

**FORM**  
**Voting by proxy**

**Proxy:**

acting on behalf of

**Shareholder:**

at the General Meeting of Develia S.A. with its registered office in Wrocław on:  
31 August 2020

The use of this form by the Proxy and Shareholder is not mandatory and is subject to the respective mutual agreement and obligations and the proceedings at the General Meeting. When completed by the Shareholder providing power of attorney to vote at the General Meeting, the form may be used as a voting card for the Proxy; in the case of a secret ballot, the completed form may be used solely as written instructions on the way of voting by the Proxy in such voting and shall be retained by the Proxy. Should the Proxy vote with the form, the form shall be submitted to the Chairperson of the General Meeting at the latest before closing the voting on a resolution that according to the Shareholder's instruction is to be voted on with the form. The Chairperson of the General Meeting shall inform the General Meeting on the votes cast with the form and on this basis the vote shall be included in the overall number of votes cast on the resolution.

The form used in voting shall be attached to the book of minutes.

When votes are counted at the General Meeting with electronic vote counting equipment, this form will not apply and may be solely used as instructions from the Shareholder to the Proxy.

**ATTENTION!**

*Draft resolutions are presented herebelow. Under each draft resolution there is space for instructions on the way to vote from the Shareholder to the Proxy and columns to tick off the fact that the vote was cast and any objection to voting against a resolution in a specific voting. A vote is cast and an objection made by ticking the appropriate box in the column \*. Additionally, if a Proxy casts different votes from different shares within one represented block of shares and one voting, they should insert the number of shares/votes in the relevant field which is dedicated to the specific vote in each voting. An incorrectly completed form or filed without fields ticked off by the Proxy that do not clearly show the Proxy's intention in each voting shall be disregarded in the relevant voting and results thereof. The Company informs that if the Shareholder and the Proxy use this form for voting, the compliance of the vote(s) cast and the relevant instructions will not be verified. The voting or failure to vote by the Proxy will be decisive, also when the behaviour of the Proxy is not compliant with the Shareholder's instructions.*

*In order to facilitate the use of the form by the Proxy, each resolution is placed on a separate sheet of paper. The shareholder and the Proxy may use only certain pages of the form, at their discretion.*

**RESOLUTION NO. 1**

**Art. 1**

Acting pursuant to Art. 409 Sec.1 of the Code of Commercial Companies and Partnerships and Art. 4 and Art. 5 of the Regulations of the General Meeting of Develia S.A., the Ordinary General Meeting hereby appoints ..... the Chairperson of the General Meeting.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

Proxy  
Holder:.....  
*signature(s)*

## RESOLUTION NO. 2

### Art. 1

The Ordinary General Meeting hereby adopts the following agenda corresponding with the announcement published on the Company's website on 3 August 2020:

- 1) Opening of the General Meeting.
- 2) Appointing the Chairperson.
- 3) Stating that the Ordinary General Meeting has been convened correctly and is capable of adopting resolutions.
- 4) Adopting the agenda.
- 5) Presenting the Supervisory Board's concise assessment of the standing of the Company comprising the assessment of the internal control system and of the system for managing risks significant to the Company, the report on the Supervisory Board's activities in the financial year 2019, including the assessment of the Management Board's report on the Company's activities and its financial statements for the financial year 2019, as well as the assessment of the Management Board's motion regarding the distribution of profit for the year 2019 and the assessment of the Company's compliance with disclosure obligations regarding the application of corporate governance principles set out in the Warsaw Stock Exchange Rules and the regulations concerning current and interim reports submitted by issuers of securities.
- 6) Adopting a resolution on the approval of the Supervisory Board's concise assessment of the standing of the Company, the report on the Supervisory Board's activities in the financial year 2019 and the assessment of the Management Board's report on the Company's activities and its financial statements for the financial year 2019, as well as the assessment of the Management Board's motion regarding the distribution of profit for the financial year 2019 and the assessment of the Company's compliance with disclosure obligations regarding the application of corporate governance principles set out in the Warsaw Stock Exchange Rules and the regulations concerning current and interim reports submitted by issuers of securities.
- 7) Adopting a resolution on the review and approval of the Management Board's report on the Company and Develia S.A. Capital Group's activities for the financial year 2019.
- 8) Adopting a resolution on the review and approval of the financial statements of the Company for the financial year 2019.
- 9) Adopting a resolution on the review and approval of the consolidated financial statements of Develia S.A. Capital Group for the financial year 2019.
- 10) Adopting resolutions on granting the acknowledgement of fulfilment of their duties to Members of the Management Board in the financial year 2019.
- 11) Adopting resolutions on granting the acknowledgement of fulfilment of their duties to Members of the Supervisory Board in the financial year 2019.
- 12) Examining the Management Board's motion regarding the distribution of profit for the financial year 2019.
- 13) Adopting a resolution on the creation of reserve capital for the payment of dividends and advances towards dividends in the future.
- 14) Adopting a resolution on the distribution of profit for the financial year 2019.
- 15) Adopting a resolution on the merger, pursuant to Art. 492 Sec.1 point 1 of the Code of Commercial Companies and Partnerships, of Develia S.A. with its registered office in Wrocław with LC Corp Invest XXI Sp. z o.o. with its registered office in Wrocław and with LC Corp Invest XXIV Sp. z o.o. with its registered office in Wrocław.
- 16) Adopting a resolution on the adoption of the Remuneration Policy for Members of the Management Board and Supervisory Board of Develia S.A.
- 17) Closing of the General Meeting.

### Art. 2

The resolution shall enter into force upon its adoption.

***Shareholder's instructions for the Proxy Holder:***

<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*FOR</b></p> <p>Number of shares:</p> <p>.....</p> <p>Number of votes:</p> <p>.....</p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*AGAINST</b></p> <p>Number of shares:</p> <p>.....</p> <p>Number of votes:</p> <p>.....</p> <p><input type="checkbox"/> <b>OBJECTION</b></p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b></p> <p>Number of shares:</p> <p>.....</p> <p>Number of votes:</p> <p>.....</p>
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Shareholder:.....  
*signature(s)*

Proxy  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 3**

**Art. 1**

Acting pursuant to Art. 395 Sec. 5 of the Code of Commercial Companies and Partnerships and Art. 30 Sec. 1 point 18 of the Articles of Association, the Ordinary General Meeting of the Company hereby approves the Supervisory Board's assessment of the standing of the Company, the report on the Supervisory Board's activities in the financial year 2019, and the Supervisory Board's assessment of the Management Board's report on the Company's activities and its financial statements for the financial year 2019, as well as the assessment of the Management Board's motion regarding the distribution of profit for the year 2019 and the assessment of the Company's compliance with disclosure obligations regarding the application of corporate governance principles set out in the Warsaw Stock Exchange Rules and the regulations concerning current and interim reports submitted by issuers of securities.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  Number of shares: .....  Number of votes: .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  Number of shares: .....  Number of votes: .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  Number of shares: .....  Number of votes: .....

Shareholder:.....  
*signature(s)*

Proxy  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 4**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 1 and Art. 395 Sec. 5 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec.1 point 1 of the Articles of Association, the Ordinary General Meeting of the Company, having reviewed the Management Board's report on the Company and Develia S.A. Capital Group's activities for the financial year 2019, hereby approves the Management Board's report on the Company and Develia S.A. Capital Group's activities for the financial year 2019

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*FOR</b></p> <p>Number of shares: .....</p> <p>Number of votes: .....</p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*AGAINST</b></p> <p>Number of shares: .....</p> <p>Number of votes: .....</p> <p><input type="checkbox"/> <b>OBJECTION</b></p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b></p> <p>Number of shares: .....</p> <p>Number of votes: .....</p>

Shareholder:.....  
signature(s)

Proxy Holder:.....  
signature(s)

**RESOLUTION NO. 5**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 1 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec.1 point 1 of the Articles of Association, the Ordinary General Meeting of the Company, having reviewed the financial statements of the Company for the financial year 2019, hereby approves the financial statements of the Company for the financial year 2019 consisting of:

- 1) the statement of financial position as of 31 December, 2019, with total assets and liabilities amounting to PLN 1,728,538 thousand (in words: one billion seven hundred and twenty-eight million five hundred and thirty-eight thousand zlotys).
- 2) the statement of comprehensive income for the financial year from 1 January, 2019, to 31 December, 2019, showing profit after tax amounting to PLN 176,268 thousand (in words: one hundred and seventy-six million two hundred and sixty-eight thousand zlotys) and comprehensive income amounting to PLN 176,268 thousand (in words: one hundred and seventy-six million, two hundred and sixty-eight thousand zlotys)
- 3) the statement of changes in equity for the financial year from 1 January, 2019, to 31 December, 2019, showing an increase in equity capital by PLN 55,391 thousand (in words: fifty-five million three hundred and ninety-one thousand zlotys),
- 4) the cash flow statement for the period from 1 January, 2019, to 31 December, 2019, showing a decrease in net cash balance by PLN 91,298 thousand (in words: ninety-one million two hundred and ninety-eight thousand zlotys).
- 5) notes to the financial statements – Accounting principles (policies) and explanatory notes.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*FOR</b></p> <p>Number of shares: .....</p> <p>Number of votes: .....</p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*AGAINST</b></p> <p>Number of shares: .....</p> <p>Number of votes: .....</p> <p><input type="checkbox"/> <b>OBJECTION</b></p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b></p> <p>Number of shares: .....</p> <p>Number of votes: .....</p>

Shareholder:.....  
signature(s)

Proxy Holder:.....  
signature(s)

**RESOLUTION NO. 6**

**Art. 1**

Acting pursuant to Art. 63c Sec. 4 of the Accounting Act and Art. 395 Sec. 5 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 1 of the Articles of Association, the Ordinary General Meeting of the Company, having reviewed the consolidated financial statements of Develia S.A. Capital Group for the financial year 2019, hereby approves the consolidated financial statements of Develia S.A. Capital Group for the financial year 2019 consisting of:

1. the consolidated statement of financial position as of 31 December, 2019, with total assets and liabilities amounting to PLN 3,243,925 thousand (in words: three billion two hundred and forty-three million nine hundred and twenty-five thousand zlotys),
2. the consolidated statement of comprehensive income for the financial year from 1 January, 2019, to 31 December, 2019, showing profit after tax amounting to PLN 117,382 thousand (in words: one hundred and seventeen million three hundred and eighty-two thousand zlotys) and comprehensive income amounting to PLN 115,153 thousand (in words: one hundred and fifteen million one hundred and fifty-three thousand zlotys),
3. the consolidated statement of changes in equity for the financial year from 1 January, 2019, to 31 December, 2019, showing a decrease in equity capitals by PLN 5,688 thousand (in words: five million six hundred and eighty-eight thousand zlotys),
4. the consolidated cash flow statement for the period from 1 January, 2019, to 31 December 2019, showing a decrease in net cash balance by PLN 126,808 thousand (in words: one hundred and twenty-six million eight hundred and eight thousand zlotys),
5. notes to the consolidated financial statements – Accounting principles (policies) and explanatory notes.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*FOR</b></p> <p>Number of shares: .....</p> <p>Number of votes: .....</p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*AGAINST</b></p> <p>Number of shares: .....</p> <p>Number of votes: .....</p> <p><input type="checkbox"/> <b>OBJECTION</b></p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b></p> <p>Number of shares: .....</p> <p>Number of votes: .....</p>

Shareholder:.....  
signature(s)

Proxy Holder:.....  
signature(s)



**RESOLUTION NO. 7**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Dariusz Niedośpiał** – President of the Management Board in the period from 01/01/2019 to 28/11/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

Proxy  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 8**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Michał Hulbój** – Member of the Supervisory Board, delegated to perform temporarily the duties of the President of the Management Board in the period from 28/11/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  Number of shares: .....  Number of votes: .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  Number of shares: .....  Number of votes: .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  Number of shares: .....  Number of votes: .....

Shareholder:.....  
*signature(s)*

Proxy Holder:.....  
*signature(s)*

**RESOLUTION NO. 9**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Radosław Stefurak** – Member of the Management Board in the period from 01/01/2019 to 21/10/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<i>Shareholder's instructions for the Proxy Holder:</i>		
<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*FOR</b></p> <p><i>Number of shares:</i></p> <p>.....</p> <p><i>Number of votes:</i></p> <p>.....</p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*AGAINST</b></p> <p><i>Number of shares:</i></p> <p>.....</p> <p><i>Number of votes:</i></p> <p>.....</p> <p><input type="checkbox"/> <b>OBJECTION</b></p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b></p> <p><i>Number of shares:</i></p> <p>.....</p> <p><i>Number of votes:</i></p> <p>.....</p>

Shareholder:.....  
signature(s)

Proxy Holder:.....  
signature(s)

**RESOLUTION NO. 10**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Paweł Ruszczak** – Member of the Management Board responsible for the finance area in the period from 21/10/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

*Proxy*  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 11**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec.1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Tomasz Wróbel** – Member of the Management Board in the period from 01/01/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

*Proxy*  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 12**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Miroslaw Kujawski** – Member of the Management Board in the period from 01/01/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

*Proxy Holder:*.....  
*signature(s)*

**RESOLUTION NO. 13**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Michał Hulbój** – Chairman of the Supervisory Board in the period from 01/01/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

*Proxy*  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 14**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Paweł Małyska** – Member of the Supervisory Board in the period from 01/01/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

*Proxy Holder:*.....  
*signature(s)*



**RESOLUTION NO. 15**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Jacek Osowski** – Vice-Chairman of the Supervisory Board in the period from 01/01/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

Proxy  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 16**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Grzegorz Grabowicz** – Member of the Supervisory Board in the period from 01/01/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

Proxy  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 17**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Michał Wnorowski** – Member of the Supervisory Board in the period from 01/01/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  Number of shares: .....  Number of votes: .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  Number of shares: .....  Number of votes: .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  Number of shares: .....  Number of votes: .....

Shareholder:.....  
*signature(s)*

Proxy  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 18**

**Art. 1**

Acting pursuant to Art. 393 point 1 and Art. 395 Sec. 2 point 3 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 4 of the Articles of Association, the Ordinary General Meeting of the Company hereby grants Mr **Piotr Kaczmarek** – Member of the Supervisory Board in the period from 01/01/2019 to 31/12/2019 the acknowledgement of fulfilment of his duties in the financial year 2019.

**Art. 2**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  <i>Number of shares:</i> .....  <i>Number of votes:</i> .....

Shareholder:.....  
*signature(s)*

Proxy  
Holder:.....  
*signature(s)*

**RESOLUTION NO. 19**

**Art. 1**

Acting pursuant to Art. 348 Sec. 1 and Art. 396 Sec. 4 and 5 of the Code of Commercial Companies and Partnerships, the Ordinary General Meeting of the Company hereby resolves to create reserve capital for the payment of dividends and advances towards dividends in the future.

**Art. 2**

The reserve capital referred to in Art. 1 above of this resolution will be created from a part of the Company's profit for 2019, in the amount of PLN 144,960,750.00 (in words: one hundred and forty-four million nine hundred and sixty thousand seven hundred and fifty zlotys), which, in accordance with Art. 348 Sec. 1 of the Code of Commercial Companies and Partnerships, may be distributed among shareholders.

**Art. 3**

The resolution shall enter into force upon its adoption.

<b>Shareholder's instructions for the Proxy Holder:</b>		
<b>Cast vote:</b> <input type="checkbox"/> <b>*FOR</b>  Number of shares: .....  Number of votes: .....	<b>Cast vote:</b> <input type="checkbox"/> <b>*AGAINST</b>  Number of shares: .....  Number of votes: .....  <input type="checkbox"/> <b>OBJECTION</b>	<b>Cast vote:</b> <input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b>  Number of shares: .....  Number of votes: .....

Shareholder:.....  
*signature(s)*

Proxy Holder:.....  
*signature(s)*

**RESOLUTION NO. 20**

**Art. 1**

Acting pursuant to Art. 395 Sec. 2 point 2 and Art. 348 of the Code of Commercial Companies and Partnerships and pursuant to Art. 30 Sec. 1 point 2 of the Articles of Association, the Ordinary General Meeting of the Company hereby resolves to distribute the Company's profit for the financial year ended 31 December, 2019, in the amount of PLN **176,268,480.04** (in words: one hundred and seventy-six million two hundred and sixty-eight thousand four hundred and eighty zlotys four groszys) in the following manner:

- 1) the amount of PLN **144,960,750.00** (in words: one hundred and forty-four million nine hundred and sixty thousand, seven hundred and fifty zlotys) to allocate to reserve capital for the payment of dividends and advances towards dividends in the future,
- 2) the amount of PLN **31,307,730.04** (say: thirty-one million three hundred and seven thousand seven hundred and thirty zlotys four groszys) to allocate to supplementary capital.

**Art. 2**

The resolution shall enter into force upon its adoption.

<i>Shareholder's instructions for the Proxy Holder:</i>		
<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*FOR</b></p> <p><i>Number of shares:</i> .....</p> <p><i>Number of votes:</i> .....</p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*AGAINST</b></p> <p><i>Number of shares:</i> .....</p> <p><i>Number of votes:</i> .....</p> <p><input type="checkbox"/> <b>OBJECTION</b></p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b></p> <p><i>Number of shares:</i> .....</p> <p><i>Number of votes:</i> .....</p>

Shareholder:.....  
*signature(s)*

*Proxy Holder:*.....  
*signature(s)*

## RESOLUTION NO. 21

### Art.1.

1. The Ordinary General Meeting of Develia Spółka Akcyjna with its registered office in Wrocław ("Company" or „Acquiring Company”) hereby approves the plan of merger of the Company with LC Corp Invest XXI Sp. z o.o. with its registered office in Wrocław at ul. Powstańców Śląskich 2-4 (postal code: 53-333), entered in the register of entrepreneurs maintained by the District Court for Wrocław-Fabryczna in Wrocław, VI Commercial Division of the National Court Register under the KRS number 0000698137 („Acquired Company 1”) and with LC Corp Invest XXIV Sp. z o.o. with its registered office in Wrocław at ul. Powstańców Śląskich 2-4 (postal code: 53-333), entered in the register of entrepreneurs maintained by the District Court for Wrocław-Fabryczna in Wrocław, VI Commercial Division of the National Court Register under the KRS number 0000708629 („Acquired Company 2”), agreed by the Company, Acquired Company 1 and Acquired Company 2 in writing (together with the attachments thereto) on 13/07/2020 („Plan of Merger”), the full contents thereof (i.e. including the attachments) have been published on the Company’s website at: [www.develia.pl](http://www.develia.pl).
2. The Ordinary General Meeting of the Company hereby consents to the merger and resolves to merge, pursuant to Art. 492 Sec. 1 point 1 of the Code of Commercial Companies and Partnerships the Company with the Acquired Company 1 and Acquired Company 2 by transferring all assets of the Acquired Company 1 and Acquired Company 2 to the Acquiring Company (merger by acquisition).
3. Taking into account that the Acquiring Company owns 100% of the share capital of the Acquired Company 1 and 100% of the share capital of the Acquired Company 2, the merger shall take place pursuant to Article 515 Sec. 1 of the Code of Commercial Companies and Partnerships without any increase in the share capital of the Acquiring Company and without any amendments to its Articles of Association.
4. Pursuant to Article 516 Sec. 5 and 6 of the Code of Commercial Companies and Partnerships, no ratio of exchange of shares in the Acquired Company 1 and Acquired Company 2 for shares in the Acquiring Company as well as no terms relating to the allotment of shares in the Acquiring Company and no date as of which such shares give the right to participate in the profits of the Acquiring Company shall be set.
5. There are no plans to confer by the Acquiring Company the rights referred to in Art. 499 Sec. 1 point 5 of the Code of Commercial Companies and Partnerships upon shareholders of the Acquired Companies or persons having special rights in the Acquired Companies.
6. There are no plans to confer any special benefits upon Members of the bodies of the merging companies or other persons involved in the merger.
7. The merger is based on the following attachments to the Plan of Merger: statement containing information on the accounting status of the Acquired Company 1 as of 1 June, 2020, statement containing information on the accounting status of the Acquired Company 2 as of June 1, 2020, as well as based on the valuation of assets of the Acquired Company 1 as of June 1, 2020 and assets of the Acquired Company 2 as of June 1, 2020, included in the attachments to the Plan of Merger.

### Art. 2

The Ordinary General Meeting of the Company hereby authorizes the Company's Management Board to take all necessary factual and legal actions aimed at implementing this resolution.

### Art. 3

The resolution shall enter into force upon its adoption.

***Shareholder's instructions for the Proxy Holder:***

<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*FOR</b></p> <p><i>Number of shares:</i></p> <p>.....</p> <p><i>Number of votes:</i></p> <p>.....</p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*AGAINST</b></p> <p><i>Number of shares:</i></p> <p>.....</p> <p><i>Number of votes:</i></p> <p>.....</p> <p><input type="checkbox"/> <b>OBJECTION</b></p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b></p> <p><i>Number of shares:</i></p> <p>.....</p> <p><i>Number of votes:</i></p> <p>.....</p>
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Shareholder:.....  
*signature(s)*

*Proxy*  
 Holder:.....  
*signature(s)*



## RESOLUTION NO. 22

### Art.1.

The Ordinary General Meeting of Develia S.A. with its registered office in Wrocław ("**Company**"), acting pursuant to Art. 90d Sec. 1 of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (Journal of Laws of 2019, item 623, as amended), hereby adopts the Remuneration Policy for Members of the Management Board and Supervisory Board of the Company ("**Remuneration Policy**", "**Policy**"), reading as follows:

#### **"Remuneration Policy for Members of the Management Board and Supervisory Board of Develia S.A."**

### **I. Introductory provisions**

#### **1. Legal basis and rules for drawing up the Policy**

The General Meeting of Develia S.A. (hereinafter: the "**Company**", "**Develia**"), acting pursuant to Art. 90c-90f of the Act of 29 July, 2005, on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (Journal of Laws of 2019, item 623, as amended - hereinafter: "**Act on Public Offering**"), hereby adopts this Remuneration Policy for Members of the Management Board and Supervisory Board ("**Remuneration Policy**", "**Policy**").

The draft Policy prepared by the Management Board was approved by the Supervisory Board and presented to the shareholders during the Ordinary General Meeting on 20 August, 2020.

#### **2. Objectives of the implementation of the Remuneration Policy**

The Remuneration Policy aims to contribute to the implementation of the Company's business strategy, its long-term interests and the Company's stability.

##### **1) The Company's business strategy**

Develia S.A. is the head of a real property development capital group (within the meaning of the Accounting Act), carrying out commercial and residential investments (hereinafter: the "**Group**" or "**Develia Group**"). Develia implements a business strategy in line with its basic type of activity, i.e. investment activity consisting in the construction and sale of residential buildings (premises) and the construction and lease of commercial space. At the same time, the Company consistently implements the strategy of diversifying investment locations and expanding operations in the housing market of the largest cities in Poland.

The Company implements the strategy in accordance with the goals set out below:

##### **A. Maintaining the position of one of the leading residential real property developers in Poland**

For several years now, the Group has been one of the leading residential real property developers operating in the Polish market. The position of one of the market leaders allows to maximize operating efficiency and minimize operating risks. In addition, the Group conducts development activities which are geographically well diversified - it runs housing projects in Warsaw, Kraków, Wrocław, Gdańsk and Katowice. In each of these cities, the Group plans to conduct investments in different locations, different standards, in order to offer products for different target groups. The Group is going to activate sections of land that have been in the land bank so far.

##### **B. Maintaining the position of a significant player in the commercial real property market**

In the commercial segment, the Company plans to continue operating in the so-called commercial developer model - an entity which primarily constructs, leases, optimizes and sells buildings of various types which it has completed.

##### **2) Long-term interests**

###### **A. Scale of activity**

The Company plans to maintain its position in the housing segment. In the second segment of its activity, i.e. in the area of commercial real property, the Group plans to sell its own facilities, especially office properties, and to build new ones for sale after completion of the construction and leasing process.

###### **B. Building a land bank**

By monitoring the land market, especially in large cities, the Company and the Develia Group maintain a significant value of the land bank and systematically rebuild their potential in this area. As part of the land bank, the Company intends to maintain such ownership of land that will enable the implementation of development projects for at least the next 3-5 years of the Develia Group's operations.

### **C. Maintaining an appropriate level of profitability of projects**

The Company regularly monitors and properly launches development investments from its portfolio, as well as it monitors the real property market searching for projects that can ensure adequate profitability in a given location and market situation.

### **D. Corporate social responsibility**

In its long-term strategy, the Company intends to take up corporate social responsibility projects, taking into account the community and environmental needs. For this reason, the Company plans to continue its charity commitment, as well as to raise awareness of environmental protection among its employees, as well as to implement construction projects taking into account these principles.

## **3) Stability of the Company**

### **A. Economic aspects**

The appropriate level of profitability and maintaining liquidity are to ensure the financial stability of the Company. The goal of the Company and the Develia Group is to maintain a balance between the continuity and flexibility of financing, by using various sources of financing, such as bank loans and bonds, and by adjusting the maturity dates of financial instruments to development plans.

### **B. Management aspects**

Moreover, in order to ensure its stable operations in the long term, the Company also undertakes the following activities:

- a) examining and assessing the adequacy, effectiveness and efficiency of the business risk management system and the internal control system with the use of internal audit mechanisms. The Company's internal audit aims at:
  - review and assessment of existing internal control mechanisms as well as the reliability and integrity of management, operational and financial information,
  - review and assessment of compliance with laws, policies, plans and procedures, identifying gaps and weaknesses of existing control mechanisms in order to proactively resolve problems and minimize the impact on the Company's operating activities,
  - assessment of the Companies' asset protection measures,
  - assessment of compliance of the Companies' activities with previously presented audit or control recommendations;
- b) concluding transactions with entities having good financial standing;
- c) monitoring the status of receivables, which minimizes exposure to the risk of bad debts;
- d) adjusting the terms of repayment of loan instalments to the proceeds from the sale of particular investments.

### **C. Social aspects**

Employees are the most important company value at Develia. The Company is aware that a well-coordinated and specialized team can create unique things, therefore it appreciates talents and invests in them. As one of the leading developers in Poland, it provides stable employment conditions with great development opportunities, as well as it creates conditions for improving skills based on the best practices.

The Company implements an employment policy in line with the adopted Diversity Policy and does not undertake any actions aimed at discrimination of employees, in particular in terms of gender and age.

## **II. Fixed remuneration components**

### **1. Remuneration for Appointment**

Members of the Management Board may receive a monthly basic remuneration for their appointment. It can be an independent benefit as well as a benefit paid in addition to the basic remuneration due under an employment or managerial agreement. Such remuneration will be paid in cash equivalent in the amount determined by a resolution of the Supervisory Board. The amount of such remuneration may be different for individual members of the Management Board due to their functions, responsibility, scope of duties and qualifications.

Members of the Supervisory Board may receive a monthly basic remuneration for their appointment, paid in cash equivalent in the amount determined by a resolution of the General Meeting. The amount of the monthly basic remuneration may be different for individual members of the Supervisory Board, in particular due to their functions and performing additional functions in the Supervisory Board committees.

### **2. Remuneration under employment agreement**

Members of the Management Board may receive a monthly basic remuneration under the employment agreement, paid in cash equivalent in the amount specified in their employment agreement.

The amount of the monthly basic remuneration may be different for individual members of the Management Board, in particular due to their functions, scope of duties, responsibility and qualifications.

### **3. Remuneration under managerial agreement**

Members of the Management Board may receive a monthly basic remuneration under the managerial agreement, paid in cash equivalent in the amount specified in this agreement.

The amount of the monthly basic remuneration may be different for individual members of the Management Board, in particular due to their functions, scope of duties, responsibility and qualifications.

### **4. Additional remuneration for delegating a member of the Supervisory Board to temporarily perform the duties of a member of the Management Board**

A member of the Supervisory Board delegated to temporarily perform the duties of a member of the Management Board, in the event of resignation or dismissal of such member of the Management Board, receives an additional fixed monthly remuneration.

The amount of such remuneration is determined by a resolution of the Supervisory Board and depends on the function to be performed by the delegated member of the Supervisory Board, the scope of duties, responsibility and qualifications.

### **5. Remuneration for performing additional functions in a separate committee**

A member of the Supervisory Board who performs an additional function in a separate committee of the Supervisory Board may receive an additional fixed cash remuneration in the amount determined by a resolution of the General Meeting.

The amount of the above monthly additional remuneration may be different for individual members of a given committee due to their functions in that committee.

### **6. Additional cash and non-cash benefits**

Additional benefits for members of the Management Board may include:

- any costs of foreign and domestic business travel,
- private medical care,
- reimbursement of costs of using a private car for business purposes,
- using company phones and other electronic devices for private purposes and covering the costs of their use,
- financing training courses and studies, including postgraduate studies (in Poland and abroad),
- covering the costs of company accommodation / stay at the workplace / provision of services,
- additional health, property and personal insurance package, including third-party (civil) liability insurance for company managers (D&O).

provided that these benefits constitute an additional remuneration and do not constitute costs incurred by the Company for the proper performance of their functions by members of the Management Board.

Additional benefits for members of the Supervisory Board may include:

- any costs of business travel (domestic travel related to the performance of the function of a member of the Supervisory Board),
- third-party (civil) liability insurance for company managers (D&O)

provided that these benefits constitute an additional remuneration and do not constitute costs incurred by the Company for the proper performance of their functions by members of the Supervisory Board.

## **III. Variable remuneration components**

In order to improve the quality and efficiency of work of members of the Management Board, their remuneration is determined taking into account its motivational nature and effective and smooth management of the Company, therefore, apart from the basic (fixed) remuneration, they also receive variable remuneration components (cash bonuses and awards).

Members of the Supervisory Board do not receive this type of remuneration due to the nature of the functions performed by members of this body.

The Supervisory Board, by means of a resolution, specifies the terms of payment of variable remuneration components to members of the Management Board, including, in particular, the financial and non-financial criteria for their award. The Supervisory Board may also assign a weighted value to

particular criteria which determines the percentage share of meeting particular criteria in the amount of a given variable remuneration component.

### **1. Cash bonuses**

Members of the Management Board may receive a remuneration in the form of **periodic cash bonuses** based on criteria assessed on an annual basis and **bonuses for the sale of commercial properties**.

The amount and form of cash bonuses may be different for individual members of the Management Board due to the nature of their functions, as well as the division of tasks and responsibilities between members of the Management Board.

The Company is not allowed to request the return of cash bonuses.

Payment of periodic cash bonuses shall not be deferred, except as provided in this Policy.

Payment of a cash bonus for the sale of commercial properties may be deferred, in particular as follows:

- a. a specified percentage of the bonus will be payable within a specified period, no longer than 30 days from the date of the conclusion of the final sale agreement and payment of the full sale price by the buyer,
- b. the remaining part of the bonus will be payable no earlier than after the day ending the Ordinary General Meeting of Shareholders of the Company approving the Company's financial statements for a given year (specified in the resolution of the Supervisory Board detailing this Remuneration Policy) and will be subject to indexation.
- c. the deferral dates may be modified in the event of termination by the Company of the legal relationship on the basis of which a member of the Management Board is employed or in the event that the payment of the sale price in accordance with the final legal transaction will be made in instalments.

#### **1) Periodic bonus payment criteria**

Payment of periodic cash bonuses may be subject to both financial and non-financial criteria. These are in particular:

- A. **financial criteria** - the amount of the bonus may be related to the relevant financial indicators;
- B. **non-financial criteria** - the payment of a cash bonus may depend, in particular, on the achievement of goals set by the Supervisory Board, in line with the adopted business strategy and long-term interests.

#### **2) bonuses for the sale of commercial properties payment criteria**

The bonus for the sale of commercial properties is based, among others, on financial criteria for the sale of a commercial property.

### **2. Cash awards**

Members of the Management Board may receive a variable remuneration in the form of cash awards for significant achievements, depending on meeting financial and/or non-financial criteria.

The amount and form of cash awards may be different for individual members of the Management Board due to the nature of their functions, as well as the division of tasks and responsibilities between members of the Management Board, as well as goals set for a given member of the Management Board.

Payment of a cash award for significant achievements shall not be deferred and shall be non-refundable.

The criteria for the payment of cash awards include, among others:

- A. **financial criteria** - undertaking effective initiatives ensuring a systematic increase in financial and economic results and development of the Company;
- B. **non-financial criteria:**
  - a. performing additional tasks determined by a resolution of the Supervisory Board, bringing the Company significant benefits in the areas of, among others, organization management, HR, financial, reputational;
  - b. coming up with ideas, projects which, after their implementation, improve the Company's procedures, work organization, etc.;
  - c. a key contribution to building and strengthening the organizational or economic position of the Company;

- d. taking measures to prevent and combat negative effects of the Company's operations on the natural environment and social and urban environment;
- e. inspiring the Company to engage in projects aimed at sustainable development of the urban environment and development of non-residential functions of residential areas.

#### **IV. Details of variable remuneration components payment criteria**

##### **1. Methods used to determine the extent to which the criteria have been met**

Determining the extent **to which particular financial criteria have been met** is based on the financial data presented by the Company in the separate or consolidated financial statements for the relevant period covered by the given criterion, or the data presented in the sale documentation of properties - for criteria based on the value of the sale price of properties.

Meeting **non-financial criteria** is measured by assessing the degree of implementation of a specific task, based on an annual analysis of the Supervisory Board.

Meeting financial or non-financial criteria is verified by the Supervisory Board, which, if necessary, may also use the results of the audit by a statutory auditor or an independent expert in a given field within a specified scope.

The basis for the payment of the variable remuneration depending on meeting financial or non-financial criteria is a resolution of the Supervisory Board, which confirms the partial or complete fulfilment of conditions for payment and the amount of the variable component of the remuneration.

For its assessment and analysis, the Supervisory Board also uses the work of the Appointment and Remuneration Committee, which conducts an annual review of paid bonuses, including verification of the correctness of calculations, and presents recommendations to the Supervisory Board in this respect.

##### **2. Explanatory note on the manner in which the criteria contribute to the achievement of the objectives set out in point I.2 of the Remuneration Policy**

The financial criteria such as net operating profit, published in the financial statements and subject to mandatory audit by an independent statutory auditor, are comprehensive and reliable measures of the financial condition of both the Company and the entire Develia Group in the context of the long-term business strategy.

Moreover, members of the Management Board are motivated to undertake effective initiatives ensuring a systematic increase in financial and economic results and further development of the Company.

Therefore, establishing the criteria in this form guarantees the Company a number of benefits in return for the achievement of the objectives set out in point I.2:

- 1) members of the Management Board are committed to implementing the strategic business plans of the Company in such a manner that the Company achieves the best financial results; this directly affects the implementation of the Company's business strategy, its long-term interests and stability;
- 2) making the payment of specific variable remuneration components dependent on the criteria related to improvement and development of the main areas of the Company's business is a direct motivating factor for members of the Management Board to act to the best interest of the Company;
- 3) all of the above affect the strengthening of the financial and market position of the Company, which ultimately has a positive effect on the situation of other stakeholders - primarily shareholders and employees.

In turn, the non-financial criteria may relate to the organization of work in the Company, its development and corporate social responsibility, and, thus, motivate members of the Management Board, among others, to take measures to prevent and combat negative effects of the Company's operations on the natural environment and social and urban environment.

Taking into account such criteria, which include the procedural and organizational development, as well as the strengthening of the Company's business and its corporate social position makes members of the Management Board focus not only on strengthening DEVELIA's financial results, but also on its comprehensive structural development.

#### **V. Fixed and variable remuneration ratio**

The variable remuneration (including possible one-off / extraordinary payments and possible variable pension contributions) to the fixed remuneration (including possible permanent pension contributions) ratio received from the Company in a given financial year should be maximum 3:1.

## **VI. One-off / extraordinary remuneration**

The Company allows for one-off remuneration payments to members of the Management Board or, a remuneration paid in extraordinary circumstances, which does not constitute a remuneration for performing the function or providing services to the Company. These types of benefits include, among others:

- 1) severance pay or compensation related to the termination of cooperation,
- 2) retirement and disability benefits,
- 3) compensation for non-competition,
- 4) posthumous payment,
- 5) one-off bonuses paid upon establishing cooperation (sign-on fee) or to retain a given member of the body in their position (retention bonus),
- 6) compensation for transfer / relocation in connection with taking up or changing the position,
- 7) additional components of remuneration resulting from generally applicable provisions of law, e.g. annual leave equivalent resulting from the employment agreement.

## **VII. Taking into account the working conditions and remuneration of employees when establishing the Remuneration Policy**

The amount of the fixed remuneration of members of the Management Board and Supervisory Board is reasonable in relation to the average remuneration of the Company's employees who are not members of the Company's bodies. The remuneration of employees of the Company, as well as members of the Supervisory Board or members of the Management Board is, at the same time, adjusted to the situation of the Company and its financial results.

Moreover, the Company operates a bonus system and a commission system covering a wide range of the Company's employees other than members of the Management Board or members of the Supervisory Board. In such a case, the goals, objectives and tasks of members of the Management Board resulting from the business strategy adopted by the Company are also partially delegated to the Company's employees (e.g. bonuses on the sale of residential premises, a commission system based on purchase prices of investment real property, bonuses related to the performance of investments according to the method and schedule established by the Company). This means that the strategic goals also apply to other employees. In this way, it is possible for them to derive benefits - directly or indirectly - in connection with an increase in the Company's financial results. The employees are also motivated to implement the business strategy, achieve long-term goals and contribute to the stability of the Company.

In addition, the non-financial performance criteria were based, among others, on activities related to improvement of procedures applied in the Company, work organization, etc. The amount of remuneration for members of the Management Board also depends on the constant concern for the Company's employees.

The Company makes every effort to ensure that the personnel policy at DEVELIA is based on respect for law, ethics and mutual respect of its employees. Based on a coherent organizational culture, respect for diversity, cooperation and commitment of its employees, and implementation of development projects, the company works for equality in employment on an ongoing basis.

## **VIII. Conditions of established legal relations with members of the Management Board and Supervisory Board**

### **1. Agreements with members of the Management Board**

Members of the Management Board and the Company are bound by employment agreements for an indefinite period.

These agreements are subject to termination on the following terms:

- 1) the agreement may be terminated by a member of the Management Board with six months' notice;
- 2) as regards the termination of the employment agreement by the Company - the employment agreements provide for two types of applicable notice periods, which apply depending on the individual terms and conditions of the employment agreements of members of the Management Board:
  - until the day ending the Ordinary General Meeting approving the Company's financial statements for 2020 - the agreement may be terminated by the Company in relation to individual members of the Management Board with 10 or 6 months' notice, respectively;

- from the day following the day ending the Ordinary General Meeting approving the Company's financial statements for 2020 and at a later date, the agreement may be terminated by the Company with each member of the Management Board with 6 months' notice, which, from that moment, will be identical for all members of the Management Board.

## **2. Appointment relationship with members of the Supervisory Board**

Members of the Supervisory Board cooperate with the Company on the basis of the act of appointment to perform their functions. There are no agreements between the Company and individual members of the Supervisory Board regulating the principles of cooperation between the parties.

The Supervisory Board is appointed by the General Meeting in the composition of 5 to 7 members for a joint three-year term of office.

The mandate of a member of the Supervisory Board expires no later than on the date of the General Meeting approving the financial statements for the last full financial year of performing the function of a member of the Supervisory Board. The mandate of a member of the Supervisory Board also expires as a result of their death, resignation or dismissal from the Supervisory Board.

Moreover, a member of the Supervisory Board may be dismissed at any time. If a member of the Supervisory Board is dismissed during the term of office and another person is appointed in their place, the term of office of the newly appointed person ends with the term of office of the entire Supervisory Board. The same also applies in the case of dismissal of the entire Supervisory Board during the term of office and appointment of a new composition of the Supervisory Board, as well as in the case of extending the composition of the Supervisory Board during the term of office by new members.

## **IX. Main features of supplementary and early retirement pension schemes**

Members of the Management Board being employees of the Company and members of the Supervisory Board remunerated for their functions may be covered by the Employee Capital Plans (PPK) in the Company. Participation in the PPK is voluntary, and the above-mentioned members of the Company's bodies may resign from it.

If members of the Management Board or Supervisory Board do not decide to resign from the PPK, the Company will make basic payments towards it in the amount of 1.5% of the gross remuneration of a given participant. Apart from the basic payments, the Company is not going to make any additional payments for members of the Management Board or Supervisory Board.

Apart from the PPK, the Company has not introduced and is not going to introduce any additional pension, retirement or early retirement schemes for members of the Management Board or Supervisory Board.

## **X. Description of the decision-making process carried out to establish, implement and review the Remuneration Policy**

The decision-making process carried out to establish the Policy has included:

1. verifying all remuneration issues and the cooperation principles for members of the Management Board and Supervisory Board with the Company under the existing rules,
2. regular exchange of knowledge between the Supervisory Board and Management Board in order to jointly develop the goals, objectives and assumptions of this Policy,
3. consulting external legal advisers,
4. creating this Policy by the Management Board on the basis of assumptions developed together with the Supervisory Board,
5. discussing the resolution during the General Meeting,
6. submitting this Policy to the vote of the General Meeting,
7. adopting the Policy by the General Meeting by means of a resolution.

The Policy will be implemented partly by the Appointment and Remuneration Committee created within the Supervisory Board and partly by the Management Board under the ongoing supervision of the Appointment and Remuneration Committee.

The Appointment and Remuneration Committee will monitor the implementation of the Remuneration Policy on an ongoing basis, the compliance of the method of payment of the remuneration with the assumptions of the Policy, as well as it will verify whether the remuneration actually contributes to the implementation of the Company's business strategy, its long-term interests and the Company's stability.

## **XI. Description of measures taken to avoid or manage conflicts of interest related to the Remuneration Policy.**

The Company takes the following measures to avoid or manage conflicts of interest related to the Remuneration Policy:

1. In accordance with the Regulations of the Develia Management Board, in the event of a conflict regarding the interest of members of the Management Board - members of the Management Board are not allowed to participate in resolving any matters where there is a possibility of a conflict of interest: the interest of the Company with the personal interest of a member of the Management Board, their spouse, relatives, relatives by affinity up to the second degree.
2. In accordance with the Regulations of the Develia Supervisory Board, in the event of a conflict regarding the interest of a member of the Supervisory Board - such a member should inform other members of the Supervisory Board about it and refrain from participating in discussions and from voting on adopting a resolution on the matter in which the conflict of interest arose.

In light of the above, therefore, members of the Company's bodies should refrain from acting in the event of a conflict of interest.

Additional measures taken to avoid or manage conflicts:

- implementation of the Procedure of Anonymous Reporting of Breaches at Develia S.A., which allows for reporting breaches or abuses, including within the scope of the Procedures and Ethical Standards adopted in the Company. Such a breach may be reported by any employee of the Company or a person performing activities on its behalf,
- taking into account shareholders' comments regarding the draft Policy submitted during the General Meeting,
- accepting possible waivers from the application of the Policy, in the event of exceptional circumstances,
- if necessary, adopting a resolution of the General Meeting to amend the Policy, or a resolution of the Supervisory Board to waive from the Policy.

## **XII. Manner in which the Policy contributes to the achievement of the objectives set out in point I.2**

The establishment of this Remuneration Policy, based on clear and objective principles, contributes to the implementation of the Company's business strategy, its long-term goals and the Company's stability, among others, through:

- increasing trust of shareholders in the Company and in its managers,
- increasing motivation and work efficiency of members of the Management Board who receive their remuneration according to the clear criteria,
- partial dependence of the variable remuneration paid to members of the Management Board on the achieved results of the Company and the Group, which are directly influenced by their actions,
- linking interests of members of the Management Board with interests of the Company,
- setting specific, ambitious, but also possible to be reached tasks for members of the Management Board consistent with the Company's business strategy, performing of which entitles members of these bodies to receive an attractive variable remuneration.

## **XIII. Temporary waiver from the application of the Policy**

1. Temporary waiver from the application of the Policy may be introduced if it is necessary for:
  - 1) achievement of the long-term interests of the Company, and
  - 2) ensuring its financial stability or guaranteeing its profitability.
2. Temporary waiver from the application of the Policy may be introduced in the following situations:
  - 1) the Company makes a loss in a given financial year in excess of the sum of supplementary and reserve capital,
  - 2) undertaking restructuring or reorganization activities that have or will have a significant impact on the Company's assets and liabilities and its economic and financial condition or profits and losses,
  - 3) withdrawal from or entering a new, significant area of its basic activity by the Company,



- 4) submitting a petition to declare bankruptcy of the Company or initiate restructuring proceedings against the Company,
  - 5) learning about insolvency of significant debtors of the Company,
  - 6) making a decision on the intention to merge, divide or transform the Company,
  - 7) suspension of trading in the Company's shares on the Warsaw Stock Exchange,
  - 8) withdrawal of the Company's shares from trading on the Warsaw Stock Exchange,
  - 9) in any other justified situation, if all members of the Management Board submit a request only to reduce the amount of a remuneration paid to members of the Management Board on any basis,
  - 10) in any other justified situation, if all members of the Supervisory Board submit a request only to reduce the amount of a remuneration paid to members of the Supervisory Board on any basis.
3. Temporary waiver from the application of the Policy may be introduced in the following manner:
    - 1) on the basis of a written request of all members of the Management Board;
    - 2) at the discretion of the Supervisory Board.
  4. The Supervisory Board of the Company decides by means of a resolution on the temporary waiver of the Remuneration Policy. The resolution on the temporary waiver is adopted no later than 14 days from the delivery of the relevant request of the Management Board or shareholders to the Supervisory Board.
  5. The resolution of the Supervisory Board on the waiver from the application of the Policy specifies the waiver period, and also indicates the circumstances, procedure and statement of reasons referred to in Sec. 1 above. If it is not possible to indicate the exact waiver period, the Supervisory Board shall indicate the conditions meeting of which will enable the return to the application of the Policy. In this situation, the end of the waiver period will be confirmed by another resolution of the Supervisory Board.
  6. The waiver from the application of the Policy may not be longer than 2 consecutive financial years at a time.
  7. The waiver from the application of the Policy may only include the following parts of the Policy:
    - 1) description of the fixed and variable remuneration which may be awarded to members of the Management Board and Supervisory Board,
    - 2) criteria for awarding the variable remuneration in terms of financial and non-financial results,
    - 3) fixed to variable remuneration ratio,
    - 4) periods of deferment of payment of variable remuneration components,
    - 5) possibility for the Company to request the return of variable remuneration components,
    - 6) main features of supplementary pension, retirement and early retirement schemes,
    - 7) manner in which the Policy contributes to achievement of the objectives set out in point I.2

#### **XIV. Authorizing the Supervisory Board to detail the provisions of the Policy**

The General Meeting hereby authorizes the Supervisory Board to detail the provisions of the Policy within the following limits:

1. description of the fixed and variable components of the remuneration of members of the Management Board, as well as bonuses and other cash and non-cash benefits which may be awarded to members of the above-mentioned bodies,
2. criteria for financial and non-financial performance for awarding variable remuneration components,
3. information on the periods of deferment of payment and the possibility for the Company to request the return of variable remuneration components.

#### **XV. Application of the Policy**

1. The Company pays remuneration to individual members of the Management Board and Supervisory Board only in accordance with this Remuneration Policy.
2. The Company immediately publishes the Policy and the resolution on the Policy along with the date of its adoption and voting results on its website. These documents remain available for as long as they are applicable.

3. The Remuneration Policy enters into force on the day of its adoption by the competent bodies of the Company, unless the resolution on the adoption of the Remuneration Policy provides for a different date for the entry into force of its provisions.

**Art. 2**

1. The Ordinary General Meeting of Develia S.A. with its registered office in Wrocław, acting pursuant to Art. 90d Sec. 7 of the Act of 29 July, 2005, on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (Journal of Laws of 2019, item 623, as amended), hereby authorizes the Supervisory Board to detail, within the limits specified in the Remuneration Policy, the following elements of the said Policy:
  - a. description of fixed and variable components of remuneration of members of the Management Board and Supervisory Board, as well as bonuses and other cash and non-cash benefits which may be awarded to members of the above-mentioned bodies, within the following limits:
    - detailing the description of fixed and variable components of remuneration of members of the Management Board and Supervisory Board, as well as bonuses and other cash and non-cash benefits,
    - clarifying the description and rules for awarding additional cash or non-cash benefits (point II.6 of the Remuneration Policy) or indication of other comparable additional benefits of similar nature which may be awarded to members of the Management Board or Supervisory Board;
  - b. criteria for financial and non-financial performance for awarding variable remuneration components,
    - detailing the description of particular financial and non-financial criteria on which the payment of a specific variable remuneration component depends, including the assignment of a given criterion to a given variable remuneration component,
    - defining specific tasks and goals consistent with the Company's business strategy,
    - indication of the range of criteria / specific events' values, allowing to determine the extent to which achievement of a given goal / task qualifies for receiving the corresponding value of the variable remuneration component; the range of criteria values should be determined in such a manner that achievement of the assumed results is possible, and at the same time that it motivates to achieve long-term goals and improve the Company's business situation,
    - defining the rules for calculating the amount of a given variable remuneration component based on the financial or non-financial criterion assigned to it.
  - c. information on the periods of deferment of payment and the possibility for the Company to demand the return of variable remuneration components.
    - determination of whether and which variable remuneration components are deferred or refundable;
    - specification of periods of deferment of payment of given variable remuneration components or rules for their return - if such rules apply.
2. Detailing and clarifying the above-mentioned elements by the Supervisory Board must be consistent with the Remuneration Policy, the Company's current business strategy, and should contribute to the long-term interests and stability of the Company.
3. The resolution of the Supervisory Board adopted pursuant to this authorization may be periodically updated. If the update concerns the criteria for awarding variable components, including specific goals and tasks for members of the Management Board or Supervisory Board, the resolution should be adopted no later than 30 days from the commencement of the period for which the criteria are set.

**Art. 2**

The resolution shall enter into force upon its adoption.

***Shareholder's instructions for the Proxy Holder:***

<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*FOR</b></p> <p><i>Number of shares:</i></p> <p>.....</p> <p><i>Number of votes:</i></p> <p>.....</p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*AGAINST</b></p> <p><i>Number of shares:</i></p> <p>.....</p> <p><i>Number of votes:</i></p> <p>.....</p> <p><input type="checkbox"/> <b>OBJECTION</b></p>	<p><b>Cast vote:</b></p> <p><input type="checkbox"/> <b>*ABSTAIN FROM VOTING</b></p> <p><i>Number of shares:</i></p> <p>.....</p> <p><i>Number of votes:</i></p> <p>.....</p>
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Shareholder:.....  
*signature(s)*

*Proxy*  
 Holder:.....  
*signature(s)*