

Rationale for the draft resolutions of the Ordinary General Meeting of Budimex S.A. convened for 19 May 2022

Rationale for draft Resolution No. 422 of the Ordinary General Meeting of Budimex S.A. on the distribution of profit for 2021

In connection with the payout of the interim dividend, which was made on 18 October 2021 in the amount of PLN 14.90 gross per share, the Management Board and the Supervisory Board recommend the payout of the remaining part of the dividend in the amount of PLN 23.47 gross per share, based on the following premises:

- After taking into account the payout of the interim dividend, as at 31 December 2021, Budimex S.A. had cash and cash equivalents of PLN 2,379,932,000, and the distribution of the remaining dividend in the amount of PLN 599,191,400.06 will not negatively affect the Company's financial liquidity and its ability to implement investment plans in 2022.

Rationale of the draft of Resolution No. 429 of the Annual General Meeting of Budimex S.A. on approval of the supplementation of the composition of the Supervisory Board of Budimex S.A., which took place on 29 September 23, by co-opting, pursuant to clause 2021(16)(3) of the Company's Articles of Association, a new member of the Supervisory Board – Mr. Mario Mostoles Nieto – due to the resignation of Mr. Javier Galindo Hernandez

Pursuant to the Company's Articles of Association, the Supervisory Board may co-opt a new member in place of a resigning member (§16(3) of the Articles of Association), whereby the co-opted member should be present at the next General Meeting for approval. The next General Meeting after the co-option is the Ordinary General Meeting for 2021.

Rationale of the draft of Resolution No. 430 of the Annual General Meeting of Budimex S.A. on examination and approval of the report on activities of the Supervisory Board of Budimex S.A. in 2021

Pursuant to Article 395 § 5 of the Polish Commercial Companies and Partnerships Code, the subject matter of an annual general meeting may also include other matters than those listed in Article 395 § 2 of the Polish Commercial Companies and Partnerships Code, which defines the minimum agenda for an annual general meeting. In addition, the placement of this item on the agenda is provided for in Rule 2.11. DPSN 2021. In accordance with this rule, the Supervisory Board prepares its annual report once a year and presents it to the Annual General Meeting for approval.

Rationale for draft Resolution no. 431 of the Ordinary General Meeting of Budimex S.A. on the issue of the opinion on the statement of the Budimex S.A. Supervisory Board on remuneration for the members of the Management Board and the Supervisory Board

The basis for the adoption of the resolution in question by the Ordinary General Meeting is Article 90g(6) of the Polish Act on public offering, conditions governing the introduction of financial instruments to organised trading, and on public companies. The resolution on this matter will be adopted by each subsequent Ordinary General Meeting of Budimex S.A.

Rationale of the Draft Resolution of the Ordinary General Meeting of Budimex S.A. on Appointment of a Member of the Supervisory Board of Budimex S.A. for the 11th Term of Office

In connection with the end of the term of office of the members of the Supervisory Board of Budimex S.A. of the tenth term, it is necessary to appoint the Supervisory Board of the 11th term covering the years 2022, 2023, and 2024.

Rationale of the Draft Resolution of the Ordinary General Meeting of Budimex S.A. on Adoption of the Diversity Policy of the Supervisory Board of Budimex S.A.

In view of the coming into force of the DPSN 2021, in particular rules 2.1. and 2.2., it is proposed that the Ordinary General Meeting adopts the Diversity Policy of the Supervisory Board of Budimex S.A. with the contents as attached to the draft resolution.

The Company has published the Diversity Policy of the Budimex S.A. Group on its website. In September 2021, Company's Supervisory Board adopted the Diversity Policy of the Management Board of Budimex S.A., also available on the Company's website.

None of the aforementioned documents, including the draft attached to the Resolution in question, contain a condition of minority participation of not less than 30%. Instead, they provide for the introduction of a minimum level of representation of each gender in the selection process of 30% of all candidates if they are represented among the candidates and their competencies are at least equal to those of the other candidates.

Rationale of the Draft Resolution of the Annual General Meeting of Shareholders of Budimex S.A. on Adoption of "Code of Best Practice for WSE Listed Companies 2021" by Budimex S.A., as Introduced by a Resolution of the Supervisory Board of the Warsaw Stock Exchange No. 13/1834/2021 of 29 March 2021

In connection with the implementation of the "Code of Best Practice for WSE Listed Companies 2021" (DPSN 2021), following the adoption of relevant resolutions by the Management Board and the Supervisory Board of the Company, the next body is the General Meeting of

Shareholders of Budimex S.A. The text of DPSN 2021 is available on the Company's website and as an attachment to the draft of the said Resolution.

In particular, the Board draws shareholders' attention to the principles contained in chapter 4. "General Meeting and Shareholder Relations" and to the Company's report dated December 13, 2021, which identified new policies 4.8., 4.9.1., 4.13. and 4.14. as requiring special attention by the General Meeting.

If adopted, these rules create an obligation on the part of shareholders to meet a 3-day deadline before the date of a General Meeting for the submission of draft resolutions on items on the agenda (rule 4.8), a 3-day deadline before the date of a General Meeting for the submission of candidates for Supervisory Board members (rule 4.9.1), the conditions for adopting resolutions on a new issue of shares with preemptive rights excluded (rule 4.13), and the limitation of the possibility to leave the whole profit in the company to enumerated cases (rule 4.14).

Therefore, in accordance with the draft resolution, it is proposed to adopt for application in the Company the principles of corporate governance contained in the collection of "Best Practices of WSE Listed Companies 2021" ("DPSN 2021") with the exception of:

- 1.1. ensuring that the minority participation in a given body of the Company is not lower than 30% (rule 2.1. and rule 2.2. in chapter 2. Management Board and Supervisory Board DPSN 2021) – following the adoption by the Ordinary Shareholders Meeting of the Diversity Policy of the Supervisory Board, the Diversity Policies of the Budimex Group, the Management Board and the Supervisory Board, which do not include the condition of minority shareholding at the level of not less than 30%, shall apply in the Company. In lieu of this requirement, the aforementioned documents provide for the introduction of a minimum level of representation of each gender in the selection process of 30% of all candidates if such persons are represented among the candidates and their competencies are at least equal to those of the other candidates,
- 1.2. allowing shareholders to participate in the Annual General Meeting by the Company using means of electronic communication (e-General Meeting) (Rule 4.1. of Chapter 4. The General meeting and relations with shareholders DPSN 2021) – The Company does not apply this rule for the same reasons that it did not apply recommendation IV.R.2.(2) and (3) of DPSN 2016. The Company maintains the position presented so far in connection with the still existing doubts as to the possibility of ensuring legally safe participation of shareholders in the General Meeting with the use of electronic means of communication, in particular taking

into account the number of shareholders who usually participate in General Meetings of Budimex SA. Therefore, in the Company's opinion, there are still some threats of both technical and, consequently, legal nature to the correct and efficient conduct of e-general meetings.

Regarding rules 1.3.1., 1.3.2., 1.4., 1.4.1. (regarding the Company's business strategy) and rules 3.4., 3.5., 3.7. from chapter 3. Internal Systems and Functions, it is proposed that the Ordinary General Meeting of Shareholders of Budimex S.A. recommend to the Company's bodies to continue activities aimed at applying the above-mentioned rules.