

Report on operations of the Budimex Group and Budimex SA for 2022

(all amounts included in the tables are denominated in PLN '000, unless specified otherwise)

- Artur Popko – 2,031 shares
- Marcin Węglowski – 2,830 shares

As at 31 December 2022 members of the Supervisory Board of Budimex SA held the following number of shares:

- Marek Michałowski – 4,000 shares

5.2 Information on the acquisition of equity shares

In 2022, Budimex SA did not acquire equity shares.

5.3 Information on the system of control of employee share schemes

The Company did not introduce employee share schemes.

5.4 Information on agreements known to the Company (including agreements made after the balance sheet date) that may result in changes in the proportion of shares held by the existing shareholders in the future

As at the date of the publication of this report, Budimex SA does not have any information on agreements that may result in changes in the proportion of shares held by the existing shareholders in the future.

5.5 Information on charity and sponsorship activities

For years Budimex has been carrying out projects aimed at its sustainable development. In 2021, the company announced the 'CSR Strategy for 2021-2023', which refers to the UN Sustainable Development Goals and is divided into six key areas of responsibility:

- ensuring the highest occupational health and safety standards,
- reducing the negative impact on the environment and climate,
- caring for employee development and job satisfaction,
- caring for the highest quality and building of innovation culture in the company,
- preventing abuse,
- dialogue with and support for local communities.

As of 2011, Budimex S.A. remained in the composition of the RESPECT Index – the first stock market index in Central and Eastern Europe concentrating shares of socially responsible companies, and since September 2019, it has been in the composition of the WIG-ESG index, which replaced the RESPECT Index.

Budimex SA attaches great importance to cooperation with local communities, supporting them, and limiting the negative impact on the residents of areas where the company operates.

The management of the area of the Budimex Group's social impact is defined in the 'Principles of the Company's Responsibility Policy'. This document includes, but is not limited to, provisions directly or indirectly related to aspects of social impact, imposing ethical and responsible conduct in all activities, transparency and application of the best corporate governance practices, as well as contributing to socio-economic development.

The second document functioning in this area is the 'Policy of Cooperation with Local Communities'. It indicates specific activities to be taken both before the commencement of construction works (conducting a dialogue with the local community on a given project in order to respond to concerns related to the performance of the investment) and during the term of the contract (building relations with the social environment of the project).

The construction of road and railway infrastructure in the long-term perspective is one of the conditions for the social and economic development of the country and, as a result, improves the quality of life of a given community. However, at the stage of the construction work performance, it involves specific nuisances, especially for residents of areas directly adjacent to a given project (e.g. increased traffic and noise resulting from the transport of construction materials or machine operation). Each potential aspect of the environmental impact of the project is already analysed at the stage of issuing administrative decisions and residents' representatives take part in public consultations. The Budimex Group conducts also non-obligatory, additional public consultations in the course of designing e.g. bypass routes or road closures. To this end, at this stage of the design development it participates in sessions of municipal and city councils in order to answer doubts and respond to comments on an ongoing basis. These are also often meetings in the offices of mayors or municipality heads aimed at discussing changes that are going to take place in the scope of the investment to be carried out and working out and adjusting jointly the communication to the needs of the residents. Moreover, Budimex provides residents with feedback channels through a contact form available on www.budimex.pl and corporate social media profiles. In this way, it reduces the risk of phenomena that may negatively affect neighbours of the implemented undertakings or lead to delays and downtimes in works resulting from protests of residents, blocking the works by them or extension of administrative procedures.

One of more sensitive investments implemented by Budimex SA in 2022 was the Barrier on the Polish-Belarusian border. In connection with the identification of risks related to its implementation, Budimex SA identified all stakeholders within conducting this investment of strategic importance for Poland. The Company has a mapping of stakeholders under the most critical and media contracts, which facilitates cooperation during the investment with local community.

We are aware that in the period of our projects we have a significant impact on the lives of local communities. Although our long-term goal is to improve the quality of their lives, we are not indifferent to the needs of the community here and now. That is why open to a dialogue, we meet representatives of the communities, listen to their needs and respond as far as possible to ensure good neighbourly

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relations. We supports local initiatives, facilitates communication around an ongoing project and stimulates charitable activities to build valuable relationships on a long-term basis. Wherever we operate, we also invite residents to work together. For this purpose, we establish contacts with universities and secondary technical schools, offering students a programme preparing for the occupation performance. By sharing our experience, we believe that we enable young generations to have a better start in the world of tomorrow.

In concern for future generations, for years we have been successfully carrying out the proprietary programme 'Hello ICE. Budimex for Children'. During direct meetings at educational institutions, we share our experience with young people and tell them how they can take care of safety in traffic, as well as train them in first aid. We want to extend our offer for children and young people, increasing the scope of education in the area of micromobility (safe on roller-blades/scooters/skateboards).

One of Budimex SA original social projects is 'Parent Zone' – a programme run continuously since 2012. The main purpose of the programme is to create comfortable conditions for parents of sick children to be with their children in hospitals, thus improving the well-being of children and facilitating their faster recovery. Thanks to such places as the Parent Zones, young patients can get away from the thoughts about the illness for a while, and spend their time in an interesting way. The programme also supports parents who can constantly accompany their children during their difficult times. As part of the project, special areas are set aside for parents in the children's wards. The 'Parent Zone' is a great commitment of our company's employees who repair hospital rooms within volunteering activities. In 2022, Budimex SA opened new Parent Zones in hospitals in Pisz and Bydgoszcz, with 14 volunteers who worked for 300 hours, and approximately 1,000 beneficiaries have benefited from both Zones.

In 2022, Budimex SA completed 'Home from the Heart 2'. This is a voluntary project designed for families with many children in a difficult financial situation. Budimex volunteers, using their expertise, supported for the second time a multi-child family in a difficult financial situation. This time, the company helped an 8-person family from Brusy in the Pomorskie Voivodeship, which only lacked a finished house for a peaceful, safe and happy life. Budimex SA, together with the partners of the action, put into use a beautiful, functional and energy-efficient house, in which the family can fulfil their further dreams.

Every year, the company launches an employee volunteering programme, under which the employees can submit ideas and implement volunteering projects. The 'Grant for Volunteering' programme has existed at Budimex SA since 2015. Volunteering may be based on employees' professional competences and skills, but also on the work and physical effort put into the project. A good example of such actions is the renewal of a common room at a children's home or single mother's home, or organising (renewing, equipping) a playground for children from a social care centre, etc. In 2022, within the Grant for Volunteering programme the Budimex Group's volunteers supported the renovation of a local charity's roof and improved the social conditions at a school for children with autism. Within 'Aid for Ukraine', a special edition of the Grant for Volunteering programme, Budimex employees renovated a bathroom for refugees, supported 300 families in a town in the Bucha region, providing them with the most important food products, equipped the Reception Point for Refugees in Ustrzyki Dolne and actively participated in the assistance in unloading the material aid delivered to the storehouse, developed the surroundings of the building with the common room created for the needs of women and their children from our eastern border, as well as renovated the games room in the refugee facility. A total of 58 volunteers worked for over 700 hours in 2022, completing 7 grants for the amount of PLN 136,000.

The Budimex Group is actively involved in sponsorship and charity activities. The document regulating this area of activities is the 'Instruction for Approval of Sponsorship Projects, Patronages and Donations'.

In 2022, the Budimex Group was active in a number of sponsorship and charity programmes and activities. In 2022, we continued the implementation of socio-cultural and educational projects by supporting the following initiatives:

- The 'Diamond Explorers' scholarship programme, aimed at providing financial support to talented and effective groups of young people to give them the opportunity to participate in prestigious international and national scientific and technical contests, in particular in such fields as technology, engineering, design, industrial design, mathematics and management.
- The Demos Foundation, which helps young people in a difficult life situation. This organisation provides premises for educational, therapeutic and sports activities. It organises workshops for youth leaders and scholarship programmes.
- Support for education in regions combating poverty:
- Purchase of school equipment, support for summer holidays and organisation of educational tournaments in the Warmia-Masuria, Masovian, Podlaskie and Łódź Provinces.
- Support for voluntary fire brigades in the Łódź and Podkarpacie regions,
- Foundation's support: 'Nobody is left behind', 'Stare Powązki', 'Inter-school Sports Club Wola in Warsaw', 'Children's Friends Society in Warsaw', 'MRKS Czechowice-Dziedzice', 'Integration JP II' in Łódź, 'Demos' in Kraków and 'Prince Józef Poniatowski'

The sum of all donations made in 2022 amounted to PLN 1,945 thousand, and the number of projects 43.

No cases of socio-economic non-compliance were identified in 2022, and therefore no penalties were imposed on the Budimex Group's companies.