



**REPORT ON THE RENUMERATION  
OF THE MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD  
OF LIVECHAT SOFTWARE S.A.  
FOR THE FINANCIAL YEAR 2021/22**

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## 1. Introduction

They are fulfilling the obligation under Art. 90g of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (Journal of Laws No. 184, item 1539, as amended; hereinafter: "**Act on Public Offering**"), the Supervisory Board of LiveChat Software S.A. (hereinafter: the "**Company**") has prepared an annual remuneration report (hereinafter: the "**Report**"), presenting a comprehensive overview of remuneration, including all benefits, regardless of their form, received or due to individual Members of the Management Board and Supervisory Board in the last financial year, in accordance with the Remuneration Policy for Members of the Management Board and Members of the Supervisory Board of the Company of **18 August 2020** (hereinafter: the "**Remuneration Policy**").

The report covers the period from 1 April 2021 to 31 March 2022 (hereinafter: "**2021/22**"), i.e., the full financial year of the Company. For comparative purposes, it also includes data for the period from 1 April 2020 to 31 March 2021 (hereinafter: "**2020/21**").

All amounts in the Report are presented on a gross basis unless explicitly stated otherwise.

In the financial year 2021/22, the Company did not pay any benefits to the closest members of the Management Board and Supervisory Board.

**Below, the Company presents a summary of the most essential remuneration events for the financial year covered by the Report.**

### 1.1. **Key events in the Company's business environment affecting the remuneration of the Members of the Management Board and Supervisory Board**

During the financial year, the Company continued its work on developing its technological solutions, including new functionalities and the integration of all products, which increased its competitiveness in relation to competitive solutions.

The pandemic, which translated into a rapid increase in the demand for companies with online communication solutions, had a critical impact on the Company's business environment in the financial year 2020/21. In the 2021/22 financial year, most of the restrictions related to the pandemic were lifted. Nevertheless, LiveChat Software continued the dynamic growth of its results: the consolidated revenues of the Capital Group increased by 24.3%, and the net profit by 18.8%.

### 1.2. **Changes in the composition of the Members of the Management Board and Supervisory Board**

During the financial year, there were no changes in the composition of the Management Board.

During the financial year, the term of office of the Supervisory Board ended. It was composed of Maciej Jarzębowski (chairman), Jakub Sitarz (vice-chairman), Marta Ciepla, Marcin Mańdziak and Michał Markowski.

On 18 August 2022, the Annual General Meeting appointed the Supervisory Board composed of Maciej Jarzębowski (chairman), Jakub Sitarz (deputy chairman), Marta Ciepla, Marcin Mańdziak and Marzena Czapaluk.

### 1.3. **Key changes to the Remuneration Policy:**

The Remuneration Policy was introduced on 18 August 2020 and was not subject to changes in the reported year.

### 1.4. **Deviations from the Remuneration Policy**

In the reported year, the Company did not apply any deviations to the procedure of implementing the Remuneration Policy or the deviations referred to in Art. 90f of the Act on Public Offering.

#### **1.5. Change in the methodology of preparing the Report**

The methodology of preparing the Report has not changed.

### **2. Total remuneration amount broken down by components and the proportions between these components**

Below, the Company presents in separate tables the amount of total remuneration, including all benefits, regardless of their form, due to individual members of the bodies in the last financial year (i.e. due in this period) and simultaneously received by individual Members of the Management Board and Supervisory Board in the last financial year (all remuneration due has been paid in a timely manner) along with the proportions between the variable and the fixed components.

The data has been rounded to PLN thousand.

#### **2.1. Total remuneration of the Management Board Members**

In the reporting period, the Members of the Management Board received a fixed base salary from the Company for being appointed a Member of the Management Board in the amount determined by the Supervisory Board.

In accordance with point II. C. paragraph 3 of the Remuneration Policy, in the reporting period, the amount of the basic salary granted to a member of the Management Board did not exceed 15 times the average monthly salary in the enterprise sector, excluding the profit bonuses in the fourth quarter of the previous year, announced by the President of the Central Statistical Office.

As part of the variable remuneration, the Members of the Management Board receive a bonus remuneration depending on the financial results of the Company. The annual bonus for all Members of the Management Board amounts to 1% of the gross profit of the Company; the President of the Management Board is entitled to a bonus of 60% of this total pool, and any Member of the Management Board is entitled to 40% of this pool.

As a rule, in accordance with point II. D. paragraph 6 of the Remuneration Policy, the bonus remuneration is paid after the end of the financial year for which the remuneration is calculated and paid, based on the data from the financial statements of the Company and / or the Capital Group, confirmed by the auditor's report. In accordance with paragraph 7, the Supervisory Board may establish the right to an advance payment of a part of the bonus remuneration, but not more than up to 75% of its maximum value for this financial year.

In the reported financial year, the Members of the Management Board were paid advances for quarterly periods (Q1-Q3 of the financial year 2021/22), in the total amount of 1% of the gross profit achieved by the Company in a given quarter, in accordance with the above-mentioned division between the Members of the Management Board.

The Company shows the amount of bonuses in the Remuneration Report for the year in which they were paid (all benefits due were paid). Taking into account the quarterly advances paid, in the financial year 2021/22, variable remuneration for Q4 of 2020/21 and for Q1, Q2 and Q3 of 2021/22 were paid. Variable remuneration for Q4 of 2021/22 will be paid in the financial year 2022/23, and therefore this will be properly presented in the remuneration report for the next year.

In order to comprehensively present the implementation of the Remuneration Policy in the reporting period, the Company has independently presented the criteria used for the annual bonus for 2021/22 (partially paid) and information on the implementation thereof (point 4 of the Report).

The Members of the Management Board may receive a one-off remuneration payment in the form of severance pay in the event of dismissal from the Management Board before the end of their term of office. In the reporting period, no one-off remuneration amounts were paid.

The Members of the Management Board do not receive remuneration in the form of financial instruments. The Company also does not run any retirement or disability pension programs for the Members of the Management Board. In the period covered by the Report, the Members of the Management Board did not claim any additional benefits to which they were entitled in accordance with the adopted Remuneration Policy (such as for example, the use of a company car).

The Company has additional insurance contracts described in periodic reports: Chubb Tech Pro Insurance - Professional Liability Insurance concluded with Chubb European Group Sp. z o.o. Branch in Poland for the amount of PLN 8 million (Poland) and USD 2 million (USA) and Insurance of Damages arising as a result of claims for the liability of members of the authorities of the Capital Company for the amount of PLN 17 million for LiveChat Software S.A. and USD 1 million for LiveChat, Inc concluded with Chubb European Group.

**The total remuneration of the Members of the Management Board**  
received from the Company in the financial years 2020/21 and 2021/22 in PLN thousand

Name and surname of the Management Board Member, position		Fixed remuneration components			Variable remuneration components				Benefits for the closest relatives	Total of all salary components	Proportion of remuneration components	
		Appointment remuneration	Additional cash and non-cash benefits	PPK	Annual bonus <sup>[1]</sup>						fixed	variable
					Q4 (of the previous financial year)	Q1	Q2	Q3				
<b>Mariusz Ciepły</b> , President of the Management Board	2021/22	865	0	0	176	172	212	188	0	1,613	53,6%	46,4%
	2020/21	730	0	-	140	153	146	168	0	1,335	54,6%	45,4%
<b>Urszula Jarzębowska</b> , Member of the Management Board	2021/22	570	0	0	117	115	141	125	0	1,069	53,3%	46,7%
	2020/21	483	0	-	93	102	97	112	0	886	54,4%	45,6%

<sup>[1]</sup> The amounts presented include:

- for the year 2021/22 – the bonus Q4 of 2020/21 paid in 2021/22 (i.e., the annual bonus for the financial year less the amounts of advances paid for Q1, Q2, and Q3) and the advance payments of the yearly bonus for Q1, Q2, and Q3 of 2021/22;
- for the year 2020/21 – the bonus paid in 2020/21 for Q4 of 2019/20 (i.e., the annual bonus for the year less the amounts of advances paid for Q1, Q2 and Q3) and the advance payments of the yearly bonus for Q1, Q2 and Q3 of 2020/21.

## 2.2. Total remuneration of the Supervisory Board Members

In accordance with the provisions of the Remuneration Policy, in the reporting period, the Members of the Supervisory Board received a fixed remuneration from the Company for appointment in the amount determined by a resolution of the General Meeting. The fixed remuneration for the Members of the Supervisory Board varies depending on the function performed (e.g. chairing and replacing the Supervisory Board and its committees in the chairmanship, participation in the Supervisory Board's committees).

Pursuant to the Remuneration Policy, the Members of the Supervisory Board delegated to permanently perform individual supervision receive separate remuneration, and the fixed remuneration payment is suspended during this period – however, this rule did not apply in the reporting period.

In accordance with point III.B.4. of the Remuneration Policy, the maximum fixed remuneration amount of Supervisory Board Members ranges from 0.5 to 3 times the average monthly salary in the enterprise sector, including bonuses from profit in the fourth quarter of the previous year, announced by the President of the Central Statistical Office, depending on the function performed, whereas the remuneration amounts for participation in the Supervisory Board and for participation in a Supervisory Board committee are added together. This condition was met in the reporting period.

Fixed remuneration is not payable to a Member of the Supervisory Board for the month in which that Member of the Supervisory Board was absent from the meeting of the Supervisory Board or a committee thereof for unjustified reasons.

The Members of the Supervisory Board do not receive any additional cash or non-cash benefits from the Company and are not covered by Employee Capital Plans. The Members of the Supervisory Board do not receive remuneration in the form of financial instruments or extraordinary remuneration. The Company has not introduced any retirement or disability pension programs for the Members of the Supervisory Board.

The Members of the Supervisory Board do not receive variable remuneration components; therefore it is not possible to determine the proportion between the fixed and variable components referred to in Art. 90d paragraph. 3 point 2 of the Act on Public Offering.

### Total remuneration of the Supervisory Board Members received from the Company in 2021/22 and in 2020/21 in PLN thousand

Name and surname of the Member of the Supervisory Board, position		Fixed remuneration components			The sum of all salary components
		Fixed remuneration for being appointed a Member of the Management Board	Remuneration for participation in a separate committee	Remuneration for being delegated to perform permanent individual supervision	
<b>Maciej Jarzębowski,</b> Chairman of the Supervisory Board	2021/22	60	0	0	60
	2020/21	35	0	0	35
<b>Jakub Sitarz,</b> Member of the Supervisory Board	2021/22	36	2	0	38
	2020/21	21	7	0	28
<b>Marta Ciepła,</b> Member of the Supervisory Board	2021/22	24	0	0	24
	2020/21	14	0	0	14
<b>Marcin Mańdziak,</b> Independent Member of the Supervisory Board, Chairman of the Audit Committee	2021/22	24	3	0	27
	2020/21	14	11	0	25
<b>Marzena Czupaluk,</b> Independent Member of the Supervisory Board	2021/22	15	0	0	15
	2020/21	0	0	0	0

Board, Chairman of the Audit Committee					
<b>Michał Markowski</b> , Independent Member of the Supervisory Board	2021/22	10	1	0	11
	2020/21	14	7	0	21

### 3. An explanation of how the total remuneration complies with the adopted Remuneration Policy, including how it contributes to the long-term results of the Company

This Report presents a comprehensive overview of remuneration, including all benefits, regardless of their form, due to individual members in the last financial year (i.e. due in that period) and simultaneously received by individual Members of the Management Board and Supervisory Board in the last financial year (all due remuneration was paid in a timely manner), in accordance with the Remuneration Policy.

It should be assumed that **the total remuneration of the members of the Management Board and Supervisory Board of the Company is in line with the adopted Remuneration Policy**. This is owing to the following circumstances:

- in accordance with Art. 90e of the Act on Public Offering, the Company, in the period from the entry into force of the Remuneration Policy, paid remuneration to the Members of the Management Board and Supervisory Board only in accordance with the provisions of the Policy – remuneration included only components provided for in the Remuneration Policy and was paid in accordance with its principles, including in the correct amount, on the correct legal basis and on the basis of predefined criteria;
- the remuneration amount of the permanent Members of the Management Board and Supervisory Board does not exceed the maximum amounts specified in the Remuneration Policy;
- the Members of the Management Board and Supervisory Board receive remuneration determined in accordance with clear criteria, which increases their motivation and work efficiency;
- the principles of remuneration payment are in line with the culture and corporate values of the Company;
- the applied cash remuneration division with respect to the Members of the Management Board into a fixed and variable part, the amount of which is largely dependent on the economic effects of the Company, encourages the Members of the Management Board to take deliberate actions resulting in the Company's achieving better and better economic effects, while ensuring the stability of its operations over longer periods of time;
- due to the applied bonus criteria based on the Company's results, the interests of the Management Board Members are directly related to the interests of the Company and its shareholders; therefore, the remuneration paid contributes to the implementation of the business strategy and long-term interests of the Company and the Group.

Furthermore, **the total remuneration of the Members of the Management Board and Supervisory Board contributes to the achievement of long-term results of the Company**, inter alia by:

- maintaining the continuity of the management of the Company thanks to the application of periodic criteria, which ensures the stability of its operations;
- establishing a fixed lump sum remuneration for Members of the Supervisory Board, which guarantees the stable functioning of the Supervisory Board as a supervisory authority, where its members, without being directly dependent on the financial result, with due care and without unnecessary risks supervise the current activities of the Company and of the Management Board and its Members;
- payment of remuneration adequate to the achieved results, proportionate and determined in accordance with market practice, the amount of which is sufficient to attract, retain and motivate people with competences necessary for the proper management and supervision of the Company,

also adequate to the size of the enterprise and reasonably related to the economic results of the Company.

#### 4. Information on the application of performance criteria

According to point II. D. of the Remuneration policy, the Members of the Management Board may receive a bonus remuneration depending on the financial performance of the Company or the Group and / or other criteria clearly indicated in the relevant Supervisory Board resolution. Detailed rules for determining, calculating and paying out and possibly returning any overpaid bonuses are specified by the Supervisory Board in a resolution or in the regulations governing the remuneration of the Management Board.

In the reporting period and in the previous financial year, the Members of the Management Board were awarded bonuses in the total amount of 1% of the Company's gross profit for the given financial year. The President of the Management Board is entitled to a bonus of 60% of this total pool, and the Member of the Management Board, 40% of this pool. The Supervisory Board did not make the payment of the bonus remuneration dependent on the fulfilment of additional criteria.

As a rule, the bonus remuneration for a given financial year is paid after that year ends, based on the data from the financial statements of the Company and / or the Group, confirmed by the auditor's report. However, the Supervisory Board may establish the right to an advance payment of a bonus up to 75% of its maximum value for a given financial year. In the reporting period, advance payments were made for quarterly periods, in the amount calculated on the basis of the gross profit achieved by the Company in a given quarter.

Therefore, in the reporting period, the variable remuneration for Q4 of the 2020/21 financial year and for Q1, Q2 and Q3 of 2021/22 was paid. In turn, in the previous financial year (2020/21), bonuses were paid for Q4 of the 2019/2020 financial year and for Q1, Q2 and Q3 of 2020/21. This is how bonuses have been shown in the table presenting the total remuneration of the Management Board in point 2.1. of the Report (in line with the payment deadline).

The bonus criteria and bonuses on an annual basis (i.e. for full financial years) are presented below. The bonus criteria applied in the reporting period and in the previous financial year (i.e. on the principles applicable before the entry into force of the Remuneration Policy) remain consistent and are based on the consolidated gross profit.

Due to the fact that the amount of the bonus for the financial year 2021/22 is partly for Q4 and will be paid in the financial year 2022/23, this amount has not been included in the total remuneration of the Management Board for the reporting period (item 2.1. of the Report) and will be shown – corresponding to the payment date – in the next remuneration report, i.e. for the financial year 2022/23. Therefore, the bonus in the amount indicated below for 2021/22 has not yet been fully paid out.

#### Annual bonus (PLN thousand)

Financial year	Bonus criteria	Gross profit of the Company	Total bonus amount	Bonus for individual Members of the Management Board	Payout date
2021/22	1% of the gross profit of the Company	127,493	1,275	Mariusz Cieply, President of the Management Board 60% - <b>765</b>	- advances for Q1-Q3 paid in the financial year 2021/22 - the remainder of the bonus (for Q4) will be paid in the financial year 2022/23
Urszula Jarzębowska, Member of the Management Board 40% - <b>510</b>					
2020/21	1% of the gross profit of the Company	106,720	1,067	Mariusz Cieply, President of the Management Board 60% - <b>640</b>	- advances for Q1-Q3 paid in the financial year 2020/21 - the remaining part of the bonus (for Q4) was paid in the financial year 2021/22
Urszula Jarzębowska, Member of the Management Board 40% - <b>427</b>					

## 5. Information on the annual change in the remuneration of the Members of the Management Board and Supervisory Board, the Company's results and the average remuneration of the Company's employees not employed as members of the Management Board or Supervisory Board

In accordance with Art. 90 g paragraph 3, the data for the financial years 2016–2018, for which the Supervisory Board was not obliged to prepare a remuneration report, have been omitted.

The data on the Company's results were selected for comparative purposes due to their connection with the Company's business strategy and their importance from the point of view of the Company in the long-term perspective.

Data in PLN thousand	2019/20	2020/21	2021/22
<b>Management Board remuneration (total)</b>	<b>1.682</b>	<b>2.222</b>	<b>2.682</b>
Change on an annual basis		+32.1%	+20.7%
<b>Supervisory Board remuneration (total)</b>	<b>0</b>	<b>116*</b>	<b>175</b>
Change on an annual basis		-	+50.9%
<b>Individual gross profit (in PLN thousand)</b>	<b>81,877</b>	<b>106,720</b>	<b>127,493</b>
Change on an annual basis		+30.3%	+19.5%
<b>Monthly recurring MRR revenues at the end of the period (USD million)</b>	<b>2.95</b>	<b>4.04</b>	<b>4.64</b>
Change on an annual basis		+36.9%	+14.9%

*\*For part of the previous financial year, the Members of the Supervisory Board did not receive any remuneration.*

The company does not employ employees on the basis of an employment contract; all associates operate on the basis of B2B contracts (business-to-business); therefore, it does not provide values regarding the average remuneration of employees who are not Members of the Management Board or Supervisory Board.

## 6. Remuneration from entities belonging to the same Capital Group

In the reporting financial year, the Members of the Management Board and Supervisory Board did not receive any remuneration from the Company's subsidiaries.

## 7. Number of awarded or offered financial instruments and the main conditions for exercising rights from these instruments

In accordance with the Remuneration Policy, the Company does not plan to introduce incentive programs related to the payment of remuneration in the form of financial instruments to Members of the Management Board and Supervisory Board.

## 8. Information on the option to request a refund of variable remuneration components

In accordance with point II.D. paragraph 9 of the Remuneration Policy, a Member of the Management Board may be required to return an overpaid bonus amount, and the rules for possible reimbursement are determined by the Supervisory Board resolutions.

If during the financial year it is found that there are no grounds for the bonus remuneration payment to a given Member of the Management Board, the President of the Management Board must notify the Chairman of the Supervisory Board of such circumstances. The notification suspends the payment of advances. The Supervisory Board immediately decides whether it is appropriate to suspend the

payment of advances. If the Supervisory Board confirms the legitimacy of the notification, the Management Board Member must return the overpaid amount of the Bonus Remuneration. Each Member of the Management Board must accept in writing the rules for the settlement of overpaid advances by means of a set-off.

In the period covered by this Report, the Company did not demand the reimbursement of the variable remuneration.

## **9. Information on deviations from the Remuneration Policy, including an explanation of the rationale and procedure, and an indication of the elements to which the deviations were applied**

### **9.1. Information on deviations from the implementation procedure of the Remuneration Policy**

In the reporting period, the Company did not waive the Remuneration Policy implementing procedure.

### **9.2. Information on deviations applied in accordance with Art. 90f of the Act on Public Offering**

In the reporting period, the Company did not use the option to temporarily withdraw from the application of the Remuneration Policy in accordance with Art. 90f of the Act on Public Offering and point VII sec. 3 of the Remuneration Policy.

## **10. Explanation of the manner in which the opinion of the General Meeting of Shareholders regarding the previous remuneration report was taken into account**

The resolution of the General Meeting which adopted the remuneration report for the previous financial year was adopted by the Annual General Meeting on 18 August 2021, with 12,531,006 votes in favour of adopting the resolution, 1,056,561 votes against and 1,089,129 votes abstained.

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20 July 2022	