory Board, Secretary of the Supervisory Board
4. Vincent Ganier –Supervisory Board Member
5. Michaël De Schrijver –Supervisory Board Member
6. Lourens Roets - Supervisory Board Member
7. Andrzej Kowal - Independent Supervisory Board Member
8. Janusz Raś - Supervisory Board Member elected by the Company's employees

Changes in the composition of the Management and Supervisory Boards in the financial year:

- June 23, 2021: The Ordinary General Meeting of the Company appointed members of the Supervisory Board of the Company for a new term of office, which began on 23 June 2021.
- July 20, 2021: At its first meeting, the Company's Supervisory Board of the Company was established with the following composition:
  1. Jacek Pryczek - Chairman of the Supervisory Board
  2. François Colin de Verdière - Deputy Chairman of the Supervisory Board
  3. Łukasz Rędziniak - Independent member of the Supervisory Board, Secretary of the Supervisory Board
  4. Lourens Roets - Supervisory Board Member
  5. Michaël De Schrijver - Supervisory Board Member
  6. Andrzej Kowal - Independent Member of the Supervisory Board
  7. Vincent Ganier - Supervisory Board Member
  8. Marek Piękoś - Supervisory Board Member, elected by the Company employees
- September 2, 2021: The Company was informed about the resignation of Mr. Łukasz Rędziniak from his position of the Supervisory Board Member as of 2 September 2021.
- September 6, 2021: The Supervisory Board of the Company adopted a resolution to appoint Ms. Agnieszka Modras to the Supervisory Board, pursuant to § 14 sec. 4 of the Company's Articles of Association and § 3 sec. 4 of the Regulations of the Supervisory Board. The resolution entered into force on the date of its adoption.

Pursuant to §14 of the Company Articles of Associations, the Company's employees elected Mr. Marek Piękoś during the elections of the Supervisory Board Member of the Company for the term of office starting from 23 June 2021.

Composition of the Management Board and Supervisory Board as of 31.12.2021:

**Management Board:**

1. Leszek Szafran - President of the Management Board
2. Ireneusz Maksymiuk - Management Board Member
3. Michał Mędrek - Management Board Member
4. Mirosław Maziarka - Management Board Member

**Supervisory Board:**

1. Jacek Pryczek - Chairman of the Supervisory Board
2. François Colin de Verdière - Deputy Chairman of the Supervisory Board
3. Andrzej Kowal - Independent member of the Supervisory Board, Secretary of the Supervisory Board
4. Lourens Roets - Supervisory Board Member
5. Michaël De Schrijver - Supervisory Board Member
6. Agnieszka Modras - Independent Member of the Supervisory Board
7. Vincent Ganier - Supervisory Board Member
8. Marek Piękoś - Supervisory Board Member, elected by the Company employees

**III**

**Compensation of individual Members of the Management Board and Supervisory Board.**

In year 2021 the following Management Board Members of the Company had employment contracts with the Company- Leszek Szafran, Ireneusz Maksymiuk, Michał Mędrek and the Management Board Member- Mirosław Maziarka was seconded by another company (not a subsidiary of the Company).

The company included in the Table 1 the remuneration paid in 2021, including the variable cash portion of the remuneration for 2020, but did not include the remuneration due for 2021, which are shown in the tables below.

<b>Management Board</b>				
<b>Name and surname</b>	<b>Total annual compensation PLN</b>	<b>Fixed compensation / % of total compensation PLN</b>	<b>Variable compensation / % of total compensation PLN (includes only cash payment concerning EAIP and LTIP)</b>	<b>Other component of compensation PLN (Benefits such as: Insurance, company car used for private purposes, PPE, medical care, tyre program*)</b>
Leszek Szafran	<b>1 164 096,32</b>	826 856,40 (71,3%)	224 800,74 (19,31%)	112 439,18 (9,66%)
Ireneusz Maksymiuk	<b>872 668,95</b>	647 302,00 (74,17%)	139 066,05 (15,94%)	86 300,90 (9,89%)
Michał Mędrek	<b>605 571,38</b>	467 142,00 (77,14%)	60 843 (10,05%)	77 586,38 (12,81%)
Mirosław Maziarka	0	0	0	0

\* Tyre programme - employees can purchase tyres at a discount

\*\* Remuneration of Mirosław Maziarka - is described in Chapter V

2021						
Supervisory Board						
Name and surname	Total annual compensation PLN	Remuneration for the function in the Supervisory Board PLN	Fixed compensation / % of total compensation PLN	Bonus based on the Company collective agreement / % of total compensation PLN	Variable compensation based on the Company collective agreement PLN/ %of total compensation	Other component of compensation PLN (Benefits such as: Insurance, company car used for private purposes, PPE, medical care, tire program*)
Agnieszka Modras	35 561,16	35 561,1 (100%)	0	0	0	0
Vincent Ganier	0	0	0	0	0	0
Łukasz Rędziniak	149 382,87	149 382,87 (100%)	0	0	0	0
Jacek Pryczek	0	0	0	0	0	0
Andrzej Kowal	168 780,27	168 780,2 (100%)	0	0	0	0
Marek Piękoś	95 100,78	62 341,79 (65,55%)	24 794,64 (26,07%)	984,00 (1,03%)	5 590,88 (5,89%)	1 389,47 (1,46%)
Lourens Roets	0	0	0	0	0	0
Michael De Schrijver	0	0	0	0	0	0
François Colin de Verdière	0	0	0	0	0	0
Janusz Raś	136 160,51	84 511,88 (62,07%)	34 390,24 (25,26%)	7 304,77 (5,36%)	7 711,64 (5,66%)	2 241,98 (1,65%)

The company also indicates below the variable remuneration for 2021 and previous years that will be received by individuals in 2022 and subsequent years.

Payment in 2022		
Name and surname	Variable compensation PLN LTIP for 2019-2021	Variable compensation PLN EAIP for 2021
Management Board		
Leszek Szafran	111 908,67	373 517,00
Ireneusz Maksymiuk	65 415,60	239 081,00
Michał Mędrak	0	75 454,00

Compensation accrued but not paid out as of 31 December 2021 covering the assessment period 2020-2022 and 2021-2023	
Management Board	
Name and surname	Variable compensation PLN LTIP
Leszek Szafran	138 076,80
Ireneusz Maksymiuk	89 020,62

#### IV

#### Number of financial instruments granted or offered by the Company and the main conditions for the exercise of rights from these instruments

Vesting - In 2018 LTIP awards granted in restricted stock units of Goodyear Tire & Rubber Company (RSUs) 25% and Cash Performance Units (CPU) 75%, RSU vest on the 3<sup>rd</sup> anniversary of the grant date, that is the last week of February 2021. 2019 LTIP awards consists of 50% Restricted Stock Units (RSUs) and 50% Cash Performance Units (CPUs). RSUs will vest in thirds on each anniversary of each grant date, from 2020 through 2022. CPUs vest at the end of the three-year performance period covering RSUs that vest one-third per year on the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> anniversary of the grant date. All 2018 LTIP RSUs and the 2nd tranche of the 2019 LTIP RSUs will vest in calendar year 2021.

2021				
Name and surname	Restricted Stock Units	Release price PLN	Release date	Gross income PLN
Management Board				
Leszek Szafran	499	62,17	02.26.2021	31 025,23
Ireneusz Maksymiuk	344	62,17	02.26.2021	21 388,13
Leszek Szafran	568	61,26	02.25.2021	34 795,04
Ireneusz Maksymiuk	332	61,26	02.25.2021	20 337,94

2022				
Name and surname	Restricted Stock Units	Release price PLN	Release date	Gross income PLN
Management Board				
Leszek Szafran	568	64,23	02.25.2022	36 482,29
Ireneusz Maksymiuk	332	64,23	02.25.2022	21 324,16

Information on the value of benefits granted to the closest relative: medical care as part of the employee package:

Szafran Leszek 2021 – 9 132,00 PLN

V

**Compensation from entities belonging to the Company's capital group.**

The Company did not have subsidiaries in 2021

For clarity's sake, the Company reveals below the amounts of remuneration paid to the Management and Supervisory Board Members by other entities and borne (due to recharge) by the Company.

The costs incurred by the Company on the basis of received invoices in respect of the remuneration for Mr. Mirosław Maziarka employed by Goodyear SA, Luxembourg in the year reported amounted to PLN 1 249 976.82

The Company also discloses below the variable remuneration related to 2021 and previous years to be received by Mr. Mirosław Maziarka in 2022 and subsequent years.

2022 payout	
Variable remuneration (LTIP) re 2019-2021 in PLN	Variable remuneration (EAIP) re 2021 in PLN
69 575,64	399 439,35

Remuneration accrued but not paid in 2021, as of 31.12.2021 covering the 2020-2022 and 2021-2023 evaluation periods
Variable remuneration accrual (LTIP) in PLN
62 279,46

2021				
Year	RSUs	Issue Price PLN	Issue Date	Gross income PLN
Management Board				
2021	332	61,26	25.02.2021	20 338,32
2021	298	62,17	26.02.2021	18 526,66

2022				
Year	RSUs	Issue Price PLN	Issue Date	Gross income PLN
Management Board				
2022	332	64,23	25.02.2022	21 324,16

VI

**Compliance with the adopted compensation policy; contributing to the long-term results of the Company**

The total compensation paid to members of the Management Board and the Supervisory Board is compliant with the Company's rules that were in force in 2021 – up to the date of introduction of the remuneration policy ("Policy") as well as with the Policy after it entered into force in 2020. Each of the above-mentioned components of compensation was provided for in the said rules and subsequently in the Policy and paid in line with these rules and subsequently with the Policy.

Members of the Management Board and Supervisory Board did not receive any component of compensation that would not result from the said rules and subsequently from the Policy.

Members of the Management Board and the Supervisory Board may be entitled to components of compensation linked to achievement of the Company's long-term objectives (in the form of cash or financial instruments), which has a positive effect on their motivation to achieve these objectives.

The Supervisory Board Members are not entitled to receive variable compensation for performing their functions as members of the Supervisory Board.

## VII

### Information on how the performance criteria have been applied

1. The Executive Annual Incentive Plan ("EAIP") is the key management annual incentive plan realized in cash. The annual target may range from 20% to 40% of the employee fixed annual base salary as at December 31st of the year covered by the incentive plan where the individual award payout may range from 0% to 200% of the employee's target. The employee annual target is prorated to reflect performance in the plan year based on the promotion date. The annual EAIP payout pool funding is based on the achievement of company financial performance and individual objectives: EBIT, Free Cash Flow ("FCF"), Individual Performance Goal for 2021 and Cash & Liquidity, Cost, Share of Market and Individual Goals for 2021. The pool funding for the employee position is based on the targets applicable to the Profit Center of EMEA. The employee EAIP payment award depends on funding in the EAIP pool, the employee individual performance, and management approval. Unless the employee meets the retirement criteria, definition under the EAIP plan, the employee must remain in active service on December 31st of the relevant plan year in order to be eligible to receive an EAIP bonus payment.
2. Long-Term Incentive Plan ("LTIP") covers a three-year performance period with a payout potential up to 200% in 2021 (executed 75% in cash and 25 in Restricted Stock Units ("RSU") for the plan 2018-2020 paid in Feb 2021), up to 200% in 2022 (executed 93% in cash and 7% in RSU for the plan 2017-2019 paid in Feb 2021), and up to 200% in 2022 (executed 50% in cash and 50% in RSU for the plan 2019-2021 paid in Feb 2022). Payout pool funding is based on the achieved by the company financial performance: net Income, Cash Flow Return on Capital and TSR Modifier (Total Share Return). Measurements and targets for a Cash Performance Units (CPUs) are determined by the Goodyear Compensation Committee of the Board of Directors. The LTIP is subject to change and may include other award types and a combination of grants in the future. Unless the employee meets the retirement criteria, definition under the LTIP plan, the employee must remain in active service on December 31st of the third year of the plan in order to be eligible to receive an LTIP bonus payment.

## VIII Information on the remuneration and results of the Company

**Total compensation received by members of the Management Board and Supervisory Board includes only remuneration received directly from the Company.  
RSU is not included.**

Components/year	2017	2018	% change	2019	% change	2020	% change	2021	% change
<b>Total compensation received by Members of Management Board PLN</b>	3 316 478,52	2 867 400,31	-14%	2 421 732,36	-16%	2 525 636,34	4%	2 642 336,65	4%
<b>Total compensation received by Members of Supervisory Board PLN</b>	437 332,35	463 017,70	6%	584 003,19	26%	603 108,00	3%	584 985,59	-3%
<b>EBIT (results in k PLN)</b>	122 391	99 622	-19%	119 747	20%	80 256	-33%	50 880	-37%
<b>Net Income (results in k PLN)</b>	119 574	89 752	-25%	112 739	26%	68 392	-39%	42 679	-38%
<b>Net Cash Flow (results in k PLN)</b>	-15 044	21 865	-245%	39 530	81%	5 266	-87%	(26 904)	-611%

Management Board	2019	2020	% change	2021	% change
Leszek Szafran	1 041 244,23	1 139 203,50	9,41%	1 164 096,32	2,19%
Ireneusz Maksymiuk	778 453,97	813 436,19	4,49%	872 668,95	7,28%
Michał Mędrak	602 034,16	572 996,65	-4,82%	605 571,38	5,68%
Supervisory Board	2019	2020	% change	2021	% change
Łukasz Rędziniak (to 02.09.2021)	134 070,97	135 606,89	1,15%	149 382,87	10,16%
Andrzej Kowal (to 25.06.2019)	57 213,06	135 316,66	136,51%	168 780,27	24,73%
Maciej Mataczyński (to 26.06.2020)	163 257,33	102 652,08	-37,12%	0	
Krzysztof Mika (from 25.06.2019 to 24.08.2020)	102 220,17	164 815,60	61,24%	0	
Janusz Raś (to 24.06.2019) (from 25.08.2020 to 22.06.2021)	127 241,66	64 716,77	-49,14%	136 160,51	110,39%
Marek Piękoś (from 23.06.2021)				95 100,78	
Agnieszka Modras (from 06.09.2021)				35 561,16	

**Information on the amount of the average remuneration of the Company's employees who are not members of the management board or the supervisory board**

Year	Average compensation of the Company's employees PLN	Change in %
2016	4 435,86	
2017	4 670,57	5,29
2018	4 984,47	6,72
2019	5 448,65	9,31
2020	5 704,20	4,69
2021	6246,78	9,13



**I. Information on whether the Company made use of the possibility to request reimbursement of the variable compensation components.**

During the period covered by the Report the Company did not address to any parties covered by the Policy for reimbursement of variable compensation.

**II. Information on deviations from the procedure of implementation of the compensation policy and temporary waiver of its' application**

The policy was adopted on August 25, 2020 and entered into force on that date. The Policy was implemented in line with the applicable procedure. The Company did not temporarily waive the application of the Policy.