

Justification for draft resolution No 249 of the Annual General Meeting of Budimex S.A. on the distribution of profit for 2015

The Management Board and the Supervisory Board recommend allocation of the net profit for 2015 in the amount of PLN 207,814,997.72 to dividend at gross PLN 8.14 per share, on the basis of the following:

- In 2015, Budimex S.A. reported net profit of PLN 208,008 thousand,
- as at 31 December 2015, Budimex S.A. held cash and cash equivalents in the amount of PLN 1,983,136 thousand, and the dividend payment will not have an adverse effect on the Company's financial liquidity in 2016.

Justification for draft resolution No 275 of the Annual General Meeting of Budimex S.A. on adherence to the "Best Practice of WSE Listed Companies 2016" at Budimex S.A., introduced by Resolution of the Supervisory Board of Giełda Papierów Wartościowych w Warszawie S.A. (WSE) No 26/1413/2015 of 13 October 2015 — DPS 2016.

In relation to the Resolution of the Supervisory Board of the Giełda Papierów Wartościowych w Warszawie S.A. (WSE) No 26/1413/2015 of 13 October 2015 introducing new the "Best Practice of WSE Listed Companies 2016" effective as of 1 January 2016, the Management Board and the Supervisory Board of Budimex S.A. found it expedient to propose to the next General Meeting of Budimex S.A. (i.e. the Annual General Meeting of Budimex S.A. to be held on 26 April 2016) that a resolution in that matter be adopted.

The Management Board of Budimex S.A. adopted Resolution No 22 of 11 December 2015 on that matter. In accordance with this resolution, the Company does not enable its Shareholders to participate in a general meeting using electronic communication means through:

- (i) two-way real-time communication process during which shareholders can take the floor during the General Meeting while being at a location other than the meeting venue — Rule No IV.R.2 item 2) in Chapter IV General Meeting and Shareholder Relations,
- (ii) the option to exercise voting rights in person or through a proxy in the course of the General Meeting from a location other than the meeting venue of General Meeting, using electronic communications — Principle No IV.R.2 item 3) in Chapter IV General Meeting and Shareholder Relations.

The Company upholds the previously presented position in relation to continued doubts as to the possibility of ensuring a legally safe manner of execution of the General Meeting if shareholders are granted the abovementioned option, in particular, taking into account the number of shareholders normally participating in the General Meeting of Budimex S.A. Therefore, in the opinion of the Company, such situation still bears technical, and in consequence legal threats to the correct and efficient execution of the General Meeting. In the abovementioned resolution, the Management Board also determined that:

- a. in accordance with principle I.Z.1.15. (Diversity Policy) in chapter I. Disclosure Policy and Investor Communications, the Company applies the diversity policy to its governing bodies and key managers, and as a result it shall prepare in one document the principles of this policy covering in particular such elements as sex, education, age, professional experience, so that it is possible to publish the relevant description on its website,
- b. principle III.Z.3. in chapter III. Internal Systems and Functions (the independence of the person managing the internal audit function and other persons responsible for the performance of its tasks in line with generally accepted international standards of the professional internal audit practice), is applied by the Company in such a way that in accordance with the adopted division of competencies between individual bodies of the Company, the matters related to employing the Office of Internal Control staff, including their remuneration, are in the competencies of the Management Board of the Company, and the Audit Committee of the Supervisory Board monitors the efficiency of internal control systems and internal audit, i.e. the actions of the Office

of Internal Control, is informed of the activity plan of internal audit, receives reports of these activities or periodical summaries from the Office of Internal Control, the employees of the Office of Internal Control are obliged to perform audits primarily at the request of the Supervisory Board and the Audit Committee of the Supervisory Board, c. taking into account that the Management Board and the Supervisory Board apply previous corporate governance principles regarding conflicts of interest, and the relevant provisions do not occur in internal regulations of the Company regarding the Supervisory Board (Bylaws of the Supervisory Board), on the basis of principle V.Z.6. of DPS 2016, it was proposed to the Company's Supervisory Board to supplement the Bylaws of the Supervisory Board with a provision under which a member of the Supervisory Board shall inform the Supervisory Board of an existing conflict of interest which has arisen or may arise, and shall refrain from discussing such issue, including from voting.

The Management Board applied to the Company's Supervisory Board to adopt the relevant resolution.

The Supervisory Board of Budimex S.A. adopted the Resolution on 16 December 2015 implementing for application as of 1 January 2016 by all members of the Supervisory Board as well as by the Supervisory Board as a body, the best practice set out in DPS 2016 in the scope identical with the resolution adopted by the Management Board. At the same time, the Supervisory Board obliged the Members of the Board to supervise the adherence to the principles set out in DPS 2016 in the Company.

On 14 March 2016, by Resolution No 242, the Supervisory Board amended the Bylaws of the Supervisory Board by adding the following art. 12b:

“A Member of the Supervisory Board shall notify the Supervisory Board about any conflicts of interest which have arisen or may arise, and shall refrain from discussing such issue, including from voting on the adoption of a resolution on the issue which gives rise or may give rise to such conflict of interest.

A conflict of interest occurs in particular in the case of a conflict between the Company's interests and interests of a member of the Supervisory Board, his/her spouse, next of kin and relations by affinity up to the second degree, and persons with whom he/she has personal ties.”

Therefore, upon request of the Management Board, by Resolution No 243 of 14 March 2016, the Supervisory Board applied to the Annual General Meeting to adopt Resolution No 275 in the proposed wording, which will implement the corporate governance principles set out in the “Best Practice of WSE Listed Companies 2016” for application in the Company, except for the obligation of the Company to enable the shareholders:

- 1) two-way real-time communication process during which shareholders can take the floor during the General Meeting while being at a location other than the meeting venue — Rule No IV.R.2 item 2) in Chapter IV General Meeting and Shareholder Relations,
- 2) the option to exercise voting rights in person or through a proxy in the course of the General Meeting from a location other than the meeting venue of General Meeting, using electronic communications — Principle No IV.R.2 item 3) in Chapter IV General Meeting and Shareholder Relations.

and determining that:

- a. in accordance with principle I.Z.1.15. (Diversity Policy) in chapter I. Disclosure Policy and Investor Communications, the Company applies the diversity policy to its governing bodies and key managers, and as a result it shall prepare in one document the principles of this policy covering in particular such elements as sex, education, age, professional experience, so that it is possible to publish the relevant description on its website,
- b. principle III.Z.3. in chapter III. Internal Systems and Functions (the independence of the person managing the internal audit function and other persons responsible for the performance of its tasks in line with generally accepted international standards

of the professional internal audit practice), is applied by the Company in such a way that in accordance with the adopted division of competencies between individual bodies of the Company, the matters related to employing the Office of Internal Control staff, including their remuneration, are in the competencies of the Management Board of the Company, and the Audit Committee of the Supervisory Board monitors the efficiency of internal control systems and internal audit, i.e. the actions of the Office of Internal Control, is informed of the activity plan of internal audit, receives reports of these activities or periodical summaries from the Office of Internal Control, the employees of the Office of Internal Control are obliged to perform audits primarily at the request of the Supervisory Board and the Audit Committee of the Supervisory Board.

At the same time, it needs to be noted that the Company has provided the broadcast of the General Meeting in real time for several years, and no changes in this respect are planned.