

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No.

26

/

2022

Date:

June 22nd 2022

Abbreviated issuer name:

FAMUR S.A.

Subject:

Resolutions passed by FAMUR Annual General Meeting on June 22nd 2022

Legal basis:

Art. 56.1.2 of the Public Offering Act – Current and periodic information

Text of the report:

The Management Board of FAMUR S.A. of Katowice (the “Company”) publishes, attached hereto, the resolutions passed by the Annual General Meeting of the Company on June 22nd 2022.

Legal basis: Par. 19.1.6 of the Minister of Finance’s Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated April 20th 2018.

| | | | |
|-----------------------------------|--|--|--|
| FAMUR Spółka Akcyjna | | (full issuer name) | |
| FAMUR S.A. | | Electromechanical (ele) | |
| (abbreviated issuer name) | | (sector according to the WSE) | |
| 40-698 | | Katowice | |
| (postal code) | | (city/town) | |
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| 634-012-62-46 | | 270641528 | |
| (Tax Identification Number – NIP) | | (Industry Identification Number – REGON) | |

SIGNATURES OF AUTHORISED REPRESENTATIVES

| Date | Full name | Position | Signature |
|----------------|-------------------|-----------------------------------|-----------|
| June 22nd 2022 | Mirosław Bendzera | President of the Management Board | |

| | | | |
|----------------|-------------------|--|--|
| June 22nd 2022 | Beata Zawiszowska | Vice President, Chief Financial Officer | |
|----------------|-------------------|--|--|

LIST OF RESOLUTIONS PASSED BY THE ANNUAL GENERAL MEETING ON JUNE 22ND 2022

RESOLUTION NO. 1
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to appoint the Chair of the Annual General Meeting-----

Section 1

Pursuant to Art. 409.1 of the Commercial Companies Code, the Annual General Meeting of FAMUR S.A. of Katowice appoints Ms Karolina **Blacha-Cieřlik** as Chair of the General Meeting.-----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The resolution was passed unanimously. -----

RESOLUTION NO. 2
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to appoint the Ballot Counting Committee-----

1. The Annual General Meeting of **FAMUR S.A.** of Katowice resolves not to appoint the Ballot Counting Committee.-----
2. This Resolution shall become effective as of its date.-----

In an open ballot, 357,064,655 valid votes were cast in favour of the resolution by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in

favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 3
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to receive the Company's financial statements for 2021-----

Section 1

Pursuant to Art. 395.2.1) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of FAMUR S.A. of Katowice receives the financial statements for the financial year 2021, comprising:-----

- the statement of financial position as at December 31st 2021, showing total assets and total equity and liabilities of PLN 2,599m; -----
- the statement of profit or loss for the period from January 1st to December 31st 2021, showing a net profit of PLN 35m; -----
- the statement of comprehensive income for the period from January 1st to December 31st 2021, showing total comprehensive income of PLN 38m; -----
- the statement of changes in equity for the financial year from January 1st to December 31st 2021, showing an increase in equity of PLN 38m; -----
- the statement of cash flows for the financial year from January 1st to December 31st 2021, showing a net increase in cash of PLN 396m; -----
- the notes, including a summary of the adopted accounting policies and other explanatory notes. -----

Section 2

This Resolution shall become effective as of its date.-----

In an open ballot, 357,064,655 valid votes were cast in favour of the resolution by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the

resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 4
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to receive the Directors' Report on the Company's and the Group's operations in 2021,
including a non-financial statement -----

Section 1

Pursuant to Art. 395.2.1) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice receives the Directors' Report on the Company's and Group's operations in 2021.

Section 2

This Resolution shall become effective as of its date.-----

In an open ballot, 357,064,655 valid votes were cast in favour of the resolution by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 5
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to allocate the Company's net profit for the financial year 2021 -----

Section 1

Pursuant to Art. 395.2.2), Art. 348.1, Art. 396.5 of the Commercial Companies Code, and pursuant to Articles 19.1–19.3 of the Articles of Association of **FAMUR S.A.** (the

“Company”), the Annual General Meeting of the Company hereby resolves to allocate the Company’s total net profit earned in the financial year ended December 31st 2021, of PLN 35,267,125.52, to the Company’s statutory reserve funds. -----

Section 2

This Resolution shall become effective as of its date.-----

In an open ballot, 356,895,152 valid votes were cast in favour of the resolution by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 99.95% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed by the required majority. -----

RESOLUTION NO. 6
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to receive the consolidated financial statements for 2021 -----

Section 1

Pursuant to Art. 395.2.1) of the Commercial Companies Code and Art. 17 of the Company’s Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice receives the consolidated financial statements for the financial year 2021, comprising: -----

- the statement of financial position as at December 31st 2021, showing total assets and total equity and liabilities of PLN 3,220m; -----
- the statement of profit or loss for the financial year from January 1st to December 31st 2021, showing a net profit of PLN 25m; -----
- the statement of comprehensive income for the period from January 1st to December 31st 2021, showing total comprehensive income of PLN 29m; -----
- the statement of changes in equity for the financial year from January 1st to December 31st 2021, showing an increase in equity of PLN 199m; -----
- the statement of cash flows for the financial year from January 1st to December 31st 2021, showing a net increase in cash of PLN 434m; -----

- the notes, including a summary of the adopted accounting policies and other explanatory notes. -----

Section 2

This Resolution shall become effective as of its date.-----

In an open ballot, 357,064,655 valid votes were cast in favour of the resolution by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 7
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Management Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Miroslaw **Bendzera** in respect of his duties as President of the Management Board in the period from January 1st to December 31st 2021.-----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 8
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Management Board-----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Ms Beata **Zawiszowska** in respect of her duties as Vice President of the Management Board in the period from January 1st to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 9
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Management Board-----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Dawid **Gruszczyk** in respect of his duties as Vice President of the Management Board in the period from January 1st to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 10
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2021

to grant discharge from liability to member of the Management Board-----

Section 1

Pursuant to Art. 395.2.3 of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Adam **Toborek** in respect of his duties as Vice President of the Management Board in the period from January 1st to June 21st 2021.-----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 11
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Management Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Tomasz **Jakubowski** in respect of his duties as Vice President of the Management Board in the period from January 1st to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 12
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Management Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Ireneusz **Kazimierski** in respect of his duties as Vice President of the Management Board in the period from January 1st to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 13
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Supervisory Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Tomasz **Domogala** in respect of his duties as Chair of the Supervisory Board in the period from January 1st to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 14
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Supervisory Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Czesław **Kisiel** in respect of his duties as Deputy Chair of the Supervisory Board in the period from January 1st to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 15
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Supervisory Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Jacek **Leonkiewicz** in respect of his duties as Member of the Supervisory Board in the period from January 1st to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the

resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 16
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Supervisory Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Ms Magdalena **Zajączkowska-Ejsymont** in respect of her duties as Member of the Supervisory Board in the period from January 1st to June 22nd 2021.

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 17
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Supervisory Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants

discharge from liability to Ms Dorota **Wyjadłowska** in respect of her duties as Member of the Supervisory Board in the period from January 1st to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 18
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Supervisory Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Tomasz **Kruk** in respect of his duties as Member of the Supervisory Board in the period from January 1st to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 19
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to grant discharge from liability to member of the Supervisory Board -----

Section 1

Pursuant to Art. 395.2.3) of the Commercial Companies Code and Art. 17 of the Company's Articles of Association, the Annual General Meeting of **FAMUR S.A.** of Katowice grants discharge from liability to Mr Adam **Toborek** in respect of his duties as Member of the Supervisory Board in the period from June 22nd to December 31st 2021. -----

Section 2

This Resolution shall become effective as of its date.-----

357,064,655 valid votes were cast in favour of the resolution in a secret ballot by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 100% of the votes cast as there were no votes against the resolution or abstentions. The Chair declared that the resolution was passed unanimously.

RESOLUTION NO. 20
of the Annual General Meeting of FAMUR S.A.
dated June 22nd 2022

to provide an opinion on the Supervisory Board's Report on remuneration of members of the Management and Supervisory Boards of FAMUR S.A. -----

Section 1

Acting pursuant to Art. 395.2¹ of the Commercial Companies Code in conjunction with Art. 90g.6 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, and having considered the auditor's assessment, the Annual General Meeting of **FAMUR S.A.** of Katowice (the "Company") hereby resolves to give a favourable opinion on the Supervisory Board's Report on

remuneration of members of the Management and Supervisory Boards of FAMUR S.A. for 2021, drawn up and adopted by the Supervisory Board, attached as an appendix hereto. -

Section 2

This Resolution shall become effective as of its date.-----

In an open ballot, 346,241,459 valid votes were cast in favour of the resolution by shareholders holding a total of 357,064,655 shares, from which valid votes were cast and which represented 62.13% of the share capital and carried the right to 357,064,655 valid votes. The votes cast in favour of the resolution represented 96.96% of the votes cast as there were 10,758,196 votes against the resolution and 65,000 abstentions. The Chair declared that the resolution was passed by the required majority.-----

FAMUR

**REPORT ON REMUNERATION OF THE
MANAGEMENT AND SUPERVISORY
BOARDS OF FAMUR S.A.**



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REPORT ON REMUNERATION OF THE MANAGEMENT AND SUPERVISORY BOARDS

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I. INTRODUCTION



INTRODUCTION

FAMUR S.A. (the “Company”) has in place the ‘**Remuneration policy for Members of the Management and Supervisory Boards of FAMUR S.A.**’ (the “**Remuneration Policy**” available at <https://famur.com/walnezgromadzenie#2020>), adopted by way of a resolution of the Company’s Annual General Meeting of June 29th 2020 (Resolution No. 23), which sets out the principles used to determine the fixed and variable components of the remuneration paid to persons covered by that policy. Its purpose is to properly determine the remuneration of persons serving as Members of the Management and Supervisory Boards, while ensuring that decisions taken in respect of such persons encourage them to further the best interests of the Company in the long term and to avoid excessive risk exposure.

This Report on Remuneration of the Management and Supervisory Boards of FAMUR S.A. has been prepared by the Supervisory Board of FAMUR S.A. in accordance with the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005 (also referred to as the “**Act**”) and covers the year **2021**.

The Supervisory Board of FAMUR S.A. has prepared this Report in accordance with the Act and the Remuneration Policy, and is responsible for its completeness, reliability and accuracy.

This Report on Remuneration of Members of the Management and Supervisory Boards of FAMUR S.A. for 2020 has been prepared and adopted by the Supervisory Board of FAMUR S.A. in accordance with the requirements set out in the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005 (Resolution No. 654/XIV/2021 of July 14th 2021). The Extraordinary General Meeting of FAMUR S.A. gave a favourable opinion on the Report on Remuneration of Members of the Management and Supervisory Boards of FAMUR S.A. for 2020 (Resolution No. 4 of August 17th 2021).

In addition to the Act, this Report has been prepared by reference to the provision of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (“Shareholder Rights Directive II”, also referred to as “SRD II”) and, as an auxiliary document, draft guidelines on the standardised presentation of the remuneration report under Directive 2007/36/EC amended by Directive (EU) 2017/828 (draft guidelines of the European Commission, second version – hereinafter referred to as the “Draft Guidelines”), developed by reason of the authorisation contained in Art. 9b of SRD II, given that they set out non-binding guidelines and do not create new legal obligations and their purpose is to provide balanced and flexible data presentation guidance for remuneration reporting in order to ensure transparent, uniform and clear data reporting.

This Remuneration Report has been structured according to Art. 90 g of the Act and sections of the Draft Guidelines, with the proviso that where no data relating to a given aspect is available, this is clearly stated, without omission.

All remuneration disclosed in this Report is presented in gross amounts.

The table below provides the composition of the Management Board:

| Full name |
|---|
| Composition of the Management Board in the period January 1st–December 31st 2021 |
| 1) Mirosław Bendzera |
| 2) Beata Zawiszowska |
| 3) Dawid Gruszczuk |
| 4) Adam Toborek (until June 21st 2021) |
| 5) Tomasz Jakubowski |
| 6) Ireneusz Kazimierski |

The table below provides the composition of the Supervisory Board:

| Full name |
|--|
| Composition of the Supervisory Board in the period January 1st–December 31st 2021 |
| 1) Tomasz Domogała |
| 2) Czesław Kisiel |
| 3) Jacek Leonkiewicz |
| 4) Dorota Wyjadłowska |
| 5) Magdalena Zajączkowska-Ejsymont (until June 22nd 2021) |
| 6) Tomasz Kruk |
| 7) Adam Toborek (as of June 22nd 2021) |

a) FAMUR Group in 2021

Sustainable development and social responsibility of the FAMUR Group

The FAMUR Group has been and will always be a socially responsible corporate citizen. The Company's growth is to be pursued sustainably, with due regard paid to the interests of all stakeholders, in particular the Company's shareholders, employees and local communities. In conducting its activities the Company is guided by the sense of responsibility for its external stakeholders and attaches great importance to safety and environmental protection.

The outbreak of war in Ukraine in late February 2022 led to significant disruptions in the commodity markets and deterioration of the global economic outlook and, above all, caused a humanitarian crisis in the region. The FAMUR Group and its employees have been actively engaged in helping war refugees from Ukraine as well as supporting non-governmental organisations providing relief to those who have stayed in the country. We have also offered special support to our Ukrainian employees, their families and friends.

We also take regular measures to raise environmental awareness of our employees through a best practice programme implemented across our organisation. Emphasis is placed on saving space, time and resources, and – consequently – on energy efficiency and waste sorting, already at the work planning stage. We have also launched projects to optimise energy consumption, including through deployment of own renewable energy sources. Through education, we increase our organisation's awareness of the need to take further steps towards effective delivery of the sustainable development strategy.

The Company considers non-financial reporting to be an extremely important communication channel, allowing it to present the progress in the delivery of projects and development directions set by the Company for the Environmental, Social and Governance (ESG) area.

2021 saw our continued efforts to mitigate the impact of the COVID-19 pandemic on our business and our employees. The Group took consistent measures to ensure employee safety, including introducing dedicated workplace protocols and adequate remote work arrangements, launching a voluntary vaccination campaign, and providing personal protective equipment and free access to COVID-19 tests.

b) Financial performance in 2021

In 2021, the FAMUR Group posted PLN 1,050m in revenue, down 8% year on year, with revenue generated in foreign markets representing 34% of total revenue. This translated into EBITDA of PLN 314m. Cash flows from operating activities reached PLN 209m despite increased expenditure on procurement of solar farm components. At year-end 2021, the FAMUR Group carried PLN 423m in cash surplus over debt. In the second half of 2021, the FAMUR Group issued PLN 400m worth of Green Bonds, thus securing funding for implementing the strategy announced in May 2021 to transform the FAMUR Group into a holding that invests in green transition projects and opportunities in other promising industries.

As part of the preparations for further transformation of the FAMUR Group into a holding investing in green transition projects, as well as in the light of the shift occurring worldwide in the approach to using thermal coal for power generation, in the fourth quarter of 2021 an impairment loss of PLN 95m on goodwill allocated to the Mining Machinery segment was recognised, which reduced the net profit for 2021 to PLN 25m. The impairment loss was a one-off non-cash item.

II. TOTAL REMUNERATION OF MEMBERS OF THE MANAGEMENT



Total remuneration of Members of the Management and Supervisory Boards

In accordance with the Remuneration Policy, the following benefits may be granted to a Management Board Member:

- fixed remuneration – determined on an individual basis for each Management Board Member;
- variable remuneration depending on the level of achievement of individual targets (i.e. performance-related, budget-related, task-related and discretionary targets) – determined on an individual basis for each Management Board Member;
- cafeteria system benefits – determined on an individual basis for each Management Board Member;
- additional bonus and the right to use the Company's property that may be granted subject to the rules provided for in this Remuneration Policy.

Pursuant to the Remuneration Policy, Supervisory Board Members receive single-component fixed monthly remuneration in the amount defined in a resolution of the General Meeting. Remuneration of Supervisory Board Members does not represent a material item of the Company's operating expenses.

Since 2020, Members of the Management and Supervisory Boards of FAMUR S.A. have been remunerated on the basis of appointment. Provided below is a comprehensive overview of remuneration, including all benefits, regardless of their form, received by or due to individual Members of the Management Board and the Supervisory Board in 2021 in accordance with the Remuneration Policy.

a) REMUNERATION OF MANAGEMENT BOARD MEMBERS (gross amounts)

| Full name/function on the Management Board and period of service | | | |
|--|---|--|---|
| (PLN) for 2021 | Mirosław Bendzera | Beata Zawiszowska | Dawid Gruszczyk |
| Fixed remuneration | 636,189.72 (189.72 reimbursement of contributions) fixed remuneration to total remuneration (%): 34.3% | 516,033.71 (33.71 reimbursement of contributions) fixed remuneration to total remuneration (%): 35.7% | 456,000 fixed remuneration to total remuneration (%): 36.2% |
| Cafeteria system benefits | 14,565.29 cafeteria benefits to total remuneration (%): 0.8% | 12,830 cafeteria benefits to total remuneration (%): 0.9% | 14,250 cafeteria benefits to total remuneration (%): 1.1% |
| Fringe benefits | 94,842.37 including: - Company car with a fuel card (lump sum for non-business use) – 4,800 - mobile phone - computer (laptop) - medical package - PLN 541.40 - accommodation - 87,600 - business trips - 1,900.97 fringe benefits to total remuneration (%): 5.1% | 5,341.40 including: - Company car with a fuel card (lump sum for non-business use) – 4,800 - mobile phone - computer (laptop) - medical package - PLN 541.40 fringe benefits to total remuneration (%): 0.4% | 5,386.40 including: - Company car with a fuel card (lump sum for non-business use) – 4,800 - mobile phone - computer (laptop) - medical package - 586.40 fringe benefits to total remuneration (%): 0.4% |
| Variable remuneration | 1,110,855 including: part of the 2021 bonus paid in 2021 482,163* 2020 bonus paid in 2021 628,692 variable remuneration to total remuneration (%): 59.8% % of variable remuneration for 2020 settled in 2021: 33.87% * With the exception of the performance-related component for 2021, the MBO bonus was paid in advance in 2021. | 912,550 including: part of the 2021 bonus paid in 2021 396,900* 2020 bonus paid in 2021 515,650 variable remuneration to total remuneration (%): 63% % of variable remuneration for 2020 settled in 2021: 35% * With the exception of the performance-related component for 2021, the MBO bonus was paid in advance in 2021. | 784,805 including: part of the 2021 bonus paid in 2021 337,860* 2020 bonus paid in 2021 446,945 variable remuneration to total remuneration (%): 62.3% % of variable remuneration for 2020 settled in 2021: 35.46% * With the exception of the performance-related component for 2021, the MBO bonus was paid in advance in 2021. |
| Total remuneration | 1,856,452.38 | 1,446,755.11 | 1,260,441.40 |

| Full name/function on the Management Board and period of service | | | |
|--|---|--|--|
| (PLN) for 2021 | Adam Toborek (until June 21st 2021) | Tomasz Jakubowski | Ireneusz Kazimierski |
| Fixed remuneration | 216,600 fixed remuneration to total remuneration (%): 21.3% | 456,000 fixed remuneration to total remuneration (%): 37.2% | 480,000 fixed remuneration to total remuneration (%): 42.57% |
| Cafeteria system benefits | 5,994 cafeteria benefits to total remuneration (%): 0.6% | 5,300 cafeteria benefits to total remuneration (%): 0.4% | 10,870 cafeteria benefits to total remuneration (%): 0.96% |
| Fringe benefits | 3,702.27 including: - Company car with a fuel card (lump sum for non-business use) – 2,400 - mobile phone - computer (laptop) - business trips - 1,302.27 fringe benefits to total remuneration (%): 0.4% | 4,800 including: - Company car with a fuel card (lump sum for non-business use) – 4,800 - mobile phone - computer (laptop) fringe benefits to total remuneration (%): 0.4% | 34,698.55 including: - Company car with a fuel card (lump sum for non-business use) - 2,680 - mobile phone - computer (laptop) - accommodation costs during business trips 23,040 - English language learning 7,702 - business trips - 1,276.55 fringe benefits to total remuneration (%): 3.07% |
| Variable remuneration | 454,154 including: 2020 bonus paid in 2021: 454,154 % of variable remuneration for 2020 settled in 2021: 44.72% | 764,345 including: part of the 2021 bonus paid in 2021 317,400* 2020 bonus paid in 2021: 446,945 variable remuneration to total remuneration (%): 62% % of variable remuneration for 2020 settled in 2021: 36.47% * With the exception of the performance-related component for 2021, the MBO bonus was paid in advance in 2021. | 351,844 including: part of the 2021 bonus paid in 2021 351,844* variable remuneration to total remuneration (%): 31.23% * With the exception of the performance-related component for 2021, the MBO bonus was paid in advance in 2021. |
| Severance pays | 38,000 % of severance pay to total remuneration: 3.7% | | |
| Additional bonuses | 297,000 – one-off bonus granted for commitment to matters of special importance to the company additional bonuses to total remuneration (%): 29.24% | | 250,000 additional bonuses to total remuneration (%): 22.17% |
| Total remuneration | 1,015,450.27 | 1,225,645.00 | 1,127,412.55 |

Explanations and discussion:

1) Base salary is fixed monthly remuneration paid for service on the Management Board, awarded individually by way of a resolution of the Supervisory Board (ranging between PLN 10,000 and PLN 75,000). In 2021, the base salaries of Management Board Members, as shown in the table above, were within the range provided for in the Remuneration Policy.

2) ‘Cafeteria system benefits’ are provided by enabling a Management Board Member to use an online platform (“the System”). Via the System, a Management Board Member may select – from a package granted to them individually by the Supervisory Board – benefits, vouchers or subscription packages specified in the System, for themselves or their close persons, by redeeming Points (1 point equalling PLN 1.00) to purchase or order benefits, vouchers or subscription packages in the System. The gross value of a package that can be granted to a Management Board Member under this Remuneration Policy is between PLN 12,000 and PLN 36,000 per year. The Supervisory Board will determine, in a separate resolution, the type of package allocated in the System to a given Management Board Member, specifying its annual value, i.e. the value for the entire year of serving on the Management Board, converted in the System into Points for purchasing or ordering benefits, vouchers or subscription packages. The table shows the number of points – benefits received by a Management Board member in 2021.

3) As regards fringe benefits, in order to facilitate proper performance of duties by Management Board Members, FAMUR S.A. may provide them with the following property:

- a company car with a fuel card, or coverage of the cost of travel by other means of transport,
- a mobile phone,
- a computer (laptop),
- dwellings/accommodation – to be used free of charge, or rented at below-market prices. Decisions in this respect are made by the Supervisory Board depending on the Company’s needs and capacities.

The choice of property is made by the Supervisory Board, with the proviso that the total gross amount spent on using such property may not exceed PLN 450,000 per year.

The Company may decide to give its consent for a Management Board Member to improve their qualifications and cover, in whole or in part, the costs of training and studies, including postgraduate or foreign language courses. The Supervisory Board may give its consent to the foregoing by way of a resolution. The annual amount of allowances for those purposes is not capped as, due to their nature, decision-making depends on the Company’s needs, which are fast-changing and difficult to predict.

The Company may also finance medical packages for a Management Board Member on the terms applicable to the Company’s employees (i.e. with the same value as those granted to the Company’s employees). A decision in this respect is made by the Supervisory Board by way of a resolution.

In 2021, all Members of the Management Board used basic benefits such as a company car with a fuel card. The Supervisory Board resolved on the use residential accommodation free of charge. One Member of the Management Board took a foreign language course. Three Management Board Members use a medical package on the terms applicable to the Company’s employees.

4) Variable remuneration depending on the level of achievement of individual targets set for Management Board Members (i.e., performance-related, budget-related, task-related and discretionary targets). Variable remuneration is granted to Management Board Members for a full calendar year. The targets and tasks assigned during a calendar year are valid until the end of that year (year n). A final assessment of the achievement of the performance-related, budget-related, task-related targets and/or targets subject to discretionary evaluation is made by the Supervisory Board within one month of the Supervisory Board’s receipt of the

target achievement report from a Management Board Member and the Company's audited financial statements for the previous financial year. The Management Board Member's right to variable remuneration (each component thereof) is at all times conditional upon their holding of the office as at September 30th of year n. The maximum annual variable remuneration for a Management Board Member may reach up to 100% of the annual fixed remuneration, provided that all targets and tasks have been achieved in 100%, and, additionally, when performance- or budget-related targets are achieved in more than 100%, the variable remuneration of a Management Board Member may exceed the maximum amount specified above, but may not exceed 150% of the Management Board Members' annual fixed remuneration. The above rules on the proportion of fixed and variable remuneration do not apply to variable remuneration for 2021 paid partly, in advance, in 2021 and partly settled in 2022, as they will be disclosed in the 2022 Remuneration Report, after final assessment and settlement by the Supervisory Board.

In 2021, the proportion of variable remuneration for 2020 paid in 2021 relative to fixed remuneration paid to the Management Board members was 31.42%.

In 2021, targets were set for the Management Board as the basis of eligibility of Management Board Members to earn variable remuneration. As at the date of this Report, achievement of the targets has been partly evaluated and advance payments on account of variable remuneration were made in 2021.

6) Additional bonus. Pursuant to the Remuneration Policy, as a reward for outstanding achievements, including for significant commitment to the Company's operations or transactions of particular importance to the Company, or for vital contribution to the implementation of the Company's strategy, a Management Board Member may receive a one-off bonus ranging from 50% to 250% of their fixed gross annual remuneration. The aggregate amount of bonuses granted in a given year to a Management Board Member may not exceed 250% of their fixed gross annual remuneration. Two such bonuses were awarded in 2021.

7) When a Management Board Member resigns or is removed from the office, they are entitled to severance pay, in accordance with the Remuneration Policy. This Report includes the severance pay for Mr Adam Toborek paid in connection with his departure from the Management Board of FAMUR S.A. as a result of tasks assigned to him within the TDJ Group.

The relative proportions of these components are consistent with the Remuneration Policy, which provides that

– the proportion of variable remuneration depending on a Management Board Member's performance and achievement of targets relative to the remuneration due to such Management Board Member (fixed remuneration plus variable remuneration, as described in Section V.3 of the Remuneration Policy) may not exceed 150% of their fixed gross annual remuneration, and its amount may not lead to such Management Board Member becoming financially dependent on that component.

– the proportion of variable remuneration (as described in Section V.3 of the Remuneration Policy) to fixed remuneration may not exceed 150% of a Management Board Member's fixed annual remuneration.

However, it should be noted that at the request of the Management Board of FAMUR S.A. and with the consent of the Supervisory Board a significant portion of the variable remuneration due for the implementation of the targets set for 2021 which would be normally paid in 2022 was paid in December 2021 and will be finally settled in 2022.

b) REMUNERATION OF SUPERVISORY BOARD MEMBERS (gross amounts)

2021 PLN

| Full name of Supervisory Board Member | Fixed remuneration in 2021 |
|---|---|
| Tomasz Domogała | 6,000 + 227.48 reimbursement of contributions |
| Czesław Kisiel | 6,000 |
| Jacek Leonkiewicz | 12,000 |
| Dorota Wyjadłowska | 12,000 |
| Magdalena Zajązkowska-Ejsymont (until June 2021) | 2,866.74 + 97.64 reimbursement of contributions |
| Tomasz Kruk | 12,000 + 117.75 reimbursement of contributions |
| Toborek Adam (from June 2021) | 3,150.03 |

Supervisory Board Members perform their duties on the basis of appointment made in accordance with the Commercial Companies Code and the Articles of Association of FAMUR S.A. They are not employed by the Company under employment or civil-law contracts, including in any other capacity, in order to ensure their impartiality and avoid any conflict of interest. Supervisory Board Members receive single-component fixed monthly remuneration in the gross amount defined in a resolution of the General Meeting, ranging between PLN 250.00 and PLN 2,500.00. The amount of remuneration does not depend on the number of Supervisory Board meetings in a given month or a Supervisory Board Member's presence at such meetings.

c) REMUNERATION FROM OTHER GROUP COMPANIES (gross amount in PLN)

| Full name and function on the Management Board | Remuneration, including company name and remuneration type and amount | 2021 |
|--|---|--|
| Beata Zawiszowska | Member of the Supervisory Board of Elgór+Hansen S.A. | 24,000 |
| | Member of the Management Board of Famur Finance Sp. z o.o. | 2,400 |
| | Member of the Supervisory Board of Mining Equipment Finance Sp. z o.o. | 2,400 |
| Mirosław Bendzera | Chairman of the Supervisory Board of Elgór+Hansen S.A. | 24,000 |
| | Chairman of the Supervisory Board of Primetech S.A. | 6,000 |
| | Chairman of the Supervisory Board of Mining Equipment Finance Sp. z o.o. | 2,400 |
| | President of the Management Board of Famur Solar sp. z o.o. | 1,750 |
| Tomasz Jakubowski | Member of the Supervisory Board of Elgór+Hansen S.A. | 24,000 |
| Dawid Gruszczyk | Secretary of the Supervisory Board of Elgór+Hansen S.A. | 24,000 |
| | Member of the Supervisory Board of Primetech S.A. | 6,000 |
| Adam Toborek | Deputy Chairman of the Supervisory Board of Elgór+Hansen S.A. (until June 21st 2021) | 11,400 |
| | Deputy Chairman of the Supervisory Board of Primetech S.A. (until June 21st 2021) | 5,700 |
| | Chairman of the Supervisory Board of PMG S.A. (until June 21st 2021) | 570 |
| | President of the Management Board of Mining Equipment Finance Sp. z o.o. (until June 21st 2021) | 1,140 |
| Dorota Wyjadłowska | Member of the Supervisory Board of Primetech S.A. | 12,000 |
| Tomasz Kruk | Member of the Supervisory Board of Primetech S.A. | 12,000 + 117.75 reimbursement of contributions |

Pursuant to the Remuneration Policy, Members of the Company's Management and Supervisory Boards may, subject to and to the extent permitted by applicable laws, serve on the governing bodies of other FAMUR Group companies and enter into contracts with such companies, as and when needed. This, however, must not adversely affect the performance of their duties as a Member of the Company's Management Board or Supervisory Board. The Group means all subsidiaries of FAMUR S.A. and their respective subsidiaries.

d) VALUE OF BENEFITS GRANTED TO CLOSE PERSONS OF MANAGEMENT OR SUPERVISORY BOARD MEMBERS (INCLUDED IN THE REMUNERATION OF THE MANAGEMENT OR SUPERVISORY BOARD MEMBERS)

No such benefits were granted in 2021.

e) OLD AGE AND DISABILITY PENSION SCHEMES AND EARLY RETIREMENT PROGRAMMES

FAMUR S.A. does not operate any additional old age and disability pension schemes or early retirement programmes for Members of the Management or Supervisory Boards.

III. REMUNERATION IN THE FORM OF OTHER FINANCIAL INSTRUMENTS

The Remuneration Policy does not provide for remuneration of Management or Supervisory Board Members in the form of financial instruments, and no such remuneration was awarded in 2021.

IV. USE OF THE OPTION TO RECLAIM VARIABLE REMUNERATION

In 2021, the option to reclaim variable remuneration components from a Management or Supervisory Board Member was not used as there was no need and no grounds for doing so.

V. DEVIATIONS FROM THE PROCEDURE FOR IMPLEMENTATION OF THE REMUNERATION POLICY AND DEROGATIONS UNDER ART. 90F

The Remuneration Policy applied by FAMUR S.A. was adopted in accordance with the Act. Having analysed the above data, it should be concluded that the Company paid remuneration to the Management and Supervisory Board Members fully in compliance with the Remuneration Policy, discharging its obligation under Art. 90e.1 of the Act. No measures were taken that could be considered derogations under Art. 90f of the Act.

VI. ASSESSMENT OF THE APPLICATION OF PERFORMANCE CRITERIA

The performance criteria presented in the table pertain to the targets set for 2020, the achievement of which was assessed in 2021 and remuneration for which was paid in 2021.

| Full name Function and position | Description of the performance criteria and type of applicable remuneration* | Result (actual performance) and actual award | Notes |
|---|--|--|-------|
| Mirosław Bendzera President of the Management Board | Performance-related targets | 202,838.00 | |
| | Task-related targets | 129,938.00 | |
| | Budget-related targets | 228,166.00 | |
| | Discretionary targets | 67,750.00 | |
| Beata Zawiszowska Vice President of the Management Board | Performance-related targets | 166,078.00 | |
| | Task-related targets | 121,500.00 | |
| | Budget-related targets | 187,572.00 | |
| | Discretionary targets | 40,500.00 | |
| Dawid Gruszczyk Vice President of the Management Board | Performance-related targets | 147,698.00 | |
| | Task-related targets | 97,308.00 | |
| | Budget-related targets | 165,939.00 | |
| | Discretionary targets | 36,000.00 | |
| Adam Toborek Vice President of the Management Board | Performance-related targets | 147,698.00 | |
| | Task-related targets | 104,517.00 | |
| | Budget-related targets | 165,939.00 | |
| | Discretionary targets | 36,000.00 | |
| Tomasz Jakubowski Vice President of the Management Board | Performance-related targets | 147,698.00 | |
| | Task-related targets | 97,308.00 | |
| | Budget-related targets | 165,939.00 | |
| | Discretionary targets | 36,000.00 | |

The performance criteria presented in the table pertain to the targets set for 2021, for which remuneration was partly paid in 2021. The performance-related target will be settled in 2022 and disclosed in the report for 2022.

| Full name Function and position | Description of the performance criteria and type of applicable remuneration* | Result (actual performance) and actual award | Notes |
|--|--|--|---|
| Mirosław Bendzera President of the Management Board | Performance-related targets | * | *An advance payment of PLN 482,163 was made in 2021. The performance-related target will be settled in 2022. |
| | Task-related targets | 107,633.00 | |
| | Budget-related targets | 297,000.00 | |
| | Discretionary targets | 77,500.00 | |
| Beata Zawiszowska Vice President of the Management Board | Performance-related targets | * | *An advance payment of PLN 393,900 was made in 2021. The performance-related target will be settled in 2022. |
| | Task-related targets | 113,400.00 | |
| | Budget-related targets | 243,000.00 | |
| | Discretionary targets | 40,500.00 | |
| Dawid Gruszczyk Vice President of the Management Board | Performance-related targets | * | *An advance payment of PLN 337,860 was made in 2021. The performance-related target will be settled in 2022. |
| | Task-related targets | 85,860.00 | |
| | Budget-related targets | 216,000.00 | |
| | Discretionary targets | 36,000.00 | |
| Tomasz Jakubowski Vice President of the Management Board | Performance-related targets | * | *An advance payment of PLN 317,400 was made in 2021. The performance-related target will be settled in 2022. |
| | Task-related targets | 65,400.00 | |
| | Budget-related targets | 216,000.00 | |
| | Discretionary targets | 36,000.00 | |
| Ireneusz Kazimierski Vice President of the Management Board | Performance-related targets | * | *An advance payment of PLN 351,400 was made in 2021. The performance-related target will be settled in 2022. |
| | Task-related targets | 68,344.00 | |
| | Budget-related targets | 243,000.00 | |
| | Discretionary targets | 40,500.00 | |

The Company applies both financial and non-financial performance criteria set out in the Remuneration Policy to variable remuneration for Members of the Management Board. The Policy specifies:

- ✓ minimum expected net profit of the Company or the Group (depending on the decision of the Supervisory Board),
- ✓ actual net profit (as disclosed in the audited financial statements of the Company or the Group in which a Management Board Member serves on the Management Board), adjusted for non-recurring, extraordinary or non-operating items.
- ✓ net debt of the Company

As regards the discretionary component of variable remuneration, the following were evaluated:

1. achievement of targets and tasks important to the Company, assigned to the Management Board on an ad hoc basis, other than performance-related, budget-related and task-related targets associated with the variable remuneration component,
2. contribution to the implementation of the Company's strategy,
3. Management Board Member's attitude in the light of the following values:

a) faith – understood as:

- having faith that a common vision can be accomplished,
- acting in accordance with the adopted value system,
- focus on the future,
- faith in investing in development and education.

b) responsibility – understood as:

- making brave and informed decisions,
- taking responsibility for one's own and the team's decisions and actions,
- taking initiative,
- always acting in the Company's best interest.

c) cooperation – understood as:

- building a close-knit team of people who trust one another,
- listening and learning from others, taking into consideration every opinion presented in a discussion,
- taking joint action to achieve an objective,
- being happy about achievements of our people and promoting them within the organisation.

d) openness – understood as:

- loyalty and open and frank communication,
- respect for diversity of views and opinions,
- being open to change and innovation,
- willingness to discuss errors and learn from them.

e) reliability – understood as:

- keeping one's word in all circumstances,
- being reliable and honest,
- respecting the principles of fair play,
- fulfilling one's obligations.

VII. Information about the annual change in remuneration, company's performance and the average remuneration of the company's employees who are not members of the management or supervisory boards, for at least five most recent financial years, in aggregate

- a) Information about the annual change in remuneration, the Company's performance and the average remuneration of the Company's employees who are not Members of the Management or Supervisory Boards, for at least five most recent financial years, in aggregate

As data is presented for incomplete periods, a percentage presentation could be misleading to the user, therefore a year-on-year comparison of the remuneration is presented.

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|--------------|---------|-----------|---------|---------|---------|
| Average remuneration of a Management Board Member in the years stated. | 1,487,664.86 | 499,155 | 1,161,732 | 638,513 | 666,174 | 434,813 |

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|-------|-------|-------|-------|-------|-------|
| Average remuneration of a Supervisory Board Member in the years stated. | 9,077 | 9,084 | 8,510 | 7,568 | 2,387 | 6,004 |

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|-------|-------|-------|-------|-------|-------|
| Average remuneration of full-time employees of the Company other than Management and Supervisory Board Members | 6,864 | 6,718 | 5,204 | 5,524 | 5,314 | 4,945 |
| Net profit (PLNm) | 35 | 169 | 161 | 153 | 41 | 59 |
| Revenue (PLNm) | 916 | 965 | 1,588 | 1,384 | 941 | 776 |
| EBITDA | 229 | 396 | 515 | 366 | 208 | 192 |

Given the relatively immaterial impact of the other Group companies on the Company's key performance figures, the Company has only presented data for FAMUR S.A. in this Report on Remuneration of the Management and Supervisory Boards.

b) ASSESSMENT OF THE REMUNERATION POLICY

In the Supervisory Board's opinion, remuneration of the Management Board and Supervisory Board Members in 2021 was awarded and paid in accordance with the Remuneration Policy. Based on the data contained in this Report, the Supervisory Board of FAMUR S.A. has determined that the Company is pursuing a stable remuneration policy that promotes the Company's growth and security, and that the existing practices with respect to variable remuneration management meet the criteria set out in the Policy. The Remuneration Policy is effective and meets the objectives set out below:

- enabling the recruitment of top-class specialists and managers to serve on the Company's Management and Supervisory Boards, who will ensure the Company's continued business success and stability;
- adapting to the growing demand for high managerial competencies, which go hand in hand with financial expectations;
- implementing an efficient and effective remuneration system motivating Board Members to develop the Company and pursue its objectives and strategies, by linking (the variable) part of remuneration to the Company's performance and achievement of individual targets (KPIs);
- supporting sound and effective risk management, and discouraging Board Members from taking excessive risks beyond accepted limits.

The fixed and variable remuneration as well as other benefits comprising total remuneration of Management and Supervisory Board Members are reasonable in relation to the Company's financial performance and its total costs and expenses.

c) FINAL REMARKS

This Report will be submitted for an opinion to a statutory auditor in accordance with Art. 90g.10 of the Act in order to determine whether it contains all data required by law, and subsequently it will be submitted for consideration to the General Meeting of FAMUR S.A. for the purpose of passing a resolution (advisory in nature) providing an opinion on this Report. Next, this Report will be published on the Company's website and will remain available free of charge for at least ten years from the date of closing of that General Meeting.

Signatures of the Supervisory Board Members who have prepared this Report: