

**FIRMA OPONIARSKA DEBICA S.A.**  
**(the „Company”)**

**Supervisory Board’s report on compensations  
of Members of the Management Board and Supervisory Board  
for 2019 and 2020**

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 (JoL of 2020, it. 2080, uniform text).

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 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.

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

- i. waives expressly all rights to compensation due to their appointment to the Supervisory Boards of the Company or
- ii. 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 apply to the compensations of the Management Board and Supervisory Board Members in the whole 2019 and 2020.

**Composition of the Management Board and Supervisory Board:**

Year 2019

**Composition of the Management Board and Supervisory Board as of 01.01.2019:**

**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. Dominikus Golsong - Deputy Chairman of the Supervisory Board
3. Maciej Mataczyński-Independent member of the Supervisory Board, Secretary of the Supervisory Board
4. Leszek Cichocki –Supervisory Board member
5. Renata Kowalska-Andres –Supervisory Board member
6. Łukasz Rędziniak - Independent Supervisory Board Member
7. Janusz Raś - Supervisory Board Member elected by the Company employees

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

- April 12, 2019: The Company was informed about the resignation of Mr. Leszek Cichocki from his position of a member of the Supervisory Board with immediate effect.
- April 23, 2019: The Supervisory Board of the Company adopted a resolution to appoint Mr. Lourens Roets 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
- June 25, 2019: 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 25 June 2019.
- July 5, 2019: 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. Dominikus Golsong - Deputy Chairman of the Supervisory Board
  3. Maciej Mataczyński- Independent member of the Supervisory Board, Secretary of the Supervisory Board
  4. Lourens Roets - member of the Supervisory Board
  5. Michaël De Schrijver-member of the Supervisory Board
  6. Andrzej Kowal - independent member of the Supervisory Board
  7. Łukasz Rędziniak - Independent Supervisory Board Member
  8. Krzysztof Mika - Supervisory Board Member, elected by the Company employees

Pursuant to §14 of the Company Articles of Associations, the Company employees elected Mr. Krzysztof Mika during the elections of the Supervisory Board member of the Company for the term of office starting from 25 June 2019.

#### Composition of the Management Board and Supervisory Board as of 31.12.2019:

##### **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. Dominikus Golsong -member of the Supervisory Board, Deputy Chairman of the Supervisory Board
3. Maciej Mataczyński-independent member of the Supervisory Board, Secretary of the Supervisory Board
4. Lourens Roets -member of the Supervisory Board
5. Michaël De Schrijver- member of the Supervisory Board
6. Andrzej Kowal-independent member of the Supervisory Board
7. Łukasz Rędziniak -Independent Supervisory Board Member
8. Krzysztof Mika - Supervisory Board Member elected by the Company employees

Year 2020

### Composition of the Management Board and Supervisory Board as of 01.01.2020

#### **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. Dominikus Golsong - member of the Supervisory Board, Deputy Chairman of the Supervisory Board
3. Maciej Mataczyński-independent member of the Supervisory Board, Secretary of the Supervisory Board
4. Lourens Roets -member of the Supervisory Board
5. Michaël De Schrijver- member of the Supervisory Board
6. Andrzej Kowal-independent member of the Supervisory Board
7. Łukasz Rędziniak -Independent Supervisory Board Member
8. Krzysztof Mika - Supervisory Board Member elected by the Company employees

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

- 26 June 2020: The Company was informed about the resignation of Mr. Maciej Mataczyński from his position of a member of the Supervisory Board as of June 26, 2020.
- 8 July 2020: The Supervisory Board of the Company adopted a resolution to appoint Mr. François Colin de Verdière 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.
- 25 August 2020: 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 25 August 2020.
- 2 September 2020: 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 Antoni Rędziniak - Independent member of the Supervisory Board, Secretary of the Supervisory Board
  4. Vincent Ganier - Member of the Management Board
  5. Andrzej Kowal - Independent member of the Supervisory Board
  6. Lourens Roets - Member of the Management Board
  7. Michaël De Schrijver - Member of the Management Board
  8. Janusz Raś - Member of the Management Board elected by the Company employees

Pursuant to §14 of the Company Statutes the Company personnel, elected Mr. Janusz Raś during the elections of the Supervisory Board member of the Company for the term of office starting from 25 August 2020.

### Composition of the Management Board and Supervisory Board as of 31.12.2020

#### **Management Board**

1. Leszek Szafran - President of the Management Board
2. Ireneusz Maksymiuk - Management Board Member

3. Michał Mędrak - 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 Antoni Rędziniak - Independent member of the Supervisory Board, Secretary of the Supervisory Board
4. Vincent Ganier - Member of the Management Board
5. Andrzej Kowal - Independent member of the Supervisory Board
6. Lourens Roets - Member of the Management Board
7. Michaël De Schrijver - Member of the Management Board
8. Janusz Raś - Member of the Management Board elected by the Company employees

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

In years 2019 and 2020 the following Management Board Members of the Company had employment contracts with the Company- Leszek Szafran, Ireneusz Maksymiuk, Michał Mędrak and the Management Board Member- Mirosław Maziarka was seconded by another company (not a subsidiary of the Company).

Given below remuneration is presented by checkout method.

2019							
Name and surname	Total annual compensation PLN	Fixed compensation / % of total compensation PLN	Variable compensation / % of total compensation PLN (includes only cash payment concerning EAIP and LTIP)	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, PPE, medical care, tire program*)	Remuneration for the function in the Management Board PLN
<b>Management Board</b>							
Leszek Szafran	1 041 244,23	794 744,52 (76,33,0%)	147 560,03 (14,17%)	0	0	98 939,68 (9,50%)	0
Ireneusz Maksymiuk	778 453,97	651 563,3 (83,7%)	72 837,31 (9,35%)	0	0	54 053,36 (6,95%)	0
Michał Mędrak	602 034,16	461 869,05 (76,72%)	61 069,00 (10,14%)	0	0	79 096,11 (13,14%)	0
Mirosław Maziarka	0	0	0	0	0	0	0
<b>Supervisory Board</b>							
Name and surname	Total annual compensation PLN	Fixed compensation / % of total compensation PLN	Variable compensation / % of total compensation PLN	Bonus based on the Company collective agreement	Variable compensation based on the Company	Other component of compensation PLN (Benefits	Remuneration for the function in the Supervisory Board PLN

			(includes only cash payment concerning EAIP and LTIP)	/ % of total compensation PLN	collective agreement PLN/ %of total compensation	such as: Insurance, company car, PPE, medical care, tire program*)	
Renata Kowalska Andres	0	0	0	0	0	0	0
Leszek Cichocki	0	0	0	0	0	0	0
Dominikus Golsong	0	0	0	0	0	0	0
Łukasz Rędziniak	134 070,97	0	0	0	0	0	134 070,97 (100%)
Jacek Pryczek	0	0	0	0	0	0	0
Andrzej Kowal	57 213,06	0	0	0	0	0	57 213,06 (100%)
Maciej Mataczyński	163 257,33	0	0	0	0	0	163 257,33 (100%)
Krzysztof Mika	102 220,17	40 742,16 (39,87%)	0	0	1731,08 (1,69%)	2 533,87 (2,47%)	57 213,06 (55,97%)
Lourens Roets	0	0	0	0	0	0	0
Michael De Schrijver	0	0	0	0	0	0	0
François Colin de Verdière	0	0	0	0	0	0	0
Janusz Raś	127 241,66	33 282,32 (26,15%)	0	4 936,36 (3,88%)	12 790,46 (10,05%)	2 839,70 (2,23%)	73 392,82 (57,69%)

Name and surname	2020						
	Total annual compensation PLN	Fixed compensation / % of total compensation PLN	Variable compensation / % of total compensation PLN (includes only cash payment concerning EAIP and LTIP)	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, PPE, medical care, tire program*)	Remuneration for the function in the Management Board PLN
<b>Management Board</b>							
Leszek Szafran	1 139 203,50	766 661,53 (67,3%)	265 003,3 (23,26%)	0	107 538,67 (9,44%)	0	0
Ireneusz Maksymiuk	813 436,19	608 226,74 (74,79%)	148 353,73 (18,23%)	0	56 855,72 (6,98%)	0	0
Michał Mędrak	572 996,65	434 459,60 (75,82%)	62 377,95 (10,88%)	0	76 159,1 (13,3%)	0	0

Miroslaw Maziarka	0	0	0	0	0	0	0
<b>Supervisory Board</b>							
Name and surname	Total annual compensation on PLN	Fixed compensation / % of total compensation PLN	Variable compensation / % of total compensation PLN (includes only cash payment concerning EAIP and LTIP)	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, PPE, medical care, tire program*)	Remuneration for the function in the Supervisory Board PLN
Leszek Cichocki	0	0	0	0	0	0	0
Vincent Ganier	0	0	0	0	0	0	0
Dominikus Golsong	0	0	0	0	0	0	0
Łukasz Rędziniak	135 606,89	0	0	0	0	0	135 606,89 (100%)
Jacek Pryczek	0	0	0	0	0	0	0
Andrzej Kowal	135 316,66	0	0	0	0	0	135 316,66 (100%)
Maciej Mataczyński	102 652,08	0	0	0	0	0	102 652,08 (100%)
Krzysztof Mika	164 815,60	49 873,28 (30,26%)	0	7 981,09 (4,84%)	979,83 (0,60%)	9 496,34 (5,76%)	96 485,06 (58,54%)
Lourens Roets	0	0	0	0	0	0	0
Michael De Schrijver	0	0	0	0	0	0	0
François Colin de Verdière	0	0	0	0	0	0	0
Janusz Raś	64 716,77	17 867,20 (27,61%)	0	0	9 273,00 (14,33%)	1584,34 (2,45%)	35 991,28 (55,61%)

\*Tire program – possibility of purchasing tires with discounts for employees

<b>Payment in 2021 for 2020</b>		
Name and surname	Variable compensation PLN LTIP	Variable compensation PLN EAIP
<b>Management Board</b>		
Leszek Szafran	50 005,74	174 795,00
Ireneusz Maksymiuk	34 568,05	104 498,00
Michał Mędrek	0	60 843,00

Accrued compensation related to 2019 & 2020 as of December 31, 2020	
Management Board	
Name and surname	Variable compensation PLN LTIP
Leszek Szafran	104 248,20
Ireneusz Maksymiuk	63 335,67

Payment in 2021 for 2020	
Supervisory Board	
Name and surname	Compensation (for the role of Supervisory Board Secretary) PLN
Łukasz Rędziniak	11 465,29

All elements of compensation presented in this report are specified in gross amounts.

**I. Number of financial instruments awarded 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 (RSUs) vest on the 3rd anniversary of the grant date. 2019 LTIP awards included RSUs that vest one-third per year on the 1st, 2nd and 3rd anniversary of the grant date. In calendar year 2021, all 2018 LTIP RSUs and the 2nd tranche of the 2019 LTIP RSUs will vest. No RSUs were granted in February of 2020.

2019				
Name and surname	Restricted Stock Units	Release price PLN	Release date	Gross income PLN
Management Board				
Leszek Szafran	183	73,93	02.22.2019	13 528,55
Ireneusz Maksymiuk	73	73,93	02.22.2019	5 396,63
Michał Mędrek	68	73,93	02.22.2019	5 027,00

2020				
Name and surname	Restricted Stock Units	Release price PLN	Release date	Gross income PLN
Management Board				
Leszek Szafran	160	39,25	02.27.2020	6 279,31
Ireneusz Maksymiuk	74	39,25	02.27.2020	2 904,18

Michał Mędrak	59	39,25	02.27.2020	2 315,50
Leszek Szafran	559	40,16	02.25.2020	22 446,78
Ireneusz Maksymiuk	327	40,16	02.25.2020	13 130,77

2021				
Name and surname	Restricted Stock Units	Release price PLN	Release date	Gross income PLN
<b>Management Board</b>				
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

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

Szafran Leszek 2019 – 4 903,20 PLN; 2020 – 5 192,40 PLN

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

The Company did not have subsidiaries in 2019 and 2020.

For the clarity sake, the Company reveals below the amounts of remuneration paid out to the Management and Supervisory Board Members by other entities and borne (as a result of recharge) by the Company.

The costs incurred by the Company on the basis of received invoices regarding compensation for the work of Mr. Mirosław Maziarka employed by Goodyear SA, Luxembourg in the years covered by the report amounted to

2019: 918 136,47 PLN

2020: 1 076 912,16 PLN

Year	Restricted Stock Units	Release price PLN	Release date	Gross income PLN
<b>Management Board</b>				
2019	73	73,93	02.22.2019	5 396,89
2020	327	40,16	02.25.2020	13 132,32
2021	332	61,26	02.25.2021	20 338,32
2021	298	62,17	02.26.2021	18 526,66

The costs incurred by the Company in 2021 related to 2020 amounted 222 589,27 PLN

Accrued compensation related to 2019 and 2020 as of December 31, 2020: 45 854,12 PLN

#### **IV. 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 2019 and in 2020 – up to the date of introduction of the Policy as well as with the said Policy after it entered into force in 2020. Each of the above-mentioned components of compensation was provided for in the said rules and further in the Policy and paid in line with these rules and further 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 further 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 goals (in the form of cash or financial instruments), which has a positive effect on their motivation to achieve such goals. The Supervisory Board Members are not entitled to receive variable compensation for the function performed.

#### **V. Information on how the performance criteria have been applied**

The Compensation Policy allowed the Supervisory Board of the Company to apply the variable compensation programs for executives of the Goodyear group of companies for the Members of the Company 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 at the Company's discretion. In addition, the LTIP mix and form of award may change and could consist of other award types in the future.

1. The Executive Annual Incentive Plan ("EAIP") is the key management annual incentive plan. The annual target can range from 20% up to 40% of the employee fixed annual base salary on December 31st of the incentive plan year whereby the individual award payout may range from 0% up to 200% of the employee's target. The employee annual target is prorated to reflect applicable service in the plan year based on the promotion date. The annual EAIP payout pool funding is based on the attainment of company financial performance and individual objectives: EBIT, Free Cash Flow ("FCF"), Individual Performance Goal for 2019 and Cash & Liquidity, Cost, Share of Market and Individual Goals for 2020. 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, definition under the EAIP plan, the employee needs to be in active service on December 31st of the respective plan year in order to be eligible to receive an EAIP bonus payment.
2. Long-Term Incentive Plan ("LTIP") have a three-year performance period with a payout potential up to 200% in 2019 (executed 93% in cash and 7% in Restricted Stock Units ("RSU") for the plan 2016-2018 paid in Feb 2019), up to 200% in 2020 (executed 93% in cash and 7% in RSU for the plan 2017-2019 paid in Feb 2020), and up to 200% in 2021 (executed 75% in cash and 25% in RSU for the plan 2018-2020 paid in Feb 2021). Payout pool funding is based on the attainment of 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) re determined by the Goodyear Compensation Committee of the Board of Directors. The LTIP is subject to change and could consist of other award types and grant mix in future grants. Unless the employee meets the retirement, definition under the LTIP plan, the employee needs to be in active service on December 31st of the third year of the respective plan years in order to be eligible to receive an LTIP bonus payment.

**VI. Information about the annual change in the compensation, Company's results and the average compensation of the Company's employees other than members of the Management board or Supervisory board**

Componenets/year	2016	2017	% change	2018	% change	2019	% change	2020	% change
Total compensation received by Members of the Management Board PLN	3 571 271,27	3 316 478,52	-7%	2 867 400,31	-14%	2 421 732,36	-16%	2 525 636,34	4%
Total compensation received by Members of the Supervisory Board PLN	424 721,40	437 332,35	3%	463 017,70	6%	584 003,19	26%	603 108,00	3%
EBIT (results in k PLN)	51 658	122 391	137%	99 622	-19%	119 747	20%	80 256	-33%
Net Income (results in k PLN)	64 753	119 574	85%	89 752	-25%	112 739	26%	68 392	-39%
Net Cash Flow (results in k PLN)	56 159	-15 044	-127%	21 865	-245%	39 530	81%	5 266	-87%

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

Year	Average compensation of the Company's employees PLN	Change in %
2016	4 435,86	1,81
2017	4 670,57	5,29
2018	4 984,47	6,72
2019	5 448,65	9,31
2020	5 704,20	4,69

**VII. Information on exercised option to claim back the variable compensation components.**

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

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

The Policy was implemented in line with the applicable procedure. The Company did not temporarily waive the application of the Policy.