

(all amounts in tables are expressed in PLN thousand, unless stated otherwise)

On 14 March 2016, by Resolution No. 242, the Supervisory Board introduced the aforementioned amendments to the Bylaws of the Supervisory Board by adding sec. 12b to the Bylaws. Next, at the request of the Management Board, by Resolution No. 243 of 14 March 2016, the Supervisory Board asked the Ordinary General Meeting to adopt a resolution on observing the "Best Practices of WSE Listed Companies 2016" to the extent specified in the aforementioned resolutions of the Management Board and the Supervisory Board.

In 2016, the Ordinary General Meeting of Shareholders of the Company, by Resolution No. 275 of 26 April 2016, adopted for use the "Best Practices of WSE Listed Companies 2016" as suggested by the Management Board and the Supervisory Board. The document containing corporate governance policies was and is still posted on the Company's website at <http://www.budimex.pl>.

The Diversity policy is published on the Company's website.

At the same time, it needs to be noted that the Company has been providing a broadcast of the General Meeting in real time for several years, and no changes in this respect are planned. In addition, measures were taken in 2020 to reorganise the internal audit function.

6.2 Compliance policy

In September 2017, the Management Board of Budimex SA adopted the Compliance Policy. Adoption of the Policy demonstrates the importance that the Company attaches to conducting its business in compliance with applicable laws, ethical standards and fair play rules. The Compliance Policy adopted aggregated the internal regulations in place at the Company, making them more formal in scope and nature. It was also important to draw the attention of both the Company's external environment and employees/associates to the importance of complying with the applicable laws and with ethical and moral principles in day-to-day business operations. The Compliance Policy contains a catalogue of prohibited activities, although this catalogue is not exhaustive, and indicates the main areas of the Company's business where there may be a risk of violation of the law. It also refers to internal legal acts in force at the Company and aimed at organising and formalising specific processes in order to mitigate the risks indicated above. The day-to-day supervision over the Policy implementation has been entrusted to the Compliance Coordinator, supported by a deputy and the Compliance Committee, consisting of representatives of the most important organisational divisions of the Company. Attention had to be paid also to the fact that the Company introduced a uniform whistleblowing system based on compliance communication channels. At subsequent meetings of the Supervisory Board, the Company's Management Board provides the Supervisory Board with information on current activities carried out in the area of compliance and potential irregularities reported to the Company.

6.3 Diversity policy

Diversity and openness constitute integral parts of both the business activities of the Company and its hiring policy. The Diversity Charter signed on 8 November 2016 is a confirmation of the Company's efforts in this area.

The contents of the Diversity Charter have been published on the Company's intranet, as well as made available to employees in printed form at the Head Office and in branches of Budimex SA. In addition, information on signing the Diversity Charter has been published at www.budimex.pl

As a company with many years of experience, Budimex is aware that employees are the most valuable assets and that it is employees who, for many years, have been contributing to the Company's strong position on the market. Having regard to the creation of a friendly working environment, Budimex puts particular emphasis on the policy of equal treatment with regard to:

- gender,
- age,
- disability,
- race, nationality,
- religion, belief,
- lifestyle,
- gender identity, sexual orientation,
- family status,
- political convictions,
- the form, scope of and basis for employment,
- other types of cooperation and other conditions exposing people to discriminatory behaviour.

The Budimex Group companies undertook to implement diversity management and equal rights policies and to promote and disseminate them among all stakeholders of the organisation — from administrative to senior management and supervisory positions.

Budimex has developed and implemented equal rights and diversity management policies in the workplace, with special emphasis placed on recruitment, access to training programs and promotion opportunities, remuneration, reconciliation of professional and family obligations, and protection from mobbing and unjustified dismissal.

The Budimex Group's staff includes people of differing gender and age, which fosters dialogue between people from different generations. The largest group of employees are 30-50 years of age, followed by the group of employees under the age of 30, with people over the age of 50 forming a slightly smaller group. Budimex also breaks down barriers associated with the health of our employees by hiring people with disabilities.

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Structure of employees of the Budimex Group in 2020:

Age (in years)	Women	Men	Total
<30	463	891	1 354
30-50	966	3 553	4 519
> 50	96	1 304	1 400
Total employees	1 525	5 748	7 273

Age and gender structure of the Company's Management Board

	Women	Men	Total
Total Management Board, of which:	0	5	5
under 30 years of age	0	0	0
30-50 years of age	0	1	1
over 50 years of age	0	4	4
including foreign nationals	0	0	0

Age and gender structure of the Company's Supervisory Board

	Women	Men	Total
The Supervisory Board	2	8	10
under 30 years of age	0	0	0
30-50 years of age	1	1	2
over 50 years of age	1	7	8
including foreign nationals	0	4	4

6.4 Key features of the Company's internal control and risk management systems with respect to the process of preparation of the financial statements of Budimex SA and the Budimex Group

The Management Board of Budimex SA is responsible for the implementation and functioning of the internal control system in the process of the preparation of separate financial statements of Budimex SA and the consolidated financial statements of the Budimex Group.

The obligation to prepare financial statements is realised in practice by qualified personnel of the Financial Department under the supervision of a Management Board Member – the Chief Financial Officer of Budimex SA.

The preparation of annual financial statements is preceded by a meeting of the Audit Committee with independent auditors in order to determine the audit scope and plan, and to discuss potential risk areas which may have an impact on the truthfulness and fairness of the financial statements. Additionally, the Budimex Group uses a computer program that supports the identification and management of risks related to the preparation of any financial information, including financial statements.

Preparation of the financial statements is an orderly process which accounts for the delegation of duties of the personnel of the Financial Department of Budimex SA, in accordance with their competences and qualifications. Separate financial statements of the Company are prepared on the basis of its books of account. The books of account of the most significant Group companies are maintained using the finance and accounting system, SAP R/3, which has been used for financial and management accounting purposes since 1 January 2003. The SAP R/3 system is managed centrally by qualified employees of Budimex SA who define authorisation levels for the implementation and modification of transaction data, templates of key reports and changes in the Company's chart of accounts.

Consolidated financial statements are drafted on the basis of consistent consolidation packages prepared electronically by individual Group companies. The process of consolidation is executed by the Department of Reporting and Consolidation and is supervised by the Head of the Accounting Department.

The companies of the Budimex Group apply consistent accounting policies approved by the Management Boards of Budimex SA and subsidiary companies. The correctness of application of the accounting policies by individual companies is regularly monitored by the Department of Reporting and Consolidation and by the Controlling Office of Budimex SA.

The Department of Reporting and Consolidation of Budimex SA is responsible for recommending solutions relating to modifying and updating accounting policies and other WSE reporting requirements, as well as for implementing solutions approved by the Management Board.