

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

- the submission of proposals for the approval of the Supervisory Board for concerning the rules of remunerating members of the Management Board, in particular: of fixed remuneration, performance-based remuneration, pension and severance payment system and of long-term incentive schemes including recommendations as to the goals and evaluation criteria with regard to the appropriate alignment of the remuneration of Bard Members with long-term interests of the shareholders and goals set out by the Supervisory Board for the Company; the presentation to the Supervisory Board proposals regarding the remuneration of individual Bard Members with the assertion of their compliance with the rules of remunerating adopted by the Company and the assessment of the performance of individual Bard Members; the presentation to the Supervisory Board of the proposals of bonus rates, their weighting for the board members based on the budget in the given year; helping the Supervisory board with the oversight of the process in accordance with which the Company complies with the legal regulations regarding information obligations as to remuneration (in particular of the applied rules of remuneration and remuneration of the Board Members); the monitoring of the level and structure of remuneration of the Bard, based on independent remuneration reports, market indicators, and the presentation of appropriate analyses and conclusions; opining on the appointment and the dismissal of the members of Supervisory Boards in Budimex SA subsidiaries with the exception of special purpose vehicles;
- the acceptance, at the request of the Management Board, of the bonus rate for employees of Budimex SA head office to settle the bonus for the previous year and the percentage ratio of salary increases for a given year;
- preparation of the annual report on the operations of the Committee.

6.13 Remuneration policy concerning members of the Supervisory Board, of the Management Board and of key managers of Budimex SA

Members of the Supervisory Board

The body authorised to determine the rules of remunerating members of the Supervisory Board of Budimex SA is the General Meeting. On 28 April 2015, the General Meeting of Shareholders adopted a resolution whereby for the participation in the works of the Supervisory Board, the members of the Supervisory Board of Budimex SA are entitled to a monthly remuneration in the following amounts:

- Chairman of the Supervisory Board - double the average monthly remuneration in the enterprise sector without bonuses paid from the profit, with the ratio of 1.7,
- Chairman of the Audit Committee of the Supervisory Board - double the average monthly remuneration in the enterprise sector without bonuses paid from the profit, with the ratio of 1.5,
- Chairman of the Investment Committee of the Supervisory Board - double the average monthly remuneration in the enterprise sector without bonuses paid from the profit, with the ratio of 1.3,
- Chairman of the Remuneration Committee of the Supervisory Board - double the average monthly remuneration in the enterprise sector without bonuses paid from the profit, with the ratio of 1.3,
- Vice-Chairman of the Supervisory Board - double the average monthly remuneration in the enterprise sector without bonuses paid from the profit with the ratio of 1.1,
- Secretary of the Supervisory Board - double the average monthly remuneration in the enterprise sector without bonuses paid from the profit, with the ratio of 1.2,
- Member of the Supervisory Board - double the average monthly remuneration in the enterprise sector without bonuses paid from the profit, with the ratio of 1.1

Members of the Management Board

The body authorised to determine the rules of remuneration for the members of the Management Board of Budimex SA is the Supervisory Board. These rules define all forms of remuneration, in particular fixed remuneration, performance-based remuneration programme, pension and severance payment system as well as long-term incentive schemes.

In addition, the Supervisory Board carries out all activities in the field of labour law between Budimex SA and the members of the Management Board. Agreements concerning employment relationship on behalf of the Board are signed by the Chairman.

The Members of the Management Board of Budimex SA (the "Company"), in connection with their work and their function in the Management Board, are employed in Budimex SA or its subsidiaries in which they receive remuneration on the basis of employment contracts concluded for the duration of their term of office with the notice period resulting from the applicable provisions of the Labour Code. In addition, the contracts provide for severance pays equal to 6 to 12 monthly remunerations, depending on the position, in the case of dismissal from the management board or the lack of appointment for another term of office for reasons for which Company is responsible. In the case of a resignation at the employee's initiative or due to a culpable act to the detriment of the Company, additional severance pay is not paid and only the notice period resulting from the applicable provisions of the Labour Code is valid.

In addition, the members of the Management Board of Budimex SA concluded a separate non-competition agreement with the Company or the company from which they obtain their remuneration valid for 12 months from the termination of the employment contract. During the term of competition ban, the Company shall pay the employee between 25% and 100% of the monthly base salary, depending on the procedure of termination of the contract and the party initiating the termination of the contract. Contractual penalties shall be applied to the member of the Management Board in the even of violation of the competition ban.

Information on remuneration of the management was presented in the consolidated financial statements of the Budimex Group in note 40.1 and the financial statements of Budimex SA in Note 39.

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The remuneration of members of the Management Board consists of:

- fixed remuneration - a monthly base rate,
- performance-based remuneration (annual bonus), consisting of the following elements: task bonus determined on the basis of the annual assessment of task performance and bonus for the achievement of indicators regarding the business activity of the Budimex Group,
- remuneration in the form of shares as part of the incentive scheme "Shares awarded with regard to the objectives of Ferrovia," whereby the rights to acquire the shares of Ferrovia SA are conditionally granted. Members of the Management Board who continue to be employed for 36 months are granted the right to acquire the shares of Ferrovia. Both the granting and the number of shares acquired depend on the achievement of the assumed economic parameters by the Ferrovia Group within the next three years and the continuation of employment of individual persons in the Company on the date of granting the shares.

Key managers

The Management Board of Budimex SA is the body authorised to establish the rules of remunerating key managers. The remuneration rules are specified in individual employment contracts.

The remuneration of key managers consists of:

- fixed remuneration - a monthly base rate,
- performance-based remuneration (annual bonus), consisting of the following elements: task bonus determined on the basis of the annual assessment of task performance and bonus for the achievement of indicators regarding the business activity of the supervised areas,
- remuneration in the form of shares as part of the incentive scheme "Shares awarded with regard to the objectives of Ferrovia," whereby the rights to acquire the shares of Ferrovia SA are conditionally granted. Members of the Management Board who continue to be employed for 36 months are granted the right to acquire the shares of Ferrovia. Both the granting and the number of shares acquired depend on the achievement of the assumed economic parameters by the Ferrovia Group within the next three years and the continuation of employment of individual persons in the Ferrovia Group on the date of granting the shares.

Non-financial components of remuneration

Non-financial components of remuneration to which individual members of the Management Board and key managers are entitled are the same and include benefits in kind, such as free medical care, the coverage of life and endowment insurance premiums, a company car.

Significant changes in the remuneration policy

There were no significant changes in the remuneration policy in the last financial year.

Remuneration policy assessment

The adopted remuneration policy is an effective management tool supporting strategic objectives of the Company's development and enabling a flexible response to changes in the business environment caused by the shortage of subcontracting companies and the need to expand its own executive forces. Compared to 2017, employment in Budimex SA increased by 11.7%.

7 REPORT ON NON-FINANCIAL INFORMATION

Budimex SA and Budimex Group decided to prepare reports on non-financial information as separate documents. The consolidated statement of the Budimex Group on non-financial information and the separate statement of Budimex SA on non-financial information will be published on the website www.budimex.pl.

Warsaw, 21 March 2019

Dariusz Blocher	President of the Management Board	Electronically signed by Dariusz Blocher Date: 2019.03.21 11:36:57+0T00'
Jacek Daniewski	Member of the Management Board	Electronically signed by Jacek Daniewski Date: 2019.03.21 10:48:04+01'00'
Radosław Górski	Member of the Management Board	Electronically signed by Radosław Górski Date: 2019.03.21 11:19:13+01W
Cezary Mączka	Member of the Management Board	Electronically signed by Cezary Mączka Date: 2019.03.21 12:14:27 +01W
Artur Popko	Member of the Management Board	Electronically signed by Artur Popko Date: 2019.03.20 16:12:50 +01 '00'
Henryk Urbański	Member of the Management Board	Electronically signed by Henryk Urbański Date: 2019.03.21 11:08:07+01'00'

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Marcin Węglowski

Member of the Management Board Electronically signed by Marcin Węglowski
Date: 2019.03.20 16:34:17 +01'00'