

Resolution No. 335
Of the Supervisory Board of Budimex S.A.
of 6 April 2021

on: approval of the Supervisory Board report on the remuneration of members of the Management Board and Supervisory Board of Budimex S.A. for the years 2019-2020.

Pursuant to Art. 90(g) of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies, it is resolved as follows:

§1

The Supervisory Board adopts the Report on the remuneration of members of the Management Board and Supervisory Board of Budimex S.A. for the years 2019-2020 as contained in the appendix to this Resolution.

§2.

The report is subject to an opinion by the Ordinary General Meeting of Budimex S.A. for the year 2020.

§3.

The Resolution shall enter into force as of the date of its adoption.

1 Appendix

Content of the Report of the Supervisory Board of Budimex S.A. on the remuneration of members of the Management Board and Supervisory Board of Budimex S.A. for the years 2019-2020

10 members of the Supervisory Board participated in the vote

Votes for: 10

Votes against: -

Votes abstained: -

secretary of the Supervisory Board

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Igor CHALUPEC

for and on behalf of the Supervisory Board of Budimex S.A.:

chairman of the Supervisory Board

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Marek MICHAŁOWSKI



Remunerations report
of the Members of the Management Board and
Supervisory Board
in 2019 and 2020

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PART 1: PRELIMINARY INFORMATION

I Overview

This report on the remuneration of members of the Management Board and Supervisory Board of Budimex S.A. covers the period from January 1, 2019 to December 31, 2020 and presents information on the remuneration and cash benefits received by the Management Board and the Supervisory Board during this period.

By Resolution No. 386 of the Ordinary General Meeting of Budimex S.A. on June 18, 2020, the Remuneration Policy for members of Budimex S.A. bodies was adopted. Pursuant to Art. 90(g) clause 1 of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (i.e. Journal of Laws of 2020, item 2080), the Supervisory Board prepares an annual remuneration report presenting a comprehensive remuneration review.

Pursuant to Art. 36 clause 2 of the Act of 16 October 2019 amending the Act on Public Offering and the Conditions for Introducing Financial Instruments to the Organized Trading System and on Public Companies and certain other acts (Journal of Laws of 2019, item 2217), the Supervisory Board prepares the remuneration report for the first time, jointly for 2019 and 2020.

The amounts in the report are gross amounts and in PLN currency.

II Definitions

"**Company**" - means Budimex S.A. with its registered office in Warsaw at ul. Siedmiogrodzka 9, entered into the register of entrepreneurs kept by the District Court for the capital city of Warsaw, XIII Commercial Division of the National Court Register under KRS number 0000001764

"**Remuneration Policy**" - means the Remuneration Policy for members of the bodies of Budimex S.A. adopted by resolution No. 386 of the Ordinary General Meeting of June 18, 2020

"**Supervisory Board**" - means the supervisory board of Budimex S.A.

"**General Meeting**" - means the Ordinary or Extraordinary General Meeting of Shareholders of Budimex S.A.

"**Management Board**" - means the Management Board of Budimex S.A.

"**ECP**" - means Employee Capital Plans

"**Public Offering Act**" - means the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (i.e. Journal of Laws of 2020, item 2080);

III Management Board

In the analyzed period, the composition of the Supervisory Board was as follows:

Composition of the Supervisory Board as of January 1, 2019:

- | | |
|-------------------------|---|
| • Dariusz Jacek Blocher | President of the Management Board, Managing Director, |
| • Artur Popko | Member of the Management Board, Infrastructure Construction Director, |
| • Radosław Górski | Member of the Management Board, General Construction Director, |
| • Cezary Mączka | Member of the Management Board, Chief HR Officer; |
| • Jacek Daniewski | Member of the Management Board, Chief Legal and Organisational Officer, |
| • Henryk Urbański | Member of the Management Board, Chief Real Estate Officer, |
| • Marcin Węglowski | Member of the Management Board, Chief Financial Officer. |

In 2019, the following changes were made to the composition of the Management Board:

- a) on June 18, 2019, resignation from the position in the Management Board of Budimex S.A. was submitted by Mr. Radosław Górski,
- b) on June 18, 2019, the Supervisory Board of Budimex S.A. at the request of the President of the Management Board, CEO, appointed Mr Artur Popko, previously a member of the Management Board of Budimex S.A., as Vice President,
- c) as of December 31, 2019, resignation from the position in the Management Board of Budimex S.A. was submitted by Mr Henryk Urbański.

There were no changes in the composition of the Management Board in 2020.

Member of the Management Board, Mr Fernando Luis Pascual Larragoiti, resigned from the position in the Management Board on December 18, 2018 and was removed from the National Court Register on February 13, 2019

IV Supervisory Board

In the analyzed period, the composition of the Management Board was as follows:

Composition of the Management Board as of January 1, 2019:

• Marek Michałowski	Chairman of the Supervisory Board
• Juan Ignacio Gaston Najarro	Vice-Chairman of the Supervisory Board
• Igor Adam Chalupiec	Secretary of the Supervisory Board
• Piotr Kamiński	Member of the Supervisory Board
• Marzenna Anna Weresa	Member of the Supervisory Board
• Janusz Dedo	Member of the Supervisory Board
• Javier Galindo Hernandez	Member of the Supervisory Board
• Jose Carlos Garrido-Lestache Rodríguez	Member of the Supervisory Board
• Fernando Luis Pascual Larragoiti	Member of the Supervisory Board

The composition of the Supervisory Board in the period from January 1, 2019 to December 31, 2019 changed as follows:

- a) on May 16, 2019, due to the expiry of the mandate of a Supervisory Board member and the Ordinary General Meeting's failure to appoint a new member to the Supervisory Board, Mr Piotr Kamiński ceased to perform the function in the Supervisory Board,
- b) on May 16, 2019, the Ordinary General Meeting appointed new members to the Supervisory Board, including Ms Danuta Dąbrowska and Agnieszka Słomka-Gołębiowska.

In 2020, the following changes to the composition of the Supervisory Board took place:

- a) as of June 18, 2020, Ms Marzenna Anna Weresa resigned from her position in the Supervisory Board,
- b) on June 18, 2020, the Ordinary General Meeting appointed Mr Artur Kucharski to the Supervisory Board.

Member of the Supervisory Board, Mr. Alejandro De La Joya Ruiz De Velasco, resigned from participation in the Supervisory Board and functions in committees on December 18, 2018 and was removed from the National Court Register on February 13, 2019

PART 2. TOTAL REMUNERATION BY COMPONENTS AND MUTUAL PROPORTIONS BETWEEN THESE REMUNERATION COMPONENTS

V Remuneration of members of the Management Board

In 2019 and 2020, the remuneration of Management Board Members consisted of:

- fixed remuneration, which consists of components of remuneration specified in a fixed amount or a fixed rate, paid for the performance of work. The amount of the fixed remuneration is determined in the agreements concluded between the Company and the Members of the Management Board,
- variable remuneration, which consists of bonuses, the amount of which is related to the level of achievement of individual, company-wide goals, as well as the situation of the Company,
- other cash benefits,
- non-cash benefits.

Fixed remunerations

The body authorised to determine the rules of remuneration applicable to members of the Management Board of Budimex S.A. is the Supervisory Board. The remuneration is determined based on:

- research showing the levels of remuneration for members of the Management Boards of companies listed on the WSE,
- reports on remuneration of top management in Polish companies,
- reports on remuneration of top management in EU companies,
- current company results,
- the prospect of the company's long-term results.

All members of the Management Board are employed on the basis of an employment contract.

Variable remunerations

In the Company, all members of the Management Board are covered by the variable remuneration program. Pursuant to the provisions of the Remuneration Policy, variable remuneration components may take the form of: bonuses, retention bonuses or individual awards (§ 3 section 2 of the Remuneration Policy).

- a) **Bonus** - as part of such a bonus benefit, each member of the Management Board is entitled to a bonus depending on:
 - the level of achievement of individual goals,
 - achieving indicators related to the business activity of the Budimex Group.

Depending on the area for which the Management Board Members are responsible, the third element is a bonus for:

- exceeding the indicators related to the business activity of the Budimex Group or
- commission on the value of the gross profit earned in construction.

In 2019-2020, the bonus system covered all Members of the Management Board:

- b) **Retention bonus** - as part of the variable remuneration applied by the Company, there is a retention bonus, in which the payment of remuneration depends on the fact of being in employment with the Company on a specific date.

In the years 2019-2020, such a benefit was provided to Artur Popko. The amount of the retention remuneration received in 2019-2020 was PLN 500,000.

- c) **Individual award** - an award granted on individual and specific terms in connection with special achievements and events in the business activities of the Company or the Budimex Capital Group.

In the years 2019-2020, such a benefit was granted to Mr Marcin Węglowski in the amount of PLN 70,000 in connection with the sale of Elektromontaż Poznań.

Variable remuneration components are applied for the period of one financial year. The Company does not use long-term variable remuneration systems with longer bonus periods.

Other considerations in cash

Members of the Management Board are entitled to other considerations in cash, such as:

- a) **The employer's contribution and the employer's additional contribution to the Employee Capital Plans program.** Members of the Management Board have the right to participate in the Employee Capital Plan program on the terms applicable to all employees in the Company.
- b) **Funds transferred as part of the Company Social Benefits Fund operating in the Company.** Members of the Management Board may receive a refund in the amount of 50% for the Multisport card subscription.
- c) **Compensation for non-competition.** Members of the Management Board of Budimex S.A. concluded with the Company (or the company in which they receive their remuneration) a separate non-competition agreement after termination of employment, which is valid for 12 months from the date of termination of the employment contract. During the non-competition period, the Company will pay the employee from 25% to 100% of the monthly base remuneration, depending on the procedure for terminating the contract and the party initiating the termination of the contract. Contractual penalties are provided for breaking the non-competition clause by a Management Board member.
- d) **Compensation for termination of the employment contract.** The contracts provide for severance pay in the amount of 6 to 12 monthly remuneration, depending on the position, in the event of dismissal from the function in the Management Board or failure to appoint for the next term of office for reasons attributable to the Company.

Compensation for the non-competition clause in 2019-2020 was due to Mr Radosław Górski. In connection with the termination of the employment relationship with the Company and Mr Radosław Górski on 30.09.2019, the Company paid, until 31.03.2020, compensation for not engaging in competitive activities. On 30.03.2020, an agreement was concluded with the employee, terminating the non-competition clause by mutual agreement. The total amount of the indemnity was PLN 274,725.

The compensation due to the non-competition clause in the years 2019-2020 was due to Mr Henryk Urbański. In connection with the termination of the employment relationship with the Company and Mr Henryk Urbański on 31.12.2019, the Company paid compensation until 31.12.2020 for not engaging in competitive activities. The total amount of the indemnity was PLN 598,500.

Non-cash compensations

Members of the Management Board receive additional compensations in the form of:

- a) **covering the costs of medical insurance for Members of the Management Board and their families** - in the years 2019-2020 all Members of the Management Board were entitled to these benefits,

Name and surname	Total value of the benefit		Value of the benefit granted to the closest family	
	2019	2020	2019	2020
Dariusz Blocher	11512	11,512	6,011	6,011
Artur Popko	11,512	11512	6,011	6,011

Cezary Mączka	11512	11,512	6,011	6,011
Marcin Węglowski	11,512	11512	6,011	6,011
Jacek Daniewski	11,512	11,512	6,011	6,011
Radosław Górski	8,634	-	4,508	-
Henryk Urbański	11512	-	6,011	-

- b) **coverage of the cost of life insurance with an investment fund within specific annual limits** - in 2019-2020, all members of the Management Board were entitled to these benefits. The value of the benefit made available to the Members of the Management Board was as follows:

Name and surname	2019	2020
Dariusz Blocher	27,300	28,530
Artur Popko	23,000	24,035
Cezary Mączka	23,000	24,035
Marcin Węglowski	23,000	24,035
Jacek Daniewski	23,000	24,035
Radosław Górski	23,000	-
Henryk Urbański	23,000	-

- c) **an equivalent to cover the cost of renting a flat** (granted in accordance with the instructions on domestic relocations and approved by the Supervisory Board) - in the years 2019-2020 these benefits were due to Mr Artur Popko,
- d) **a company car for business and private purposes** (in accordance with the fleet policy of the Budimex S.A. Group) - in 2019-2020 all members of the Management Board were entitled to these benefits,
- e) **work tools: laptop and mobile phone** - in the years 2019-2020 all members of the Management Board were entitled to these benefits,
- f) **covering the costs of schools and kindergartens for children** (in the case of Members of the Management Board who are not Polish citizens, for whom the performance of the function in the Company involves transfer to Poland, the Company may undertake to cover the costs of education of minor children) - in the years 2019-2020 such benefits were not awarded,
- g) **covering the cost of air travel** (in the case of Management Board members who are not Polish citizens, for whom the performance of their function in the Company involves transfer to Poland, the Company may undertake to cover the cost of air travel - in the years 2019-2020 such benefits were not granted.

Remuneration of Members of the Management Board in 2019

Full name	fixed components of remuneration	fixed remuneration components	variable remuneration components	non-cash benefits	remuneration - in total	the proportion between the variable and the fixed components*
Dariusz Blocher	1,574,999	916,504	10,028	39,011	2,540,542	58%
Artur Popko	872,997	902,400	2,517	17,152	1,795,066	103%
Cezary Mączka	758,400	315,797	3,665	20,992	1,098,854	42%
Marcin Węglowski	782,400	395,791	5,049	27,176	1,210,416	51%
Jacek Daniewski	770,644	320,055	4,575	11,512	1,106,786	42%
Radosław Górski	631,168	230,622	669,132	86,552	1,617,474	37%

Henryk Urbański**	805,261	385,593	431	23,785	1,215,070	48%
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* Calculated as the quotient of variable to fixed remuneration

** In the case of Mr Henryk Urbański, the remuneration given for the years 2019-2020 was paid by Budimex Nieruchomości Sp. z o.o. being a subsidiary of Budimex S.A. and was additionally included in part 7 of the report.

Remuneration of Members of the Management Board in 2020

Full name	fixed components of remuneration	fixed remuneration components	variable remuneration components	non-cash benefits	remuneration - in total	the proportion between the variable and the fixed components*
Dariusz Blocher	1,700,004	1,370,879	88,713	20,435	3,180,031	81%
Artur Popko	1,156,877	1,455,907	38,854	71354	2,722,992	126%
Cezary Mączka	779,196	424,856	28,917	21556	1,254,525	55%
Marcin Węglowski	804,800	437,675	42,630	35,924	1321029	54%
Jacek Daniewski	786,451	434,623	39,927	11889	1,272,890	55%
Radosław Górski	-	-	137,363	-	137,363	-
Henryk Urbański**	-	487,339	1,384,642	-	1871981	-

* Calculated as the quotient of variable to fixed remuneration

* In the case of Mr Henryk Urbański, the remuneration given for the years 2019-2020 was paid by Budimex Nieruchomości Sp. z o.o. being a subsidiary of Budimex S.A. and was additionally included in part 7 of the report.

VI Remuneration of Members of the Supervisory Board

Fixed remuneration

Members of the Supervisory Board may receive fixed remuneration components in the form of **fixed remuneration** (fixed remuneration for performing the function of a Supervisory Board member, determined in relation to the average monthly remuneration in the enterprise sector without payment of bonuses from profit) and a **functional allowance** (specified in a fixed rate an additional component of remuneration due in connection with the performance of tasks in committees and teams appointed by the Supervisory Board).

The body authorized to establish the principles of remunerating members of the Supervisory Board of Budimex S.A. there is a General Meeting. On April 28, 2015, the General Meeting of Shareholders adopted a resolution pursuant to which Members of the Supervisory Board of Budimex S.A. for participation in the works, the following monthly remuneration is payable:

- a) **Chairman of the Supervisory Board** - twice the average monthly remuneration in the enterprise sector without payment of bonuses from profit, with an index of 1.7,
- b) **Chairman of the Audit Committee of the Supervisory Board** - twice the average monthly remuneration in the enterprise sector without payment of bonuses from profit, with an index of 1.5,
- c) **Chairman of the Investment Committee of the Supervisory Board** - twice the average monthly remuneration in the enterprise sector without payment of bonuses from profit, with an index of 1.3,
- d) **Chairman of the Remuneration Committee of the Supervisory Board** - twice the average monthly remuneration in the enterprise sector without payment of bonuses from profit, with an index of 1.3,
- e) **Vice-chairman of the Supervisory Board** - twice the average monthly remuneration in the enterprise sector without payment of bonuses from profit, with an index of 1.1,
- f) **Secretary of the Supervisory Board** - twice the average monthly salary in the enterprise sector

without payment of bonuses from profit, with an index of 1.2,

- g) **Member of the Supervisory Board** - twice the average monthly salary in the enterprise sector without payment of bonuses from profit, with an index of 1.1.

Members of the Supervisory Board participate in the Employee Capital Plans program if the conditions resulting from the Act of October 4, 2018 on employee capital plans (i.e. Polish Journal of Laws of 2020, item 1342);

Remuneration of Members of the Supervisory Board in 2019

Full name	Fixed remuneration	Remuneration related to work in committees / teams	Additional benefits	Fixed remuneration	Notes
Marek Michałowski	208,187	23,892	-	232,079	-
Juan Ignacio Gaston Najarro	139,633	12,657	-	152,290	-
Agnieszka Słomka-Gołębiowska	85,571	7,779	-	93,350	since 16 May 2019
Danuta Dąbrowska	85,571	27,544	-	113,115	since 16 May 2019
Igor Chalupiec	146,956	12,246	-	159,202	-
Marzenna Anna Weresa	134,709	20,229	-	154,938	-
Piotr Kamiński	55,631	10,115	-	65,746	until 16 May 2019
Janusz Dedo	134,709	13,778	-	148,487	-
Javier Galindo Hernandez	134,709	24,493	-	159,202	-
Jose Carlos Garrido Lestache Rodriguez	134,709	5,057	-	139,766	-
Fernando Luis Pascual Larragoiti	139,599	12,691	-	152,290	-

Remuneration of Members of the Supervisory Board in 2020

Full name	Fixed remuneration	Remuneration related to work in committees / teams	Additional benefits	Fixed remuneration	Notes
Marek Michałowski	218,157	25,665	-	243,822	-
Juan Ignacio Gaston Najarro	141,160	12,833	2,301	156,294	-
Agnieszka Słomka-Gołębiowska	141160	12,833	2,301	156,294	-
Danuta Dąbrowska	141160	51331	2,877	195,368	-

Igor Chalupec	153,993	12,833	2,493	169,319	-
Marzenna Anna Weresa	70,884	-	-	70,884	until 18 June 2020
Artur Kucharski	75,155	-	177	75,332	since 18 June 2020
Janusz Dedo	141160	25,665	-	166,825	-
Javier Galindo Hernandez	141160	25,665	-	166,825	-
Jose Carlos Garrido Lestache Rodriguez	141160	-	-	141160	-
Fernando Luis Pascual Larragoiti	141160	12,833	-	153,993	-

PART 3. EXPLANATION OF THE WAY THAT THE TOTAL REMUNERATION CONTRIBUTES TO THE ACHIEVEMENT OF THE COMPANY'S LONG-TERM RESULTS

The Company's remuneration policy is aimed at attracting, retaining and motivating Members of the Management Board to the long-term and sustainable development of the company. Remuneration is related to the company's performance as well as individual results.

Fixed remuneration is shaped at a level adequate to the position held, its complexity, impact on the company's results, as well as the required knowledge and experience. In order to properly determine the amount of remuneration, Budimex uses independent remuneration reports.

The second element of the remuneration system is the system of variable remuneration components for Management Board Members. The basic variable component of remuneration are bonuses, which consist of 3 independent elements:

- 1) **bonuses for the implementation of individual tasks and competence assessment,**
- 2) **bonuses for achieving company-wide goals for the Budimex Group,**
- 3) **bonuses for exceeding the overall corporate goals for the Budimex Group** - in the case of Mr Artur Popko and Mr Radosław Górski, this element is replaced by a commission mechanism, making the amount of payment dependent on the gross profit achieved in the managed area.

The bonus for the implementation of individual tasks allows to direct the activities of the Management Board Members to the implementation of:

- **personal tasks**, in particular the development of competences of the Management Board Members or subordinate employees, mainly regarding soft skills for the effective performance of the entrusted functions - in the opinion of the Company, the development of personal competences and skills of the Management Board Members in the long term implements the interests of shareholders, as it contributes to the quality of services provided by the Management Board Members to the Company,
- **economic tasks**, in particular in the field of development of specific sectors of the Company's operations, effectiveness of the conducted activity, timely implementation of projects, sale or purchase of specific items of property or part of the enterprise, construction or change of organizational structures of the Company, increase in employment efficiency and work efficiency in subordinate teams, effective implementation specific organizational, technological or business solutions; the selection of economic tasks and indicators to measure their implementation take into account the specificity of the industry in which the Company operates,

- **tasks taking into account the social interest of the Company's environment**, regarding strengthening the positive social role of the Company and its impact on the environment, which in particular concerns tasks aimed at reducing the negative impact of the Company on the environment or society, reducing the number of accidents at work, implementing the Company's educational and social programs, supporting sustainable development economy and society, growth of innovation in this area and other tasks implemented as part of the Company's CSR strategy.

The bonus for achieving the overall corporate goals for the Budimex Group allows to direct activities related to the achievement of the Company's key economic indicators, such as:

- sale,
- profit before tax,
- cash position,
- contracting.

The bonus for exceeding the overall corporate goals for the Budimex Group and, in the case of Mr Artur Popko and Mr Radosław Górski, the commission bonus, directs the efforts to achieve above-average results from business activities.

In order to limit excessive risk-taking in achieving performance improvement, the total variable remuneration is limited to 200% of the gross annual base salary of each of the employees.

The remuneration system combining fixed and variable remuneration is a standard used in today's economic reality. It serves the long-term interest of shareholders, which is increasing the value of the Company. On the one hand, the goal of the remuneration system is to keep the key employees in the Company, who are Management Board Members, and on the other hand, the amount of the total remuneration received from the Company depends on its economic performance. The purpose of the remuneration system is employee retention in the Company, motivation to increase the quality of individual work for the Company and the achievement of business goals.

PART 4. INFORMATION ON HOW THE PERFORMANCE CRITERIA WERE APPLIED

The competences of the Supervisory Board are to determine individual amounts of bonuses for each member of the Management Board based on the provisions of the employment contract, regulating the amount and method of payment of the bonus, as well as the adopted Remuneration Policy for members of Budimex S.A. bodies.

The most important factor affecting the amount of the bonus received is the level of implementation of the 4 key indicators of the Budimex Group's business activities. At the beginning of each year, the Supervisory Board sets the expected levels of all indicators, as well as their weights, which will be taken into account when assessing their implementation at the end of a given period.

The Supervisory Board also accepts individual goals and the expected level of their implementation.

The bonus is divided into individual types of weighting criteria.

Dariusz Blocher

		2018 performance bonus paid in 2019	2019 performance bonus paid in 2020
Criteria and bonus components	% of fixed annual salary	the amount of the bonus resulting from the level of task completion	the amount of the bonus resulting from the level of task completion

variable remuneration components, individual bonus; dependent on individual work results and the implementation of entrusted tasks	25%	282,448	327,757
variable remuneration components, bonus for achieving corporate goals; the part depends on the achievement of financial results of the economic activities of the Budimex Capital Group at the planned level	60%	576,237	904,995
variable remuneration components, bonus for exceeding corporate goals; the part depends on exceeding the financial results of the economic activities of the Budimex Capital Group at the planned level	15%	57,819	138,127
total bonus max	100%	916,504	1370 879

Artur Popko

Criteria and bonus components			2018 performance bonus paid in 2019	2019 performance bonus paid in 2020
	% of fixed annual salary	% of commission	the amount of the bonus resulting from the level of task completion	the amount of the bonus resulting from the level of task completion
variable remuneration components, individual bonus; dependent on individual work results and the implementation of entrusted tasks	20%	-	187,699	167,284
variable remuneration components, bonus for achieving corporate goals; the part depends on the achievement of financial results of the economic activities of the Budimex Capital Group at the planned level	30%	-	185,714	274,632
commission bonus: gross profit of the construction division		0.4%	528,987	513,991
total bonus max	100%		902,400	955,907.0

Cezary Mączka

Criteria and bonus components			2018 performance bonus paid in 2019	2019 performance bonus paid in 2020
	% of fixed annual salary		the amount of the bonus resulting from the level of task completion	the amount of the bonus resulting from the level of task completion
variable remuneration components, individual bonus; dependent on individual work results and the implementation of entrusted tasks	15%		102,384	104,128.00
variable remuneration components, bonus for achieving corporate goals; the part depends on the achievement of financial results of the economic activities of the Budimex Capital Group at the planned level	35%		182,092	254,216.00
variable remuneration components, bonus for exceeding corporate goals; the part depends on exceeding the financial results of the economic activities of the Budimex Capital Group at the planned level	15%		31,321	66,512.00
total bonus max	65%		315,797	424,856

Marcin Węglowski

		2018 performance bonus paid in 2019	2019 performance bonus paid in 2020
Criteria and bonus components	% of fixed annual salary	the amount of the bonus resulting from the level of task completion	the amount of the bonus resulting from the level of task completion
variable remuneration components, individual bonus; dependent on individual work results and the implementation of entrusted tasks	15%	105,625	106,798
variable remuneration components, bonus for achieving corporate goals; the part depends on the achievement of financial results of the economic activities of the Budimex Capital Group at the planned level	35%	187,854	262,261
variable remuneration components, bonus for exceeding corporate goals; the part depends on exceeding the financial results of the economic activities of the Budimex Capital Group at the planned level	15%	32,312	68,616
total bonus max	65%	325,791	437,675

Jacek Daniewski

		2018 performance bonus paid in 2019	2019 performance bonus paid in 2020
Criteria and bonus components	% of fixed annual salary	the amount of the bonus resulting from the level of task completion	the amount of the bonus resulting from the level of task completion
variable remuneration components, individual bonus; dependent on individual work results and the implementation of entrusted tasks	15%	102,590	107,806
variable remuneration components, bonus for achieving corporate goals; the part depends on the achievement of financial results of the economic activities of the Budimex Capital Group at the planned level	35%	185,549	259,042
variable remuneration components, bonus for exceeding corporate goals; the part depends on exceeding the financial results of the economic activities of the Budimex Capital Group at the planned level	15%	31,916	67,775
total bonus max	65%	320,055	434,623

Henryk Urbański

		2018 performance bonus paid in 2019	2019 performance bonus paid in 2020
Criteria and bonus components	% of fixed annual salary	the amount of the bonus resulting from the level of task completion	the amount of the bonus resulting from the level of task completion
variable remuneration components, individual bonus; dependent on individual work results and the implementation of entrusted tasks	20%	133,665	111,720

variable remuneration components, bonus for achieving corporate goals; the part depends on the achievement of financial results of the economic activities of the Budimex Capital Group at the planned level	40%	218,971	305,634
variable remuneration components, bonus for exceeding corporate goals; the part depends on exceeding the financial results of the economic activities of the Budimex Capital Group at the planned level	15%	32,957	69,985
total bonus max	75%	385,593	487,339

Radosław Górski

Criteria and bonus components	% of fixed annual salary	% of the commission	2018 performance bonus paid in 2019	2019 performance bonus paid in 2020
			the amount of the bonus resulting from the level of task completion	the amount of the bonus resulting from the level of task completion
variable remuneration components, individual bonus depending on individual work results and the implementation of assigned tasks	20%	-	79,853	
remuneration components, a bonus for achieving corporate goals, a part depending on the achievement of financial results of the economic activities of the Budimex Capital Group at the planned level	30%	-	150,769	
commission bonus: gross profit of the construction division		0.4%		
total bonus max	100%		230,622	

PART 5. INFORMATION ON THE NUMBER OF GRANTED OR OFFERED FINANCIAL INSTRUMENTS AND MAIN CONDITIONS FOR THE EXERCISE OF RIGHTS UNDER THESE INSTRUMENTS

The Company does not grant or offer financial instruments to members of the Management Board or Supervisory Board.

Members of the Management Board may participate in the "Plan of awarding shares related to Ferrovia's objectives", consisting in the conditional granting of rights to acquire shares in Ferrovia S.A. (a company incorporated under Spanish law) and carried out by this entity. However, it is not part of the remuneration from Budimex S.A. or its subsidiaries.

Supervisory Board of Budimex S.A. in the form of resolution No. 228 of April 24, 2014, it agreed to cover the Management Board and key employees with the incentive plan of PSP Ferrovia Group.

Estimated share-based payment costs related to Ferrovia S.A.'s incentive programs on the Management Board of Budimex S.A. amounted to PLN 1,651 thousand. In 2019, the costs of share-based payments amounted to PLN 1,743 thousand, of which PLN 1,577 thousand was charged to the costs of Budimex S.A., and the difference was covered by subsidiaries.

PART 6. INFORMATION ON CHANGE IN THE ANNUAL TERMS OF THE COMPANY'S REMUNERATION, RESULTS AND THE AVERAGE REMUNERATION OF THE COMPANY'S EMPLOYEES

Based on Article 90g of section 3 of the Act on Public Offering, the report did not include information on the financial years for which the Supervisory Board was not obliged to prepare remuneration reports.

	2020	2019	2018	2017	2016
Gross profit of Budimex S.A. in thousand PLN)	405,842	309,534	-	-	-
Change in %	31%	-22%	-		-
Average remuneration in the company*	11,894	10,357			
Change in the average remuneration	14.84%	5.09%			
Dariusz Blocher	25.17%	0.68%			
Artur Popko	51.69%	5.94%			
Cezary Mączka	14.17%	-14.80%			
Marcin Węglowski	9.14%	-5.70%			
Jacek Daniewski	15.01%	-12.08%			
Radosław Górski	-91.51%	42.24%	-		
Henryk Urbański	54.06%	-11.38%	-	-	

*average monthly remuneration: 1/12 of the sum of all cash benefits (including: fixed and variable salaries, allowances, awards, commissions, equivalents) paid in a given year divided by average employment

PART 7. INFORMATION ON THE AMOUNT OF REMUNERATION FROM ENTITIES BELONGING TO THE SAME CAPITAL GROUP IN THE MEANING OF THE ACCOUNTING ACT OF 29 SEPTEMBER 1994

In the period covered by the report, while serving as a Member of the Management Board in the Company, Mr. Henryk Urbański received remuneration from Budimex Nieruchomości Sp. z o.o., based on an employment contract concluded for a definite term of office with a notice period resulting from the applicable provisions of the Labor Code.

Remuneration of members of the management board in 2019

Full name	fixed components of remuneration	fixed remuneration components	variable remuneration components	non-cash benefits	remuneration - in total	the proportion between the variable and the fixed components
Henryk Urbański	805,261	385,593	431	23,785	1,215,070	48%

Remuneration of members of the management board in 2020

Full name	fixed components of remuneration	fixed remuneration components	variable remuneration components	non-cash benefits	remuneration - in total	the proportion between the variable and the fixed components
Henryk Urbański	-	487,339	1,384,642	-	1,871,981	-

In 2020, Mr. Henryk Urbański received a bonus (variable remuneration components) for the results of 2019, a cash benefit in connection with termination of employment and a retirement severance pay.

Mr Henryk Urbański received a compensation benefit in virtue of the non-competition clause. In connection with the termination of the employment relationship with the Company and Mr Henryk Urbański on 31.12.2019, the Company paid compensation until 31.12.2020 for not engaging in competitive activities. The total amount of the indemnity was PLN 598,500.

PART 8. INFORMATION ABOUT THE USE OF REIMBURSEMENT OF VARIABLE REMUNERATION COMPONENTS

Demand to return the paid components of remuneration is possible on the terms specified in generally applicable law, including in particular the Labor Code, the Civil Code, the Code of Commercial Companies.

In the period covered by the report, the Company did not use the option to demand the return of variable remuneration components.

PART 9. INFORMATION ON DEVIATIONS FROM THE REMUNERATION POLICY IMPLEMENTATION PROCEDURE

During the period of validity of the Remuneration Policy for members of the bodies of Budimex S.A. there were no exceptions to the adopted Remuneration Policy.

PART 10. SUMMARY

The Remuneration Committee of the Supervisory Board reviewed and assessed the applied rules in terms of compliance with the applicable regulations and good market practices.

Due to the fact that this is the first remuneration report prepared pursuant to Art. 90g of the Act on Public Offering, this report does not contain explanations and information referred to in Art. 90 g section 8 of the Act on Public Offering.

The Supervisory Board adopted this report by Resolution No. 335 of April 6, 2021.