

# REMUNERATION POLICY FOR MEMBERS OF THE GOVERNING BODIES AND KEY MANAGERS OF ERBUD S.A.

## Appendix to the resolution of the Management Board No. 37/2021 of 23.08.2021

### § 1

#### DEFINITIONS

The following terms have the following meanings in this Policy:

- 1) **Key Managers** - stands for the Company's senior management, directors and managers of departments and organisational units of the Company, including the persons responsible for the audit, risk management and *compliance* departments, but excluding the members of the Management Board and Supervisory Board;
- 2) **Person Covered by the Policy** - stands for a member of the Management Board, a member of the Supervisory Board or a Key Manager;
- 3) **Basis of Employment** - stands for an employment contract, management contract, commission agreement, resolution on appointment or other legal relationship of a similar nature linking the Company with a Person Covered by the Policy;
- 4) **Remuneration Policy** - stands for this Remuneration Policy for Members of the Bodies and Key Managers of ERBUD S.A.;
- 5) **Remuneration Policy for Members of the Bodies** - stands for the remuneration policy for members of the Supervisory Board and the Management Board of ERBUD S.A., adopted under Resolution No. 18/2020 of the Ordinary General Shareholders Meeting of the Company dated 30 June 2020, and further detailed under Resolution No. 58/2020 of the Supervisory Board of the Company dated 4 September 2020;
- 6) **Supervisory Board** - stands for the Supervisory Board of the Company;
- 7) **Company** - stands for ERBUD Spółka Akcyjna with registered office in Warsaw at ul. Franciszka Klimczaka 1, 02-797 Warsaw, registered in the Register of Entrepreneurs of the National Court Register, maintained by the District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Division of the National Court Register, under KRS No. 0000268667, using the following REGON (statistical number): 005728373, NIP (tax identification number): 8790172253;
- 8) **ESG Strategy** - stands for the ESG Strategy of ERBUD S.A.;
- 9) **Act on Public Offering** - stands for the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005 (Official Journal of Laws 2020, item 2080, as amended);
- 10) **Management Board** - stands for the Management Board of the Company.

### § 2

#### OBJECTIVES AND APPLICATION OF THE POLICY

1. The Company strives to maintain stability of its management staff and motivates members of the Supervisory Board, Management Board and Key Managers to achieve the best

possible results in their work for the Company and its capital group by, among others, establishing and applying fair, just and transparent remuneration principles in the Company.

2. The Remuneration Policy contributes to the implementation of the development strategy of the Company and its capital group, including the ESG Strategy. The remuneration of the Persons Covered by the Policy is shaped in a way that motivates to achieve the objectives of the Company and its capital group, including, among others, the market, performance, loyalty and non-financial objectives of the Company (“**Objectives**”).
3. The provisions of this Remuneration Policy apply to members of the Management Board and the Supervisory Board only to the extent not regulated in the Remuneration Policy for the Members of the Bodies adopted by the Company pursuant to Article 90c and subsequent articles of the Act on Public Offering. Provisions of this Remuneration Policy that are contrary to the provisions of the Remuneration Policy for the members of the Management Board and the Supervisory Board shall not apply.
4. Without prejudice to the Remuneration Policy and the Policy on Remuneration of the Members of the Bodies, the principles of remuneration of Persons Covered by the Policy are regulated by the content of the Basis of Employment and provisions of other documents establishing the remuneration principles adopted in the Company.

### **§ 3**

#### **REMUNERATION PRINCIPLES**

1. The principles of remuneration of a Person Covered by the Policy under the Remuneration Policy contribute to the Objectives by:
  - a) maximizing the commitment of the Person Covered by the Policy to their role with the Company,
  - b) motivating the Person Covered by the Policy to achieve the Objectives,
  - c) permanently binding the Person Covered by the Policy to the Company,
  - d) providing an amount of the remuneration of the Person Covered by the Policy that is appropriate to the financial and business performance of the Company and its capital group,
  - e) providing conditions for the Person Covered by the Policy to avoid undertaking undue risk as part of their duties resulting from the function performed in the Company.
2. Objective, non-discriminatory criteria are considered in determining the remuneration of a Person Covered by the Policy, including:
  - a) the responsibilities of the position and the qualifications and experience of the Person Covered by the Policy,
  - b) extraordinary achievements of the Person Covered by the Policy,
  - c) market standards for the remuneration structure of a position or group of positions.
3. The Remuneration Policy takes into account the terms and conditions of employment and remuneration of the Company's employees other than the Person Covered by the Policy by ensuring that the terms and conditions of the remuneration of the Person Covered by

the Policy are justified by the extent of the responsibility that attaches to that person's role in the Company.

4. The remuneration rules for Persons Covered by the Policy are non-discriminatory, in particular with regard to remuneration and ensuring equal access to promotions, bonuses and rewards for women and men.
5. Pursuant to the provisions of the ESG Strategy, the Company ensures that women and men employed by the Company who perform equal work or work of equal value receive equal remuneration for such work. Work of equal value is understood as work the performance of which requires comparable professional qualifications, confirmed by documents provided for in separate regulations or by practice and professional experience, as well as comparable responsibility and effort.

#### **§ 4**

#### **REMUNERATION STRUCTURE**

1. Remuneration is awarded in cash and may be awarded in non-cash form where the Basis of Employment so provides.
2. The structure of a remuneration of the Person Covered by the Policy is determined by the Basis of Employment. Components of remuneration may in particular include:
  - a) fixed remuneration - granted in the form of a basic salary provided for in the Basis of Employment;
  - b) variable remuneration - the granting and amount of which are not guaranteed, including for example
    - annual bonus - the granting and amount of which depend on the financial result achieved by the Company or its capital group in a given year;
    - task bonus - related to the completion of a specific task;
    - additional benefits - non-monetary benefits such as, among others, the possibility of using company equipment or covering the costs of medical care;
    - remuneration awarded in the form of financial instruments - in the form and on the terms defined in the incentive schemes adopted by the Company.
3. Verification of the fulfilment of the criteria for the award of variable remuneration takes place in the manner set out in the Basis of Employment, in particular in the case of:
  - a) criteria of financial nature - on the basis of data from the approved financial statements of the Company, its capital group or companies over which the given Person Covered by the Policy exercises supervision;
  - b) criteria of a non-financial nature - on the basis of data confirming the fulfilment of standards and objective measures of the implementation of a specific task, allowing the authorised body to assess the effectiveness of actions taken by the Person Covered by the Policy and, consequently, the fulfilment of such criteria.
4. The award, determination and payment of remuneration are made in a timely manner, once the criteria for awarding particular elements of remuneration have been ascertained. The detailed procedure for the award, determination and payment of remuneration is governed by the Basis of Employment.

5. With respect to the members of the Supervisory Board and the Management Board, the provisions of sections 1-4 above do not apply. The form, structure and manner of determination and payment of remuneration to members of the Supervisory Board and the Management Board is determined exclusively by the Remuneration Policy for Members of the Bodies and the Basis of Employment binding upon them.

## **§ 5**

### **FINAL PROVISIONS**

1. This Remuneration Policy becomes effective upon its adoption by resolution of the Management Board.
2. Any amendments to this Remuneration Policy must be adopted by a resolution of the Management Board.