

**Remuneration report for the Management Board and Supervisory Board members of HM Inwest S.A. for the 2019 and 2020 reporting period**

Warsaw, 08.06.2021

*This Remuneration report has been prepared by the Supervisory Board of HM Inwest S.A. in accordance with the provisions of Article 90g. of the Act on Public Offerings and Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005 (Journal of Laws of 2005, no. 184, item 1539, as amended).*

*The applicable version of the Remuneration Policy for the Management Board and Supervisory Board members of HM Inwest S.A. has been approved by the Resolution no. 17/17/06/2020 of the Ordinary General Meeting of the Company HM Inwest S.A. with its registered office in Warsaw of 17 June 2020 on the adoption of the remuneration policy.*

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## Definitions

**Report, Remuneration Report** – this document.

**Reporting Period** – the period for which this Report has been prepared.

**Remuneration Policy –** Remuneration Policy for the Management Board and Supervisory Board members of HM Inwest S.A., approved by the Resolution no. 17/17/06/2020 of the Ordinary General Meeting of the Company HM Inwest S.A. with its registered office in Warsaw of 17 June 2020 on the adoption of the remuneration policy.

**HMI Inwest, Company** – HM Inwest S.A.

**HMI CP, HM Inwest CP** – the HM Inwest Capital Group.
**OGM** – the General Meeting of Shareholders of HM Inwest S.A. **Supervisory Board** – the Supervisory Board of HM Inwest S.A.

**Statute** – the Statute of HM Inwest S.A.

**Expert Auditor** – the expert auditor of HM Inwest S.A.

**Public Offerings Act**- the Act on Public Offerings and Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005 (Journal of Laws of 2005, no. 184, item 1539, as amended).

**CCC** - Commercial Companies and Partnerships Code of 15 September 2000 (Journal of Laws of 2000, no. 94, item 1037, as amended).

## Legal basis

The Act on Public Offerings and Conditions Governing the Introduction of Financial Instruments to

Organized Trading, and Public Companies of 29 July 2005 (Journal of Laws of 2005, no. 184, item 1539, as amended).

Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (*Shareholder Rights Directive II* /SRD II/). Amendments to the aforementioned Act, implementing SRD II in the Polish legal order.

Commercial Companies and Partnerships Code of 15 September 2000 (Journal of Laws of 2000, no. 94, item 1037, as amended).

The Labor Code of 26 June 1974 (Journal of Laws of 1974, no. 24, item 141, as amended).

The Accounting Act of 29 September 1994 (Journal of Laws of 1994, no. 121, item 591, as amended).

“Code of Best Practice for WSE Listed Companies 2016” - in the part regarding remuneration.

Internal documents of the Company, including, in particular, the Statute, Supervisory Board Regulations, OGM Resolutions, Remuneration Policy for the Management Board and Supervisory Board members of HM Inwest S.A.

Other applicable legal regulations.

## Comprehensive remuneration review

This remuneration review for members of the Management Board and the Supervisory Board of HM Inwest S.A. concerns

the reporting period: 01.01.2019-31.12.2020.

#### Table 1 members of the Management Board and the Supervisory Board of HM Inwest in the reporting period

|  |  |  |
| --- | --- | --- |
| **2019** |  |  |
| **Name and surname** | **Function in HM Inwest S.A.** | **Period of office****in HM Inwest S.A.** |
| **MANAGEMENT BOARD** |  |  |
| Piotr Hofman | President of the Management Board | 01.01.2019-31.12.2019 |
|  |  |  |
| **SUPERVISORY BOARD** |  |  |
| Jarosław Mielcarz | SB President  | 01.01.2019-31.12.2019 |
| Waldemar Ołdak | SB Member | 01.01.2019-31.12.2019 |
| Paula Glaser | SB Member | 01.01.2019-31.12.2019 |
| Aneta Klimek | SB Member | 01.01.2019-31.12.2019 |
| Edward Chopcian | SB Member | 01.01.2019-31.12.2019 |
| **2020** |  |  |
| **Name and surname** | **Function in HM Inwest S.A.** | **Period of office****in HM Inwest S.A.** |
| **MANAGEMENT BOARD** |  |  |
| Piotr Hofman | President of the Management Board | 01.01.2020-31.12.2020 |
|  |  |  |
| **SUPERVISORY BOARD** |  |  |
| Jarosław Mielcarz | SB President  | 01.01.2020-31.12.2020 |
| Waldemar Ołdak | SB Member | 01.01.2020-31.12.2020 |
| Paula Glaser | SB Member | 01.01.2020-04.03.2020 |
| Aneta Klimek | SB Member | 01.01.2020-31.12.2020 |
| Edward Chopcian | SB Member | 01.01.2020-31.03.2020 |
| Irmina Kaczmarek | SB Member | 04.03.2020-31.12.2020 |
| Ewa Hofman | SB Member | 31.03.2020-31.12.2020 |

### The total remuneration broken down into components

**Financial benefits**

The tables below present the total remuneration broken down into the components referred to in Article 90d(3)(1) of the Public Offerings Act and the mutual proportions between these remuneration components.

The tables below report the value of total financial benefits received during the reporting period by members of HM Inwest’s Management Board and Supervisory Board no matter the form of employment specified in the Remuneration Policy, broken down into remuneration obtained in HM Inwest and the total remuneration obtained in all entities of HM Inwest CG (i.e. from entities belonging to HM Inwest CG within the meaning of the Accounting Act of 29 September 1994 (Journal of Laws 1994 no. 121, item 591, as amended).

Remuneration report for the Management Board and Supervisory Board members of HM Inwest S.A.

#### Table 2 Remuneration of members of the Management Board and the Supervisory Board\* of HM Inwest, broken down into remuneration obtained in HM Inwest and the total remuneration obtained in all entities of HM Inwest CG, PLN

**2019**

|  |  |
| --- | --- |
|  | **HM Inwest S.A. HM Inwest CP (including HM Inwest S.A.)** |
| **Name and surname** | **Total** | **Fixed component** | **Variable****component** | **Fixed / variable****components’ proportion** | **Total** | **Fixed component** | **Variable****component** | **Fixed / variable****components’ proportion** |

|  |  |
| --- | --- |
| **MANAGEMENT BOARD** |  |
| Piotr Hofman | 1,848,456 | 491,661 | 1,356,795 | 26.6% / 73.4% | 6,243,128 | 1,982,753 | 4,260,375 | 31.8% / 68.2% |
|  |  |  |  |  |  |  |  |  |
| **SUPERVISORY BOARD** |  |  |  |  |  |  |  |  |
| Jarosław Mielcarz | 18,000 | 18,000 | 0 | 100.0% / 0.0% | 18,000 | 18,000 | 0 | 100.0% / 0.0% |
| Waldemar Ołdak | 12,000 | 12,000 | 0 | 100.0% / 0.0% | 12,000 | 12,000 | 0 | 100.0% / 0.0% |
| Paula Glaser | 12,000 | 12,000 | 0 | 100.0% / 0.0% | 12,000 | 12,000 | 0 | 100.0% / 0.0% |
| Aneta Klimek | 12,000 | 12,000 | 0 | 100.0% / 0.0% | 12,000 | 12,000 | 0 | 100.0% / 0.0% |
| Edward Chopcian | 12,000 | 12,000 | 0 | 100.0% / 0.0% | 12,000 | 12,000 | 0 | 100.0% / 0.0% |
| **2020** |  |  |  |  |  |  |  |  |
|  | **HM Inwest S.A. HM Inwest Capital Group (including HM Inwest S.A.)** |
| **Name and surname** | **Total** | **Fixed component** | **Variable****component** | **Fixed / variable****components’ proportion** | **Total** | **Fixed component** | **Variable****component** | **Fixed / variable****components’ proportion** |

|  |  |
| --- | --- |
| **MANAGEMENT BOARD** |  |
| Piotr Hofman | 1,418,726 | 619,797 | 798,928 | 43.7% / 56.3% | 4,425,174 | 1,723,970 | 2,701,204 | 39.0% / 61.0% |
|  |  |  |  |  |  |  |  |  |
| **SUPERVISORY BOARD** |  |  |  |  |  |  |  |  |
| Jarosław Mielcarz | 46,600 | 46,600 | 0 | 100.0% / 0.0% | 46,600 | 46,600 | 0 | 100.0% / 0.0% |
| Waldemar Ołdak | 45,000 | 45,000 | 0 | 100.0% / 0.0% | 45,000 | 45,000 | 0 | 100.0% / 0.0% |
| Paula Glaser | 9,500 | 9,500 | 0 | 100.0% / 0.0% | 9,500 | 9,500 | 0 | 100.0% / 0.0% |
| Aneta Klimek | 12,000 | 12,000 | 0 | 100.0% / 0.0% | 12,000 | 12,000 | 0 | 100.0% / 0.0% |
| Edward Chopcian | 4,000 | 4,000 | 0 | 100.0% / 0.0% | 4,000 | 4,000 | 0 | 100.0% / 0.0% |
| Irmina Kaczmarek | 13,452 | 13,452 | 0 | 100.0% / 0.0% | 13,452 | 13,452 | 0 | 100.0% / 0.0% |
| Ewa Hofman | 8,000 | 8,000 | 0 | 100.0% / 0.0% | 8,000 | 8,000 | 0 | 100.0% / 0.0% |

Designations adopted in the tables above:

***Fixed component:***

* + - salaries under employment agreements (reported amounts are gross amounts, comprising Social Security and other obligatory charges)
		- i.a. the fixed component in salaries received in connection with civil-law contracts. In the case of civil-law contracts, the amounts indicated are net amounts.
		- In the case of Supervisory Board members, the item also includes additional remuneration for participating in the operations of the Audit Committee or other bodies established within the Supervisory Board.

***Variable component***

* + - i.a. the variable component in remuneration received in connection with executed civil-law contracts. In the case of civil law contracts, the amounts indicated are net amounts;

***Fixed / variable components’ proportion***

* + - is calculated respectively for the fixed and variable component according to the formula: Fixed component / Total [%]; Variable component / Total [%].

*\* … the increase in the remuneration of the Supervisory Board in 2020, in the case of Mr. Jaroslaw Mielcarz and Mr. Waldemar Oldak, was due to the payment of outstanding remuneration for the members of the Audit Committee for 2019.*

#### Non-financial benefits

The tables below report the value of total non-financial benefits received by members of the Management Board and Supervisory Board of HM Inwest in the reporting period.

#### Table 3 Non-financial benefits granted to members of the Management Board and Supervisory Board of HM Inwest, PLN

|  |  |  |  |
| --- | --- | --- | --- |
| **2019** |  |  |  |
| **Name and surname** | **Function in HM Inwest S.A.** | **Granted by HM Inwest S.A.** | **Granted by entities from HM Inwest CG** |
| **MANAGEMENT BOARD** |  |  |  |
| Piotr Hofman | President of the Management Board | 0.0 | 0.0 |
|  |  |  |  |
| **SUPERVISORY BOARD** |  |  |  |
| Jarosław Mielcarz | SB President | 0.0 | 0.0 |
| Waldemar Ołdak | SB Member | 0.0 | 0.0 |
| Paula Glaser | SB Member | 0.0 | 0.0 |
| Aneta Klimek | SB Member | 0.0 | 0.0 |
| Edward Chopcian | SB Member | 0.0 | 0.0 |
| **2020** |  |  |  |
| **Name and surname** | **Function in HM Inwest S.A.** | **Granted by HM Inwest S.A.** | **Granted by entities from HM Inwest CG** |
| **MANAGEMENT BOARD** |  |  |  |
| Piotr Hofman | President of the Management Board | 0.0 | 0.0 |
|  |  |  |  |
| **SUPERVISORY BOARD** |  |  |  |
| Jarosław Mielcarz | SB President | 0.0 | 0.0 |
| Waldemar Ołdak | SB Member | 0.0 | 0.0 |
| Paula Glaser | SB Member | 0.0 | 0.0 |
| Aneta Klimek | SB Member | 0.0 | 0.0 |
| Edward Chopcian | SB Member | 0.0 | 0.0 |
| Irmina Kaczmarek | SB Member | 0.0 | 0.0 |
| Ewa Hofman | SB Member | 0.0 | 0.0 |

### The consistency of the total remuneration with the Remuneration Policy

**Table 4 The consistency of the total remuneration with the adopted Remuneration Policy adopted by HM Inwest**

|  |  |  |
| --- | --- | --- |
|  | **Remuneration Policy Rules** | **Comment** |
| **Financial benefits** |  |  |
| Fixed remuneration -Management Board | As a rule, remuneration of persons serving in the capacity of the President or a Member of the Management Board comprises fixed remuneration. | In the reporting period, the fixed remuneration granted to members of the Management Board was consistent with the Remuneration Policy.Fixed remuneration was not dependent on obtaining any specificfinancial or non-financial results. |
| Fixed remuneration –Supervisory Board | As a rule, remuneration of Supervisory Board members comprises fixed remuneration. | In the reporting period, the fixed remuneration granted to members of the Management Board was consistent with the Remuneration Policy.Fixed remuneration was not dependent on obtaining any specific financial or non-financial results. |
| Variable remuneration -Management Board | The above notwithstanding, the Supervisory Board may agreed on variable remuneration with the President or a Member of the Management Board. | In the reporting period, the variable remuneration granted to members of the Management Board was consistent with the Remuneration Policy. Variable remuneration was dependent on the volume of sales. |
| **Non-financial benefits** |  |  |
| Management Board | The President or a Member of the Management Board may be entitled to non-financial benefits | In the reporting period, Members of the Management Board received no non-financial benefits. |

**Table 5 How total compensation contributes to the Company’s long-term performance**

|  |  |
| --- | --- |
|  | **Comment** |
| **Business strategy implementation** | * In the reporting period, the Company continued to implement the strategy of the Company and HM Inwest CP developed in 2019, including, in particular: geographic diversification of residential investments and industry diversification related to the manufacture of prefabricated elements.
* On 18.07.2019, Company’s shares debuted on the GPW regulated

market. |
| **Pursuing long-term interests and****results** | * Despite extensive competition, both in the Warsaw market and in other locations, the Company has maintained a level of apartment sales comparable to previous years.
* In the reporting period, both the Company and HM Inwest CG

achieved a positive financial result |
| **Preserving the stability of the Company** | * The real estate development is characterized by a long investment process, therefore in some reporting periods lower profit or even loss are possible.
* Despite these fluctuations, in the reporting period the Company and companies from the HM Inwest CG maintained sufficient liquidity and creditworthiness,
* In the reporting period, there were no events that would

results in loss of liquidity of the Company or companies from the HM Inwest CG. |

The Remuneration Policy in force in the Company contributed to achieving the Company's objectives, in particular via:

1. The application of remuneration mechanisms giving incentives to the Management Board to achieve the set

business objectives;

1. Acquisition of highly competent staff;
2. Controlling the total costs of remuneration in relation to achieved and projected results;
3. Ensuring transparency of remuneration of the Management Board and Supervisory Board for shareholders and

other external stakeholders;

1. Ensuring compliance with legal requirements and best practices.

The level of remuneration of members of the Management Board and the Supervisory Board in 2019 and 2020 was adequate to ensure the ability to attract and retain and motivate personnel with sufficiently high competences, that are vital for effective management and supervision of the Company and entities of HM Inwest CG. The amount of fixed and variable remuneration of members of the Management Board and the Supervisory Board corresponded to the competences, experience, scope of duties of particular persons and the related responsibility, as well as the achieved results.

### Information concerning the manner of applying performance criteria

Fixed remuneration

Fixed remuneration of members of the Management Board and Supervisory Board of HM Inwest was not dependent on obtaining any specific financial or non-financial results.

Variable remuneration

#### 2019

The President of the Management Board of HM Inwest, Piotr Hofman, received variable remuneration under an agreement executed between HM Inwest S.A. and HB INWESTOR sp. z o.o. sp. k. In the reporting period, Piotr Hofman held 100% shares in the company HB INWESTOR sp. z o.o. sp. k. Further, Mr. Pan Hofman received remuneration under an agreement executed between HM Inwest S.A. and Piotr Hofman as a sole trader. The amount of variable remuneration under the aforementioned agreements was dependent on the value of apartments sold.

#### 2020

The President of the Management Board of HM Inwest, Piotr Hofman, received variable remuneration under an agreement executed between HM Inwest S.A. and HB INWESTOR sp. z o.o. sp. k. In the reporting period, Piotr Hofman held 100% shares in the company HB INWESTOR sp. z o.o. sp. k. The amount of variable remuneration under the aforementioned agreement was dependent on the value of apartments sold.

### Information about changes to remuneration, Company’s results

This Report does not comprise information for the preceding five financial years considering that in previous reporting periods the Supervisory Board of HM Inwest was not required to prepare a Remuneration Report1.

#### Table 6 Annual changes in the total remuneration of members of the Management Board and the Supervisory Board of HM Inwest, results of HM Inwest and HM Inwest CG as well as average employee remuneration, PLN

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Function in HM Inwest S.A.** | **2019** | **2020** | **Change 2020/2019** |
| **Total remuneration in HM Inwest CG** |  |  |  |  |
| **Management Board** |  |  |  |  |
| Piotr Hofman | Member of the Management Board | 6,243,128 | 4,425,174 | -29.1% |
| Jarosław Mielcarz | SB Member  | 18,000 | 46,600 | 158.9% |
| Waldemar Ołdak | SB Member | 12,000 | 45,000 | 275.0% |
| Paula Glaser | SB Member | 12,000 | 9,500 | -20.8% |
| Aneta Klimek | SB Member | 12,000 | 12,000 | 0.0% |
| Edward Chopcian | SB Member | 12,000 | 4,000 | -66.7% |
| Irmina Kaczmarek | SB Member |  | 13,452 | *Not applicable* |
| Ewa Hofman | SB Member |  | 8,000 | *Not applicable* |
|  |  |  |  |  |
| **Standalone results - HM Inwest S.A.** |  |  |  |  |
| Net sales revenue |  | 4,147,033 | 33,265,003 | 702.1% |
| Profit before tax |  | 11,601,701 | 12,243,806 | 5.5% |
| Net profit |  | 10,387,342 | 11,717,262 | 12.8% |
|  |  |  |  |  |
| **Consolidated results - HM Inwest CG** |  |  |  |  |
| Net sales revenue |  | 93,820,290 | 104,219,093 | 11.1% |
| Profit before tax |  | 9,009,196 | 2,689,556 | -70.1% |
| Net profit |  | 7,371,929 | 2,161,730 | -70.7% |
|  |  |  |  |  |
| **Average remuneration (excluding members of the Management and Supervisory****Boards)** |
| HM Inwest S.A. |  | 118,658 | 92,875 | -21.7% |
| HM Inwest CG |  | 72,957 | 71,735 | -1.7% |

Designations adopted in the table above:

|  |  |
| --- | --- |
| *remuneration of the Management Board and the Supervisory Board* | includes the value of total financial benefits received by members of the Management Board and Supervisory Board of HM Invest no matter the form of employment specified in the Remuneration Policy |
| *average remuneration* | comprises employees working under employment agreements (reported amounts are gross amounts, comprising Social Security and other obligatory charges) and employees working on the basis of other forms of employment (amounts given are net contract amounts; e.g. an employee providing services as a sole trader). |
| *revenue from civil-law contracts* | the reported amounts are net amounts. |
| *SB* | Supervisory Board |

1 Pursuant to Article 90g(3) of the Public Offerings Act, the information concerning financial years for which the supervisory board was not required to prepare a remuneration report may be given on the basis of estimates, where this is expressly indicated in the remuneration report, or omitted.

### Number of granted or offered financial instruments as well as the main conditions for the exercise of rights in respect of those instruments, including the price and date of exercise and the change thereof

In the reporting period, the Company did not grant or offer any financial instruments to members of the Management Board or Supervisory Board of HM Inwest.

The tables below present the number of financial instruments granted or offered and the main terms and conditions of exercising the rights attached to those instruments, including the price and exercise date and any changes thereto.

#### Table 7 The number of financial instruments granted or offered by HM Invest to members of the Management Board and Supervisory Board

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **2019** |  |  |  |  |  |
| **Name and surname** | **Function in HM Inwest S.A.** | **The number of financial instruments granted or offered** | **Financial instrument type** | **Financial instrument price, PLN** | **Date of exercise and change** |
| **MANAGEMENT BOARD** |  |  |  |  |  |
| Piotr Hofman | President of the Management Board | 0 | *not applicable* | *not applicable* | *not applicable* |
|  |  |  |  |  |  |
| **SUPERVISORY BOARD** |  |  |  |  |  |
| Jarosław Mielcarz | SB President  | 0 | *not applicable* | *not applicable* | *not applicable* |
| Waldemar Ołdak | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |
| Paula Glaser | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |
| Aneta Klimek | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |
| Edward Chopcian | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |
| **2020** |  |  |  |  |  |
| **Name and surname** | **Function in HM Inwest S.A.** | **The number of financial instruments granted or offered** | **Financial instrument type** | **Financial instrument price, PLN** | **Date of exercise and change** |
| **MANAGEMENT BOARD** |  |  |  |  |  |
| Piotr Hofman | President of the Management Board | 0 | *not applicable* | *not applicable* | *not applicable* |
| **SUPERVISORY BOARD** |  | 0 | *not applicable* | *not applicable* | *not applicable* |
| Jarosław Mielcarz | SB President  | 0 | *not applicable* | *not applicable* | *not applicable* |
| Waldemar Ołdak | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |
| Paula Glaser | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |
| Aneta Klimek | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |
| Edward Chopcian | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |
| Irmina Kaczmarek | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |
| Ewa Hofman | SB Member | 0 | *not applicable* | *not applicable* | *not applicable* |

* 1. **Information about exercising the option to demand the reimbursement of variable remuneration**

**components**

In the reporting period, no obligation or exercise of the option to demand reimbursement of variable remuneration components from members of the Management Board or Supervisory Board of HM Inwest occurred.

### Information about deviations from the implementation procedure of the Remuneration Policy

In the reporting period, no deviations from the implementation procedure of the Remuneration Policy in accordance with Article 90f of the Public Offerings Act occurred.

### Benefits for the next of kin

In the reporting period, no financial or non-financial benefits were granted for the next of kin of members of the Management Board and the Supervisory Board of HM Inwest.

### Explanation as to how the OGM resolution was implemented or discussion about the previous

**remuneration report**

Considering that the remuneration report is prepared by the Supervisory Board in 2021 for the first time before the OGM adopts the resolution in question, this Report does not comprise an explanation of how the OGM resolution referred to in Article 90g(6) of the Public Offerings Act has been incorporated into the Report.

President of the Supervisory Board

Jarosław

Signed electronically by

# Leszek

Mielcarz

Jarosław Leszek Mielcarz

Date: 2021.06.08

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