

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No.

17

/

2020

Date:

June 2nd 2020

Abbreviated issuer name:

FAMUR S.A.

Subject:

Notice of Annual General Meeting

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”) hereby gives notice of the Company's Annual General Meeting to be held at ul. Armii Krajowej 51 in Katowice, Poland, at 3.00 pm on June 29th 2020.

The Company publishes, attached hereto, the full text of the notice, containing the proposed agenda and the procedures for participation in the Annual General Meeting, including the Detailed Rules for Participation in the General Meeting by Electronic Means of Communication (the “Detailed Rules”).

The Detailed Rules and the Rules of Procedure for the General Meeting are also available on the Company's website at <https://famur.com/lad-korporacyjny>

The Company also publishes, attached hereto, draft resolutions and other documents to be discussed and voted on by the Annual General Meeting.

All information and documents relating to the Annual General Meeting have been made available on the Company's website at <https://famur.com/walne-zgromadzenie>

Legal basis:

Par. 19.1.1 and 19.1.2 of the Minister of Finance's Regulation of March 29th 2018 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 (Dz.U. of 2018, item 757, April 20th 2018).

FAMUR Spółka Akcyjna

(full issuer name)

FAMUR S.A.

(abbreviated issuer name)

Electromechanical (ele)

(sector according to the WSE)

40-698

(postal code)

Katowice

(city/town)

Armii Krajowej

(street)

51

(number)

+48 32 359 63 00

(phone)

+48 32 359 66 77

(fax)

sekretariat@famur.com.pl

(email)

www.famur.com

(www)

634-012-62-46

270641528

(Tax Identification Number – NIP)	(Industry Identification Number – REGON)
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Appendices:

File:	Description
Ogłoszenie o zwołaniu ZWZ 29 06 2020 wraz z uzasadnieniem projektów uchwał oraz informacją o liczbie akcji i głosów.pdf	Notice of the Annual General Meeting to be held on June 29th 2020, including the grounds for the draft resolutions and information on the total number of shares and voting rights attached thereto
Regulamin dotyczący WZA-zdalne.pdf	Detailed Rules of Participation in the General Meeting by Electronic Means of Communication
Projekty uchwał ZWZ 29 06 2020.pdf	Draft resolutions for the Annual General Meeting convened for June 29th 2020
Sprawozdanie Rady Nadzorczej FAMUR S.A.pdf	Report of the FAMUR Supervisory Board on its activities in 2019
Wniosek Zarządu dotyczący przeznaczenia zysku.pdf	Management Board's proposal (resolution) concerning distribution of profit for the financial year 2019
Ocena RN dotycząca przeznaczenia zysku.pdf	Supervisory Board's assessment of the proposal concerning distribution of profit for the financial year 2019
Polityka wynagrodzeń.pdf	Remuneration Policy for Members of the Management and Supervisory Boards of FAMUR S.A.

SIGNATURES OF AUTHORISED REPRESENTATIVES

Date	Full name	Position	Signature
June 2nd 2020	Mirosław Bendzera	President of the Management Board	
June 2nd 2020	Adam Toborek	Vice President of the Management Board, Underground Export Sales	

**DETAILED RULES OF PARTICIPATION IN
THE GENERAL MEETING OF FAMUR S.A. OF KATOWICE
BY ELECTRONIC MEANS OF COMMUNICATION**

**Section 1
SCOPE**

1. These Rules govern the convention and conduct of, and adoption of resolutions by, the General Meeting in the manner referred to under Art. 406⁵.1–2 of the Commercial Companies Code.
2. The General Meeting shall be convened and conducted in the manner referred to under Art. 406⁵.1–2 of the Commercial Companies Code in compliance with all other applicable laws and regulations, the Company's Articles of Association, the Rules of Procedure for the General Meeting, and these Rules.
3. Any matters not provided for in these Rules shall be governed by the Commercial Companies Code, the Company's Articles of Association and the Rules of Procedure for the General Meeting.

**Section 2
DEFINITIONS**

As used in these Rules, the following terms shall have the following meanings:

- a) **Shareholder** shall mean a shareholder in the Company.
- b) **Commercial Companies Code** shall mean the Polish Commercial Companies Code of September 15th 2000 (Dz.U. of 2019, item 505; consolidated text as at March 15th 2019).
- c) **Rules** shall mean these Detailed Rules of Participation in the General Meeting of FAMUR S.A. of Katowice by Electronic Means of Communication as adopted pursuant to 406⁵.3 of the Commercial Companies Code.
- d) **Rules of Procedure for the General Meeting** shall mean the Rules of Procedure for the General Meeting of the Company.
- e) **Company** shall mean FAMUR S.A. of Katowice.
- f) **Articles of Association** shall mean the Articles of Association of the Company.
- g) **General Meeting** shall mean the Annual or Extraordinary General Meeting of the Company.

**Section 3
PARTICIPATION IN THE GENERAL MEETING**

1. The General Meeting may be participated in also by electronic means of communication.
2. Decision to allow participation in the General Meeting as provided for in Section 3.1 above shall be made by the body convening the General Meeting.
3. The conduct of the General Meeting in the manner referred to in Section 3.1 above shall include in particular:
 - 1) a real-time broadcast of the General Meeting;
 - 2) two-way real-time communication to ensure that all persons participating in the General Meeting can speak to the General Meeting from any location;
 - 3) ensuring the ability to vote in person or by proxy prior to or at the General Meeting.
4. In order to ensure communication in the manner referred to in Section 3.1 above, technologies and other means shall be used, which can guarantee identification of Shareholders and security of information. The

electronic means of communication to be used to participate in the General Meeting shall be specified in the notice of the General Meeting on a case-by-case basis.

5. Shareholders intending to participate in the General Meeting in the manner referred to in Section 3.1 above shall notify the Company of their intent to do so by electronic means of communication in the manner prescribed and at the address provided in the notice of the General Meeting and shall ensure compliance with the technical requirements specified therein.

Section 4
LIMITATION OF LIABILITY

1. Where a technical failure attributable to the Company prevents Shareholders from participating in the General Meeting in the manner referred to in Section 3.1 hereof, the Chairperson of the General Meeting may adjourn the General Meeting until electronic communication is restored, provided that this does not materially disrupt the proceedings of the General Meeting.
2. When exercising the option to participate in the General Meeting by electronic means of communication, Shareholders shall bear any related risks, in particular those arising from the inability to receive transmission, communicate or exercise voting rights at the General Meeting as a result of a technical failure or any interference in the communication channel being used, with the Company not being liable for any related loss or damage.

**Draft resolutions
of the Annual General Meeting of FAMUR S.A.
convened for June 29th 2020**

Item 2 of the agenda:

**RESOLUTION NO. 1
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020**

to appoint Chairperson 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 Mr/Ms ... as Chairperson of the General Meeting.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

Item 4 of the agenda:

**RESOLUTION NO. 2
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020**

to appoint the Ballot Counting Committee

Section 1

The Annual General Meeting of FAMUR S.A. of Katowice appoints the Ballot Counting Committee comprising: ...

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

Item 7 of the agenda:

RESOLUTION NO. 3
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to receive the Company's financial statements for 2019

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 2019, including:

- statement of financial position as at December 31st 2019, showing total assets and total equity and liabilities of PLN 2,621m;
- statement of profit or loss for the period from January 1st to December 31st 2019, showing a net profit of PLN 161m;
- statement of comprehensive income for the period from January 1st to December 31st 2019, showing total comprehensive income of PLN 162m;
- statement of changes in equity for the financial year from January 1st to December 31st 2019, showing a decrease in equity of PLN 143m;
- statement of cash flows for the financial year from January 1st to December 31st 2019, showing a net increase in cash of PLN 400m;
- notes, including a summary of the applied accounting policies and other explanatory notes.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

Item 8 of the agenda:

RESOLUTION NO. 4
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to receive the Directors' Report on the Company's and the Group's operations in 2019

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 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

Item 9 of the agenda:

RESOLUTION NO. 5
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to allocate the Company's net profit for the financial year 2019

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 2019, of PLN **161,369,959.20**, to the Company's statutory reserve funds.

Section 2

This Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

Item 10 of the agenda:

RESOLUTION NO. 6
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to receive the consolidated financial statements for 2019

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 2019, including:

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- statement of financial position as at December 31st 2019, showing total assets and total equity and liabilities of PLN 2,975m;
- statement of profit or loss for the financial year from January 1st to December 31st 2019, showing a net profit of PLN 249m;
- statement of comprehensive income for the period from January 1st to December 31st 2019, showing total comprehensive income of PLN 255m;
- statement of changes in equity for the financial year from January 1st to December 31st 2019, showing a decrease in equity of PLN 76m;
- statement of cash flows for the financial year from January 1st to December 31st 2019, showing a net increase in cash of PLN 304m;
- notes, including a summary of the applied accounting policies and other explanatory notes.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

Item 11 of the agenda:

RESOLUTION NO. 7
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to receive the non-financial statement of the FAMUR Group and FAMUR S.A. for 2019

Section 1

Pursuant to Art. 395.2.1 of the Commercial Companies Code, in conjunction with Art. 49b.1, Art. 49b.9 and Art. 52.3.2 of the Accounting Act, the Annual General Meeting of FAMUR S.A. of Katowice receives the Non-Financial Statement of the FAMUR Group and FAMUR S.A. for 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

Item 12 of the agenda:

RESOLUTION NO. 8
of the Annual General Meeting of FAMUR S.A.

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National Court Register No: KRS 0000048716 District Court for Katowice-Wschód in Katowice,
Industry Identification Number (REGON): 270641528 8th Commercial Division of the National
Tax Identification Number (NIP): 6340126246 Share capital: PLN 5,747,632.12, paid up in full.
Waste Management Database Number (BDO): 000019923 PLN account: BNP Paribas Bank Polska

37 1750 1035 0000 0000 0638 4862

dated June 29th 2020

to grant discharge 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 to Mr Mirosław Bendzera** in respect of his duties as President of the Management Board in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 9 of the Annual General Meeting of FAMUR S.A. dated June 29th 2020

to grant discharge 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 to Ms Beata Zawiszowska** in respect of her duties as Vice President of the Management Board, Chief Financial Officer, in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 10 of the Annual General Meeting of FAMUR S.A. dated June 29th 2020

to grant discharge 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 to Mr Dawid Gruszczyk** in respect of his duties as Vice President of the Management Board, Underground Domestic Sales, in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 11
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge 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 to Mr Bartosz Bielak** in respect of his duties as Vice President of the Management Board, Chief Strategy and Development Officer, in the period from January 1st to February 28th 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 12
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge 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 to Mr Adam Toborek** in respect of his

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duties as Vice President of the Management Board, Underground Export Sales, in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 13 of the Annual General Meeting of FAMUR S.A. dated June 29th 2020

to grant discharge 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 to Mr Tomasz Jakubowski** in respect of his duties as Vice President of the Management Board, Chief Operating Officer, Underground segment, in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 14 of the Annual General Meeting of FAMUR S.A. dated June 29th 2020

to grant discharge 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 to Mr Waldemar Łaski** in respect of his duties as Vice President of the Management Board, Surface segment, in the period from January 1st to November 12th 2019.

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Waste Management Database Number (BDO): 000019923 PLN account: BNP Paribas Bank Polska

37 1750 1035 0000 0000 0638 4862

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 15
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge 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 to Mr Ireneusz Kazimierski** in respect of his duties as Vice President of the Management Board, Surface segment, in the period from November 12th to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 16
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge 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 to Mr Tomasz Domogała** in respect of his duties as Chairman of the Supervisory Board in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

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The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 17
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge 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 to Mr Czesław Kisiel** in respect of his duties as Deputy Chairman of the Supervisory Board in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 18
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge 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 to Mr Jacek Leonkiewicz** in respect of his duties as Member of the Supervisory Board in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

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RESOLUTION NO. 19
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge 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 to Ms Magdalena Zajączkowska-Ejsymont** in respect of her duties as Member of the Supervisory Board in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 20
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge 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 to Mr Michał Nowak** in respect of his duties as Member of the Supervisory Board in the period from January 1st to November 30th 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 21
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge to member of the Supervisory Board

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37 1750 1035 0000 0000 0638 4862

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 to Ms Dorota Wyjadłowska** in respect of her duties as Member of the Supervisory Board in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

RESOLUTION NO. 22
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to grant discharge 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 to Mr Tomasz Kruk** in respect of his duties as Member of the Supervisory Board in the period from January 1st to December 31st 2019.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

Item 13 of the agenda:

RESOLUTION NO. 23
of the Annual General Meeting of FAMUR S.A.
dated June 29th 2020

to adopt the Remuneration Policy for Members of the Management and Supervisory Boards of FAMUR S.A. and to authorise the Supervisory Board to specify the details thereof

Section 1

1. Acting pursuant to Art. 90d of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005 (the "Act"), the Annual General Meeting of FAMUR S.A. of Katowice hereby adopts, as attached hereto, the Remuneration Policy for Members of the Management and Supervisory Boards of FAMUR S.A. (the "Policy"). The Policy, as attached hereto, forms an integral part of this Resolution.
2. Acting pursuant to Art. 90d.7 of the Act, the Annual General Meeting of FAMUR S.A. of Katowice hereby also authorises the Supervisory Board to specify the Policy as follows:
 - to determine the amount of the fixed remuneration components and to determine the amount and define the eligibility criteria of the variable remuneration components, including bonuses and other cash and non-cash benefits as specified in the Policy, for members of the Management Board;
 - take such other steps as may be required to implement the Policy, in particular in areas which need to be addressed specifically by the Supervisory Board in accordance with the objectives of the Policy or express instructions contained therein.

Section 2

The Resolution shall become effective as of its date.

The open/secret ballot was carried out among shareholders holding a total of ... shares, on which valid votes were cast and which represented ... of the share capital and carried the right to ... valid votes. votes were cast in favour of the resolution (...% of all the votes cast), there were ... abstentions (...% of all the votes cast) and ... votes against the resolution (... % of all the votes cast).

The resolution has been / has not been passed.

**Notice of
the Annual General Meeting of FAMUR S.A.
to be held at 3.00 pm on June 29th 2020**

The Management Board of FAMUR S.A. of Katowice, with its registered office at ul. Armii Krajowej 51, Katowice, Poland, entered in the business register maintained by the District Court for Katowice-Wschód in Katowice, 8th Commercial Division of the National Court Register, under No. KRS 0000048716, with a share capital of PLN 5,747,632.12, paid up in full, acting pursuant to Art. 399.1 and Art. 402(1) in conjunction with Art. 402(2) of the Commercial Companies Code, hereby convenes an **Annual General Meeting of the Company (the General Meeting) to be held at its registered office at ul. Armii Krajowej 51, Katowice, Poland, at 3.00 pm on June 29th 2020**, with the option for Shareholders to participate therein using electronic means of communication and with the following agenda:

1. Opening of the Annual General Meeting (AGM).
2. Appointment of the Chairperson.
3. Confirmation that the AGM has been properly convened and has the capacity to pass resolutions.
4. Appointment of the Ballot Counting Committee.
5. Presentation of the Directors' Report on the Company's and the Group's operations in the financial year 2019, the separate financial statements for the financial year 2019 and the consolidated financial statements for the financial year 2019.
6. Presentation of the Supervisory Board's report for the Annual General Meeting on the activities of the Supervisory Board and on the assessment of the separate and consolidated financial statements, Directors' Report on the Company's and the Group's operations, the Management Board's proposal concerning distribution of profit for the financial year 2019, and the Company's position.
7. Consideration of the Company's separate financial statements for the financial year 2019 and passing a resolution to receive the separate financial statements.
8. Consideration of the Directors' Report on the Company's and the Group's operations in 2019 and passing of a resolution to receive the Directors' Report.
9. Adoption of a resolution to allocate net profit for the financial year 2019.
10. Consideration of the Group's consolidated financial statements for the financial year 2019 and passing a resolution to receive the consolidated financial statements.
11. Consideration of the Group's non-financial statement for the financial year 2019 and passing a resolution to receive the non-financial statement.
12. Consideration of, and if thought fit, passing resolutions to grant discharge to members of the Company's governing bodies for 2019.
13. Passing a resolution to adopt the Remuneration Policy for Members of the Management and Supervisory Boards of FAMUR S.A. and to authorise the Supervisory Board to specify the details thereof.
14. Closing of the AGM.

Grounds for the draft resolutions:

Item 2 of the agenda

The resolution is of a procedural nature; its adoption is required by the Commercial Companies Code.

Item 4 of the agenda

The resolution is of a procedural nature.

Items 7, 8, 9 and 10 of the agenda

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The General Meeting is required to pass the resolutions under Art. 395 of the Commercial Companies Code.

Item 11 of the agenda

The General Meeting is required to pass the resolution under Art. 395 of the Commercial Companies Code and Art. 55.2b, 55.2c and 52.3.2 of the Accounting Act.

Item 12 of the agenda

The General Meeting is required to pass the resolution under Art. 395 of the Commercial Companies Code.

Item 13 of the agenda

The General Meeting is required to pass the resolution to adopt the Remuneration Policy for Members of the Management and Supervisory Boards and to authorise the Supervisory Board to specify the details thereof under Art. 90d.1 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005 (consolidated text: Dz.U. of 2019, item 623, as amended).

Pursuant to Art. 402(2) of the Commercial Companies Code, the Company presents the procedures governing participation in the Annual General Meeting and exercise of voting rights:

1. The right to participate in the General Meeting

Pursuant to Art. 406(1) of the Commercial Companies Code, only persons who were Company shareholders 16 days prior to the date of the General Meeting, i.e. as at June 13th 2020 (the record date), have the right to participate in the Meeting.

In order to participate in the General Meeting of FAMUR S.A., holders of rights under FAMUR bearer shares in book-entry form must, no earlier than after the date of the notice of the General Meeting and no later than on the first weekday following the record date, request the entity maintaining those holders' securities accounts to issue personal certificates confirming their right to participate in the General Meeting.

At the request of a holder of rights attached to book-entry bearer shares, the certificate should specify all or some of the shares registered in the holder's securities account.

The Company recommends that shareholders collect certificates confirming their right to attend the General Meeting issued by the entity maintaining their securities accounts and carry them on the date of the General Meeting.

2. The right of a shareholder to request that certain items be placed on the agenda of the General Meeting

Pursuant to Art. 401.1 of the Commercial Companies Code, a shareholder or shareholders representing at least one-twentieth of the share capital may request that certain matters be included in the agenda of the General Meeting. Such request should be submitted to the Management Board at least twenty-one days prior to the scheduled date of the General Meeting. The request should contain reasons or a draft resolution regarding the proposed agenda item. The Management Board will announce changes to the agenda made at the request of shareholders as soon as practicable, but no later than eighteen days before the scheduled date of the General Meeting. Any such changes must be announced in the same manner as the notice of the General Meeting. The request should be submitted in writing at the Company's registered office at ul. Armii Krajowej 51, 40-698 Katowice, Poland, or sent in electronic form as a PDF file to: famur@famur.com.pl.

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The request may be made in the form of a correctly completed and signed form, downloadable from the Company's website at <http://www.famur.com>; the form and all the attached documents submitted by electronic means should be delivered as attachments in the PDF format. Separate forms for shareholders who are natural persons and for shareholders other than natural persons are available at the Company's website.

A shareholder or shareholders requesting that a particular matter be placed on the agenda should enclose with their request relevant documents confirming their identity and their right to request the inclusion of an item on the agenda, namely:

1. a depositary certificate for their shares or a certificate confirming the shareholder's right to participate in the General Meeting issued by the entity maintaining the shareholder's securities account in accordance with the laws and regulations governing trade in financial instruments, stating that its holder is a shareholder in the Company and holds the required number of shares as at the request date;
2. where the shareholder is a natural person – a copy of his or her identity card, passport or another identity document,
3. where the shareholder is not a natural person – a copy of the valid entry in the relevant register or another document evidencing authority to represent the shareholder,
4. if the request is submitted through a proxy – a copy of the power of proxy signed by the shareholder or persons authorised to represent the shareholder, and a copy of the proxy's identity card, passport or another official identity document; if the proxy is not a natural person – a copy of the valid entry in the relevant register confirming the authority of a natural person (natural persons) to represent the proxy and a copy of the identity card or passport of the natural person (natural persons) authorised to represent the proxy.

The obligation to enclose the documents specified above applies to shareholders submitting their request in writing and to those submitting their request in electronic form. The relevant documents should be delivered in the same form as the request (as printed documents or scanned copies in the PDF format). The Company may take appropriate steps to verify a shareholder's or shareholders' identity and the validity of the delivered documents.

The Management Board will announce changes to the agenda made at the request of a shareholder or shareholders as soon as practicable, but no later than eighteen days before the scheduled date of the General Meeting.

The new agenda will be published on the Company's website, at <http://www.famur.com>.

3. The right of a shareholder to propose draft resolutions on matters which have been placed or are to be placed on the agenda prior to the scheduled date of the General Meeting

Pursuant to Art. 401.4 of the Commercial Companies Code, a shareholder or shareholders representing at least one-twentieth of the Company's share capital may, prior to the date of the General Meeting, submit to the Company (in writing or by electronic means) draft resolutions concerning any matters which have been placed or are to be placed on the Meeting's agenda.

Draft resolutions should be submitted in writing at the Company's registered office at ul. Armii Krajowej 51, 40-698 Katowice, Poland, or sent in electronic form as a PDF file to: famur@famur.com.pl. The Company will immediately publish such draft resolutions on its website at <http://www.famur.com>.

Draft resolutions may be submitted in the form of a correctly completed and signed form, downloadable from the Company's website; the form and all the attached documents submitted by electronic means should be delivered as attachments in the PDF format. Draft resolutions will be published immediately on the Company's website, at <http://www.famur.com>. Separate forms for shareholders who are natural persons and for shareholders other than natural persons are available at the Company's website.

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A shareholder or shareholders should enclose with their draft resolutions relevant documents confirming their identity and their right to submit draft resolutions, namely:

1. a depositary certificate for their shares or a certificate confirming the shareholder's right to participate in the General Meeting issued by the entity maintaining the shareholder's securities account in accordance with the laws and regulations governing trade in financial instruments, stating that its holder is a shareholder in the Company and holds the required number of shares as at the request date;
2. where the shareholder is a natural person – a copy of his or her identity card, passport or another identity document,
3. where the shareholder is not a natural person – a copy of the valid entry in the relevant register or another document evidencing authority to represent the shareholder,
4. If draft resolutions are submitted through a proxy – a copy of the power of proxy signed by the shareholder or persons authorised to represent the shareholder, and a copy of the proxy's identity card, passport or another official identity document; if the proxy is not a natural person – a copy of the valid entry in the relevant register confirming the authority of a natural person (natural persons) to represent the proxy and a copy of the identity card or passport of the natural person (natural persons) authorised to represent the proxy.

The obligation to enclose the documents specified above applies to shareholders submitting their request in writing and to those submitting their request in electronic form. The relevant documents should be delivered in the same form as the request (as printed documents or scanned copies in the PDF format). The Company may take appropriate steps to verify a shareholder's or shareholders' identity and the validity of the delivered documents.

4. The right of a shareholder to propose draft resolutions on matters which have been placed on the agenda during the General Meeting

Pursuant to Art. 401.5 of the Commercial Companies Code, during the General Meeting shareholders may propose draft resolutions concerning matters included in the agenda.

5. Voting by proxy

- a) Pursuant to Art. 412 of the Commercial Companies Code, shareholders may attend the General Meeting of FAMUR S.A. and exercise their voting rights in person or by proxy. Powers of proxy must be granted in writing or in electronic form. Representatives of legal entities should present valid copies of entries in the relevant registers, specifying the legal entity's authorised representatives. Persons not included in a copy of the register entry should present a relevant power of proxy signed by the entity's authorised representatives. A proxy may exercise all rights of a shareholder at the General Meeting unless the power of proxy states otherwise.

A proxy may:

- Grant further powers of proxy if this is permitted under the power of proxy (subject to Art. 412(2).3 of the Commercial Companies Code, which prohibits granting further powers of proxy by proxies who are members of the Company's Management or Supervisory Boards, Company employees or members of the governing bodies or employees of a Company's subsidiary company or subsidiary cooperative);
- Represent multiple shareholders and vote the shares of the individual shareholders differently.

Shareholders holding shares registered in multiple securities accounts may appoint a different proxy to vote the shares in each of the accounts.

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b) Members of the Company's Management Board and Company employees may act as shareholders' proxies at the General Meeting. If a member of the Management or Supervisory Board or a Company employee is appointed a proxy for the General Meeting, the appointment will only be valid for that General Meeting. The proxy must inform the shareholder of any circumstances that give or may give rise to a conflict of interest, and must vote in accordance with the shareholder's instructions. Granting further powers of proxy is not permitted.

c) A power of proxy to attend the General Meeting and exercise voting rights must be granted in writing, in electronic form or using the online form available from the Company's website at <http://www.famur.com>. A power of proxy granted in electronic form will not require a secure electronic signature verifiable with a valid qualified certificate. The fact that a power of proxy has been granted in electronic form or using the online form available from the Company's website at <http://www.famur.com> must be notified to the Company via electronic mail to the address famur@famur.com.pl. An electronic power of proxy should enable identification of the shareholder and the proxy. A power of proxy made in a foreign language should be translated into Polish by a sworn translator, otherwise it will have no legal effect.

An electronic power of proxy must be submitted/sent to the Company from the shareholder's email address which has been verified and confirmed by the shareholder personally at the Company's registered office (the main office) or confirmed in a deed drawn up before a notary public, with its copy submitted to the Company. If an electronic power of proxy is submitted/sent to the Company from an address that has not been verified and confirmed by the shareholder in person, it must be enclosed with copies of the identity cards of the shareholder and the proxy, or – if the shareholder is a legal person – copies of the documents specifying the method of the shareholder's representation, along with copies of the identity cards of its authorised representatives and a copy of the identity card of the proxy.

For the purposes of drawing up an attendance list for the General Meeting, a proxy appointed by an electronic power of proxy must present a document (a printout) confirming the appointment, enabling identification of the shareholder who appointed the proxy, along with an identity document of the proxy. If a proxy voting form is to be used (the form is available from <http://www.famur.com>), the proxy should deliver the form to the Chair of the General Meeting before voting starts on the resolution which according to the shareholder's instructions is to be voted on by the proxy using the form. The Chair of the General Meeting will inform the General Meeting that a vote has been cast using a proxy voting form, which will provide the basis for counting it towards votes cast on the resolution. Proxy voting forms used to cast votes during the General Meeting will be attached to the minute book. Shareholders may, but are not required to, use the proxy voting form available from the Company, and casting valid votes by a proxy is not conditional on using the form. Using the form is a shareholder's right, not an obligation. Proxies are required to vote in accordance with the shareholders' instructions.

6. Participation in the General Meeting by electronic means of communication

a) Participation in the General Meeting by electronic means of communication

Shareholders have the option to participate in the General Meeting using electronic means of communication. In order to participate in the General Meeting by electronic means of communication, a dedicated ICT platform shall be used, which enables real-time two-way verbal communication between the shareholder, or the shareholder's proxy, and the General Meeting. When exercising the option to participate in the General Meeting by electronic means of communication, shareholders or their proxies shall bear all related risks, in particular those arising from the inability to receive transmission, communicate in real time or exercise voting rights at the General Meeting as a result of a technical failure or any interference in the transmission along the communication channel being used.

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Any communication from a shareholder wishing to participate in the General Meeting by electronic means of communication to the Company and vice versa shall be sent to or from, as appropriate, the following email address: famur@famur.com.pl.

No later than by 4.00 pm seven days prior to the General Meeting, the Shareholder shall email the following documents to the Company at famur@famur.com.pl:

- a. a statement, in the PDF format, of the Shareholder's intent to participate in the General Meeting by electronic means of communication, completed and signed in accordance with the form attached as **Appendix 1** hereto (the "Statement");
- b. a scanned copy of the Shareholder's passport or identity card enabling verification of the Shareholder's identity, with the passport or identity card number and the Shareholder's personal identification number (PESEL) indicated. Where the Shareholder is a legal person or an unincorporated organisation – a scanned copy of its entry in the relevant register or of another document confirming the capacity of its representatives. If the original of any of the aforementioned documents is in a language other than Polish, its copy shall be submitted accompanied by a certified Polish translation;
- c. if the Shareholder has appointed a proxy to participate in the General Meeting on the Shareholder's behalf – a scanned copy of the power of proxy and of the proxy's passport or identity card enabling verification of the proxy's identity, with the passport or identity card number and the proxy's personal identification number (PESEL) indicated. The power of proxy shall comply with the formal requirements as set out Section 5 above.

The Company shall verify the right of the Shareholder who sent the Company a completed Statement to participate in the General Meeting based on the list of shareholders entitled to participate in the General Meeting obtained from the Central Securities Depository of Poland (Krajowy Depozyt Papierów Wartościowych S.A.). In order to ensure proper verification, the Company may contact the Shareholder, or the Shareholder's proxy, using the contact details specified in the Statement. If any inconsistency is identified, the Company may request the Shareholder to remove it within a time limit set by the Company, and, if the Shareholder fails to remove the inconsistency within such time limit, the Company may refuse to allow the Shareholder to participate in the General Meeting by electronic means of communication, notifying the Shareholder of such refusal prior to the General Meeting at the email address provided in the Statement.

Following confirmation of the Shareholder's right to participate in the General Meeting and of the power of proxy, if any, the Company shall, no later than by 4.00 pm one day prior to the General Meeting, send to the Shareholder or the Shareholder's proxy detailed instructions on how to register with the ICT platform enabling participation in the General Meeting by electronic means of communication at the email address provided by the Shareholder in the Statement. The relevant credentials and other related information shall be provided in a secure file, with the opening password texted at the telephone number provided in the Statement.

Any risks arising from participation in, communication with, or voting at the General Meeting by electronic means of communication in connection with improper storage of or unauthorised access to the credentials shall be borne solely by the Shareholder or the Shareholder's proxy, with the Company not being liable for any related loss or damage.

Any communication with the General Meeting or with the Company through the ICT system enabling participation in the General Meeting by electronic means of communication or emailed to the Company at famur@famur.com.pl shall be made exclusively in the Polish language.

Any formal, organisational or technical matters raised or any disputes arising during the General Meeting in connection with the participation therein by a shareholder or a shareholder's proxy using electronic means of communication shall be decided by the Chairperson of the General Meeting, with such decisions to be final and binding on all parties. The technical requirements to access and use the ICT platform

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dedicated to participation in the General Meeting by electronic means of communication are attached as **Appendix 2** hereto.

b) Speaking at the General Meeting by electronic means of communication

A shareholder or a shareholder's proxy exercising the option to participate in the General Meeting by electronic means of communication shall have the same right to speak at the General Meeting as shareholders physically attending it. The two-way real-time communication between the Shareholder, or the shareholder's proxy, and the General Meeting shall be verbal.

c) Voting by post or by electronic means

Voting rights may not be exercised by postal ballot.

A shareholder or a shareholder's proxy exercising the option to participate in the General Meeting by electronic means of communication shall have the same right to vote at the General Meeting as shareholders physically attending it. The Company shall ensure that shareholders can vote any number of shares they hold, with the option to vote each share differently, and that, in a secret ballot, the way they vote their shares cannot be identified.

7. Access to documents relating to the General Meeting

The complete documents to be presented to the General Meeting and the draft resolutions concerning matters which have been or are to be included in the agenda prior to the date of the General Meeting will be available from the Company's website at <http://www.famur.com> from the date of notice of the General Meeting. The documents will be promptly updated to reflect any changes and revisions, in accordance with the Commercial Companies Code. Persons entitled to attend the General Meeting may obtain copies of the documents from the Company's registered office at ul. Armii Krajowej 51, 40-698 Katowice, Poland, Monday to Friday, 9 am to 3 pm.

Any comments, opinions and explanations of the Management or Supervisory Boards concerning matters which have been or are to be included in the agenda prior to the date of the General Meeting will be posted on the Company's website promptly after they are issued.

8. List of persons entitled to attend the General Meeting

A list of persons entitled to attend the General Meeting will be drawn up on the basis of a list prepared by the Central Securities Depository of Poland, and will be available for inspection by shareholders at ul. Armii Krajowej 51, 40-698 Katowice, Poland, for the three weekdays preceding the Annual General Meeting. Shareholders may request that the list of shareholders entitled to attend the General Meeting be sent to them free of charge, providing an address to which it should be sent. Such request should be made in electronic form as a PDF file, and sent to famur@famur.com.pl. To confirm a shareholder's right to request the list of shareholders entitled to attend the General Meeting (which is afforded solely to the Company's shareholder pursuant to Art. 407 of the Commercial Companies Code), the request should be enclosed with copies of the identity documents of the shareholder or persons acting on the shareholder's behalf, along with a copy of the relevant depository certificate for their shares or certificate confirming the holder's right to attend the General Meeting, issued to the holder's name.

The Company recommends that shareholders collect the certificates confirming their right to attend the General Meeting issued by the entity maintaining their securities accounts and check whether their name is on the list of shareholders entitled to attend the General Meeting.

9. Registration at the General Meeting

Persons entitled to attend the General Meeting are requested to register at the entrance to the Meeting room, 30 minutes before the opening of the Meeting.

Persons who have sent the Company completed Statements shall register at the General Meeting by logging in to the ICT platform dedicated to holding a remote ballot and to verbal communication with the General Meeting using their previously provided credentials no earlier than half an hour prior to the opening of the General Meeting, i.e. 2:30 pm.

10. Shareholders communicating with the Company by electronic means

Subject to the limitations specified in the Commercial Companies Code and this notice, the Company's shareholders may communicate with the Company by electronic means. In particular, they may use electronic channels to send proposals, requests, notices, and documents. Shareholders may communicate with the Company in electronic form at the following address: famur@famur.com.pl.

Shareholders using electronic means of communication bear all risk associated with their use.

Where documents originally drawn up in a language other than Polish are delivered by electronic means, they should be enclosed with their certified translations. All documents sent by shareholders to the Company or by the Company to shareholders in electronic form must be scanned documents in the PDF format.

11. Other

Any other matters concerning the General Meeting which are not provided for in this notice shall be governed by applicable laws and regulations, in particular the Commercial Companies Code, the Company's Articles of Association, the Rules of Procedure for the General Meeting of FAMUR S.A., and the Detailed Rules of Participation in the General Meeting by Electronic Means of Communication.

12. Total number of Company shares and number of voting rights attached to the shares as at the date of notice of the General Meeting

The Company's share capital is divided into 574,763,212 shares carrying 574,763,212 voting rights at the General Meeting, comprising:

- 1) 432,460,830 Series A ordinary bearer shares, carrying 432,460,830 voting rights at the General Meeting,
- 2) 49,039,170 Series B ordinary bearer shares, carrying 49,039,170 voting rights at the General Meeting,
- 3) 4,970,000 Series C ordinary bearer shares, carrying 4,970,000 voting rights at the General Meeting,
- 4) 43,677,000 Series D ordinary bearer shares, carrying 43,677,000 voting rights at the General Meeting,
- 5) 29,293,500 Series E ordinary registered shares, carrying 29,293,500 voting rights at the General Meeting, to be converted into bearer shares at the shareholder's request,
- 6) 15,322,712 Series F ordinary bearer shares, carrying 15,322,712 voting rights at the General Meeting.

The following appendices are attached to this notice:

1. *Statement of intent to participate in the General Meeting by electronic means of communication*
2. *Technical requirements to access and use the ICT platform dedicated to participation in the General Meeting by electronic means of communication.*

Appendix 1

Form of the statement of intent to participate in the General Meeting by electronic means of communication

STATEMENT

I (We), the undersigned, being a shareholder/ acting on behalf of a shareholder* in _____ of _____ (the "Company"):

(shareholder details: full name/ company name, address/ registered address)

hereby declare my/our intent to participate by electronic means of communication in the Annual/Extraordinary General Meeting of the Company to be held at _____ on _____.

1. I represent that as a Shareholder I will participate in the Annual General Meeting by such means in person.* / I represent that as a Shareholder I will participate in the Annual General Meeting by such means by proxy.*
2. I represent that I am authorised to represent the Shareholder, as confirmed by relevant documents submitted to the Company, and I will participate in the General Meeting by such means in person.* / I represent that I am authorised to represent the Shareholder, as confirmed by relevant documents submitted to the Company, and I will participate in the General Meeting by such means by proxy.*
3. I represent that I will participate in the General Meeting holding _____ shares as indicated in the list of shareholders entitled to participate in the Company's General Meeting prepared by the Central Securities Depository of Poland (Krajowy Depozyt Papierów Wartościowych S.A).
4. I acknowledge and accept all terms and conditions as well as consequences of participation in the General Meeting by electronic means of communication as announced and published by the Company.

Details of the shareholder/ person representing the shareholder entitled to participate in the General Meeting by electronic means of communication*:

Name and surname: _____

Address: _____

Personal Identification Number (PESEL):

ID card/passport No.*: _____

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Email address for communication, including for receiving the ICT platform credentials:

Telephone number for communication, including for receiving the opening password for the ICT platform credentials: _____

Signature(s) of the shareholder/ person(s) authorised to represent the shareholder*

name and surname (position)
place and date

name and surname (position)
place and date

** Strike out as appropriate*

Appendix 2

Technical requirements to access and use the ICT platform dedicated to participation in the General Meeting by electronic means of communication.

1. A working computer with a camera, microphone and web browser (recommended: Chrome v. 78.0.3904 or later and Mozilla Firefox v. 70.0 or later).
2. Microsoft Windows operating system (recommended: Windows 10).
3. Internet connection with a minimum capacity of 1 Mb/s (recommended: minimum capacity of 5 Mb/s).

REPORT OF THE SUPERVISORY BOARD OF FAMUR S.A.

ON THE ACTIVITIES OF THE SUPERVISORY BOARD AND ON THE ASSESSMENT OF THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS, DIRECTORS' REPORT ON THE COMPANY'S AND THE GROUP'S OPERATIONS, THE MANAGEMENT BOARD'S RECOMMENDATION CONCERNING DISTRIBUTION OF PROFIT FOR THE FINANCIAL YEAR 2019, AND OF THE COMPANY'S STANDING,

PREPARED FOR THE ANNUAL GENERAL MEETING

I. REPORT OF THE SUPERVISORY BOARD ON ITS ACTIVITIES IN 2019

1. LEGAL BASIS

This Report has been prepared in accordance with:

- a. Art. 382.3 of the Commercial Companies Code;
- b. Art. 15.2.1 of the Company's Articles of Association;
- c. Section 7.2 of the Rules of Procedure for the Company's Supervisory Board.

2. COMPOSITION OF THE SUPERVISORY BOARD

Composition of the Supervisory Board as at January 1st 2019:

Tomasz Domogała	– Chairman of the Supervisory Board
Czesław Kisiel	– Deputy Chairman of the Supervisory Board
Jacek Leonkiewicz	– Member of the Supervisory Board
Magdalena Zajączkowska-Ejsymont	– Member of the Supervisory Board
Dorota Wyjadłowska*	– Member of the Supervisory Board
Tomasz Kruk*	– Member of the Supervisory Board
Michał Nowak	– Member of the Supervisory Board

**Supervisory Board member meeting statutory independence criteria*

On November 29th 2019, the Company announced that Mr Michał Nowak resigned from his position on the Supervisory Board with effect from November 30th 2019 (see Current Report No. 62/2019 of November 29th 2019).

Composition of the Supervisory Board as at December 31st 2019 and as at the date of this report:

Tomasz Domogała	– Chairman of the Supervisory Board
Czesław Kisiel	– Deputy Chairman of the Supervisory Board
Jacek Leonkiewicz	– Member of the Supervisory Board
Magdalena Zajączkowska-Ejsymont	– Member of the Supervisory Board
Dorota Wyjadłowska*	– Member of the Supervisory Board
Tomasz Kruk*	– Member of the Supervisory Board

**Supervisory Board member meeting statutory independence criteria*

Since 2017, the following committees have operated within the Supervisory Board of FAMUR S.A.: Nomination and Remuneration Committee, Strategy and Investment Committee, and Audit Committee.

3. SUPERVISION PROCEDURES

Pursuant to the Commercial Companies Code, the Company's Articles of Association and the Rules of Procedure for the Supervisory Board, in 2019 the Supervisory Board exercised supervision over the Company's operations. The Supervisory Board performed its duties mainly by way of passing resolutions, by written ballot and during meetings. The Supervisory Board maintained regular contact with the Company's Management Board and the auditor.

4. ACTIVITIES OF THE SUPERVISORY BOARD IN THE REPORTING PERIOD

In 2019, as in previous years, the Supervisory Board dealt with both the strategic matters and the Company's day-to-day operations. In particular, the Supervisory Board focused on:

- assessment of the Company's financial statements for 2018, the Directors' Report on the Company's operations, the Management Board's proposal concerning distribution of profit, and the Supervisory Board's report on the assessment,
- assessment of the financial statements of the Group for 2018 and the Directors' Reports on the Group's operations in 2018,
- report on the Supervisory Board's activities in 2018,

- issuing opinions on draft resolutions of the Company’s General Meeting,
- effecting changes in the composition of the Management Board and appointing the Management Board for a new term of office,
- discussing the policy concerning remuneration of and bonus for members of the Management Board,
- giving consent to disposal of real property or perpetual usufruct rights in real property,
- giving consent to disposal of shares in a subsidiary,
- giving consent to the issue of Series B notes under the Notes Programme and approving the Terms of Series B Notes,
- approving annual budgets of the Company and the Group prepared by the Management Board,
- appointing the auditor.

II. SUPERVISORY BOARD'S REPORT ON THE ASSESSMENT OF THE SEPARATE FINANCIAL STATEMENTS FOR 2019, THE CONSOLIDATED FINANCIAL STATEMENTS OF THE FAMUR GROUP FOR 2019 AND THE DIRECTORS' REPORT ON THE OPERATIONS OF THE FAMUR GROUP AND FAMUR S.A. IN 2019

Pursuant to Art. 382.3 of the Commercial Companies Code and the Company's Articles of Association, the Supervisory Board has read and assessed the separate financial statements and the consolidated financial statements for the financial year from January 1st to December 31st 2019, as well as the Directors’ Report on the operations of the Group and the Company.

The Supervisory Board has read the independent auditor's report on the audit of the full-year financial statements for 2019 and the auditor's report on the audit of the full-year consolidated financial statements for 2019, as well as the Directors' Report on the operations of the Group and the Company, and has concluded that:

I. The full-year financial statements for 2019:

- give a true and fair view of the Company's assets and financial position as at December 31st 2019, as well as its financial results and cash flows for the period January 1st-December 31st 2019, in accordance with the applicable International Financial Reporting Standards as endorsed by the European Union and the adopted accounting policies;

- comply with the form and content requirements laid down in the laws and regulations applicable to the Company and in its Articles of Association;
- were prepared on the basis of properly maintained accounting records, in accordance with Chapter 2 of the Accounting Act of September 29th 1994 (the “Accounting Act”).

II. The full-year consolidated financial statements for 2019:

- give a true and fair view of the Group’s assets and financial position as at December 31st 2019, as well as its consolidated financial results and consolidated cash flows for the period January 1st-December 31st 2019, in accordance with the applicable International Financial Reporting Standards as endorsed by the European Union and the adopted accounting policies;
- comply with the form and content requirements laid down in the laws and regulations applicable to the Group and in the Parent’s Articles of Association.

III. Directors' Report on the operations of the FAMUR Group and FAMUR S.A. in 2019:

- has been prepared in accordance with Art. 49 of the Accounting Act and Par. 70 of the Minister of Finance’s Regulation of March 29th 2018 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 (the “Current Information Regulation”),
- is consistent with the consolidated financial statements,

Pursuant to Par. 70.1.14 and Par. 71.1.12 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 March 29th 2019, having considered and assessed the full-year financial statements for 2019, the full-year consolidated financial statements for 2019, and the Directors' Report on the operations of the FAMUR Group and FAMUR S.A. in 2019, and having further considered:

- the auditor's reports on the above financial statements and discussions held with representatives of the audit firm, including the lead auditor;
- the positive recommendation by the Supervisory Board's Audit Committee to approve the full-year financial statements for 2019, the full-year consolidated financial statements for 2019, and the Directors' Report on the operations of FAMUR and FAMUR S.A. in 2019.

The Supervisory Board concluded that the full-year financial statements for 2019, the full-year consolidated financial statements for 2019 and the Directors' Report on the operations of the

FAMUR Group and FAMUR S.A. in 2019 are consistent with the accounting records, other relevant documents and facts.

Pursuant to Art. 4a of the Accounting Act of September 29th 1994 (the "Act"), the Supervisory Board further concludes that all elements of the full-year financial statements for 2019, the full-year consolidated financial statements for 2019, and the Directors' Report on the operations of the FAMUR Group and FAMUR S.A. in 2019 meet the requirements laid down in the applicable laws.

III. ASSESSMENT OF THE PROPOSAL CONCERNING DISTRIBUTION OF THE COMPANY'S PROFIT FOR 2019

Pursuant to Art. 382.3 of the Commercial Companies Code, the Supervisory Board hereby gives a positive assessment of the Management Board's proposal not to pay dividend for the financial year ended December 31st 2019, as contained in Resolution No. 45/2020 of April 21st 2020.

IV. CONCLUSIONS

The Supervisory Board collectively supervised the Management Board's activities in the financial year 2019 and performed its duties pursuant to the relevant provisions of the Commercial Companies Code, the Company's Articles of Association and the Rules of Procedure for the Supervisory Board.

Considering the results of the assessment of the (separate and consolidated) financial statements and the Directors' Report on the operations of the Company and the Group in 2019, and taking into account the overall conditions and circumstances in which the Company operated in 2019, the Supervisory Board recommends that the Annual General Meeting of FAMUR S.A.:

- a) receive the Company's full-year separate financial statements for 2019,
- b) receive the Group's full-year consolidated financial statements for 2019,
- c) receive the Directors' Report on the operations of the Company and the Group in 2019,
- d) pass the resolution on distribution profit as proposed by the Management Board,
- e) grant discharge to members of the Company's Management Board in respect of performance of their duties in 2019.

V. SUPERVISORY BOARD'S ASSESSMENT OF THE COMPANY'S AND THE GROUP'S STANDING IN 2019

1. ASSESSMENT OF THE COMPANY'S AND THE GROUP'S STANDING

In 2019, the Company achieved the best ever results in the Underground segment, which successfully capitalised on the constructive conditions in the mining industry. The Company also closed the sale of Przedsiębiorstwo Budowy Szybów S.A., which enabled it to early repay the Tranche B debt under the Restructuring Agreement of December 2016, which concerned the PRIMETECH Group (formerly Kopex Group). The Company implemented a Lean Management model, which allowed it to optimise costs and improve profitability. The service centres in Russia were integrated, and the technological facilities in Kazakhstan were expanded. The international expansion programme was continued by selling the first longwall system in Indonesia, an innovative low seam coal extraction project (MIKRUS system) in China, and roadheaders in Canada and India. In 2019, the Company reported significant contracts for delivery and lease of underground mining equipment worth a total of more than PLN 900m, while developing aftermarket sales and stepping up R&D work focused on innovative SmartMine solutions, which are being tested by two domestic customers and one customer abroad.

Revenue fell by more than 2% while net profit increased by 13% year on year, to PLN 2,165m and PLN 249m, respectively. The largest contributor to FAMUR's 2019 performance was the Underground business, accounting for just under 75% of the Group's revenue. The segment's revenue grew by PLN 214m (or 15%) year on year, to a total of PLN 1,621m.

A decrease in revenue from Mining Services was attributable to changes in the scope of the PRIMETECH Group's business and its structure, particularly the derecognition of Przedsiębiorstwo Budowy Szybów S.A. following its sale outside the FAMUR Group (in May 2019) and discontinuation of the coal trading business. Altogether, the FAMUR Group generated PLN 249m in profit for 2019, an increase of PLN 29m over 2018, thus achieving more than 11% profit margin. The negative effect of one-off items in Surface (the need to revise the budgets of long-term contracts and to recognise additional costs and goodwill impairment) was offset by improved profitability in Electrical Equipment and in Underground, and by a one-off gain on the sale of Przedsiębiorstwo Budowy Szybów S.A. outside the FAMUR Group. The increase in sales on a comparable basis and improved profitability across all segments, except for Surface, combined with efficient management of working capital, were factors behind the Company's cash flows from operating activities of PLN 504m in 2019. As at the end of 2019, the Group's net debt was maintained at a low level of PLN 220m (with the net debt to EBITDA of 0.5x), diversified both in terms of its forms (notes, bank borrowings and lease liabilities) and the number of financing institutions.

2019 was the first full year of implementation of the new FAMUR Strategy for 2019–2023, as part of which the Group concentrated on the four strategic goals of maintaining its position on the home market, foreign expansion, increasing the share of aftermarket services in total revenue and industry diversification.

As part of its expansion projects abroad, the Company stepped up efforts in those markets where it enjoys an established presence, including Russia and Kazakhstan. The Company also acquired customers in new markets, including Indonesia, where it signed its first contract to supply a longwall system, or Canada and India, where it delivered roadheaders in 2019. It also made its first deliveries to the promising Chinese market as part of the Mikrus project, which is expected to start operation in its target location in the first half of 2020. The value of the signed and reported export contracts for equipment deliveries in Underground totalled nearly PLN 327m in 2019, compared with PLN 262m in 2018. Exports represented 37% of the Group's total sales, up from 33% in 2018.

In addition to stepping up the sales efforts and expanding aftermarket services, the Company continued to develop its product portfolio in terms of its breadth and use of innovative technologies. It completed the testing phase of a project to develop a new virtual reality training service (VR), slated for commercial launch in 2020. Intensive work was also under way in 2019 to implement and add new functionalities to the EH SmartMine platform, which is being pilot tested by the FAMUR Group's customers in Poland and abroad. Further SmartMine modules – Predictive Maintenance and Enterprise Asset Management – are in the development phase and their pilot versions are expected to be delivered to customers in 2021.

Considering the overall market situation due to the COVID-19 pandemic, as well as information from our customers concerning possible revision of their 2020 budgets with respect to planned capital projects, such projects will likely be curtailed in 2020. Reduced mining production and changes to the work organisation introduced by our major customers in response to the COVID-19 pandemic will drive down the Group's revenue from new deliveries, leases and maintenance services. At the same time, the risk of payment defaults by companies operating on the Polish market has increased. Given the circumstances, the Company plans to put even more effort into optimising our cost base and manufacturing processes, and to continue to implement a Lean Management culture and adapt our organisational structure to the changing market environment.

In view of the foregoing, the Supervisory Board gives positive assessment of the Company's standing. The Supervisory Board gives a positive opinion on the Company's fulfilment of the disclosure obligations related to compliance with the corporate governance principles set out in the WSE Rules and legal regulations concerning current and periodic information to be disclosed by issuers of securities.

2. ASSESSMENT OF THE INTERNAL AUDIT SYSTEM AND THE MATERIAL RISK MANAGEMENT SYSTEM

Responsibility for the internal audit system and its operational effectiveness in the processes of preparing financial statements lies with the Management Board of the Company. In addition, a

separate Internal Audit Department has been created at the Company to carry out internal audits. Internal control, risk management and compliance functions are also performed within the corporate controlling and legal departments.

Monitoring of the effectiveness of the internal control and risk management systems as well as of the internal audit function, including with respect to financial reporting, is also performed by the Audit Committee.

The Supervisory Board gives a positive opinion on the internal audit and risk management systems in place at the Company.

3. SUMMARY

The Supervisory Board has not identified any threat to the Company continuing as a going concern. The Supervisory Board gives a positive opinion on the Management Board's activities in 2019 and therefore recommends that the Annual General Meeting grant discharge to members of the Management Board in respect of performance of their duties in 2019.

Resolution No. 580/XIII/2020
of the Supervisory Board of FAMUR S.A.
dated June 2nd 2020


on assessment of the Management Board's proposal on distribution of net profit for the financial year 2019

Section 1

Pursuant to Art. 382.3 of the Commercial Companies Code, the Supervisory Board of FAMUR S.A hereby gives a positive assessment of the Management Board's proposal not to pay dividend for the financial year ended December 31st 2019.

Section 2

This Resolution shall become effective as of its date.

	<p><i>Document:</i> VOTED ON BY MEANS OF REMOTE COMMUNICATION 6/2020 MANAGEMENT BOARD MEETING HELD ON APRIL 21ST 2020 MINUTES NO. 21/2020</p>	<p><i>Page:</i> 1/1</p>
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**Resolution No. 45/2020
of the Management Board of FAMUR S.A.,
passed
in a vote held by means of remote communication
on April 21st 2020,**

to recommend the Annual General Meeting to resolve not to pay dividend for the financial year ended December 31st 2019

Section 1

1. In consideration of the current market situation due to the fast and unprecedented spread of the SARS-CoV-2 virus in Poland and globally and the resulting increase in overall economic uncertainty, which has also posed the following risks for the Famur Group:
 - a. the risk of reduced mining production and curtailment of planned capital projects by the Group's customers, expected in view of information available in the public domain concerning possible revision of their 2020 budgets with respect to such projects;
 - b. the risk of an attempt by JSW to renegotiate mutual contractual obligations with FAMUR following notification of a force majeure event in connection with the spread of SARS-CoV-2 virus and imposition of the related restrictions;
 - c. the risk of reduced revenue from contracts with PGG following receipt of notice that the company has been affected by a force majeure event and of verbal communication that it thus may seek to renegotiate contract terms with FAMUR;
 - d. the risk of default by Węglokoks on a roadheader lease contract, including by failure to make lease payments, following formal notification of a force majeure event by the company,

The Management Board of FAMUR S.A. hereby resolves to recommend the Annual General Meeting to resolve not to pay dividend for the financial year ended December 31st 2019.

2. At the same time, the Management Board upholds the dividend policy as adopted under Management Board Resolution No. 86/2018 of September 21st 2018, which provides for dividend payment of 50% to 100% of net profit if no significant acquisitions are made or there is no material change in the market situation.
3. The Management Board's recommendation will be presented for assessment by the Supervisory Board. A final decision on the allocation of net profit for 2019 will be made by the Annual General Meeting.

Section 2

This Resolution shall become effective upon being signed.

Section 3

This resolution has been passed unanimously.

REMUNERATION POLICY FOR MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF FAMUR S.A.

I. INTRODUCTION

This Remuneration Policy (the “Remuneration Policy”) for members of the Management Board and Supervisory Board of FAMUR S.A. of Katowice (the “Company”), the shares of which are admitted to trading on a regulated market, has been drawn up in particular as part of the Company’s preparation to meet its obligations under the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005 (as amended by the Act Amending the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, and Certain Other Acts of October 16th 2019), and therefore it takes into account the requirements set out in the Act, in particular in Art. 90d.

This Remuneration Policy, which sets out the framework for awarding remuneration to members of the Management Board and Supervisory Board of FAMUR S.A., forms part of the Company’s governance and corporate culture consisting of a transparent organisational structure, ethical values, personnel competencies and skills, powers and responsibilities, information channels, controls, and a risk management system.

The Company shall pay remuneration to Management Board and Supervisory Board members only in compliance with this Remuneration Policy.

II. LEGAL BASIS

This Remuneration Policy has been developed based, in particular, on the following regulations:

- 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”);
- 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” or the “Directive”);
- The Commercial Companies Code of September 15th 2000 (the “Commercial Companies Code” or “CCC”);
- The Articles of Association of FAMUR S.A.

III. OBJECTIVES OF THE REMUNERATION POLICY

FAMUR S.A. is an entity with an extensive capital and organisational structure. The solutions adopted in this Remuneration Policy should be conducive to the implementation of the Company’s business strategy, long-term interests and stability by:

- 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 management competencies going 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 members' individual targets;
- supporting sound and effective risk management, and discouraging from taking excessive risks beyond accepted limits.

The remuneration system set out in this Remuneration Policy is designed to ensure adequate recognition of the effort put by Management and Supervisory Board members in performing their duties and to successfully create incentives for better performance. The concurrent purpose of the remuneration system is to prevent taking any risk which is non-compliant with risk profiles, investment policies, investment strategies and the Company's internal regulations.

This Remuneration Policy is based on the following underlying principles:

- 1) designing and applying the remuneration system taking into account the Company's operational safety and long-term growth,
- 2) appropriateness of remuneration to the type of function and liability involved,
- 3) the remuneration system is taken into account in and tailored to the Company's overall business strategy and its long-term objectives. Detailed rules of remuneration are set out in compliance with applicable laws.

This Remuneration Policy has been developed taking into consideration the risks associated with the size of the Company's business, the internal organisation, nature, scope and complexity of the Company's business which covers a considerable geographical territory thus resulting in greater responsibility incumbent on managers who should, therefore, be appropriately remunerated, according to their efforts and commitment. This Remuneration Policy has been prepared also considering the fact that the purpose of the Directive is to strengthen the position of shareholders by ensuring disclosure of remuneration paid to the Company's management and supervisory staff, thus enhancing investors' trust.

IV. BASIS FOR SERVING AS MEMBER OF MANAGEMENT BOARD AND SUPERVISORY BOARD

It has been assumed that at FAMUR S.A. both members of the Management Board and members of the Supervisory Board perform their functions on the basis of appointment to the relevant body by the competent governing body of the Company: in the case of Management Board members - by the Supervisory Board (Art. 368.4 of the CCC and Art. 10.2 and 15.2.2 of the Company's Articles of Association), and in the case of Supervisory Board members - by the General Meeting (pursuant to Art. 385 of the CCC and Art. 13.2 of the Company's Articles of Association). Hence, only a corporate relationship is established.

In view of the objectives set out in the Policy and in order to minimise the risks involved in the execution of employment contracts, the Company does not execute employment

contracts or any other additional contracts/agreements with Management Board members. This form of relationship ensures considerable flexibility, while at the same time motivating individual Management Board members and facilitating pro-active attitudes in pursuing the Company's objectives.

Members of the Management Board are appointed for a joint term of office, in accordance with the Articles of Association and the Commercial Companies Code. A Management Board member may be re-appointed for another term of office. The Management Board members shall be appointed for a joint term of office which, pursuant to Art. 10.4 of the Company's Articles of Association, shall be three years. Appointment for another joint term of office may be made no earlier than one year before the expiry of the current joint term of office of the Management Board.

A Management Board member or a Supervisory Board member may be removed from office at any time.

V. FIXED AND VARIABLE REMUNERATION COMPONENTS PAYABLE TO MEMBERS OF THE MANAGEMENT BOARD, INCLUDING BONUSES AND OTHER MONETARY AND NON-MONETARY BENEFITS

1. General:

The following benefits may be granted to a Management Board member:

- a) fixed remuneration – determined on an individual basis for each Management Board member;
- b) 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;
- c) cafeteria system benefits – determined on an individual basis for each Management Board member;
- d) an additional bonus.

The above benefits as well as the right to use the Company's property are granted subject to the rules provided for in this Remuneration Policy.

When a Management Board member resigns or is removed from the office, they shall be entitled to a severance pay, in accordance with this Remuneration Policy.

The Supervisory Board should make sure that the remuneration of a Management Board member:

- is not set at a level which would encourage such member to take excessive risk with a view to obtaining a variable remuneration component (conflict of interest management),
- is so aligned with the market rates applicable to a given function that the Management Board member is not excessively motivated to change and resignation (operational risk management),
- adequately accounts for the Management Board member's commitment to the Company.

The Supervisory Board shall determine the rules of remuneration for each Management Board Member individually at the time of their appointment to the Management Board,

subject to the rules set out in this Remuneration Policy. The Supervisory Board may grant a Management Board member all or only selected benefits specified in items b) - d) above. In order for a Management Board member to become entitled to a given remuneration component, a written confirmation of granting such entitlement by the Supervisory Board shall be required.

The variable remuneration components specified in items b) and c) shall be binding on the Company after they are adopted by the Supervisory Board and proposed to a Management Board member in writing, signed by persons authorised to represent the Supervisory Board, in the form approved by the Supervisory Board. Upon determination of the individual remuneration components, the Supervisory Board shall, within seven calendar days of the adoption of the relevant resolution, provide the Management Board member concerned with detailed information on the benefits to be granted to them, and shall take all necessary steps required by law.

The Supervisory Board may determine or change certain components of remuneration and benefits later or repeal any decision relating to them - provided that the component in question has not become due - at any time after the Management Board member has commenced their duties, while complying with the requirements set out in the applicable laws and this Remuneration Policy. Within seven calendar days of adopting the relevant resolution, the Supervisory Board shall provide the Management Board member with detailed information on the newly determined benefits, and shall take further steps required by law.

Any monetary components of remuneration shall be paid by bank transfer to the bank account specified in writing by the Management Board member or Supervisory Board member, as the case might be.

Subject to a separate written agreement with a Management Board member, the variable components of remuneration may be paid otherwise than in cash.

All remuneration or bonus payment deadlines or time limits specified in this Remuneration Policy shall be to the benefit of the Company. However, the Supervisory Board may decide on shorter payment deadlines or time limits.

Members of the Company's Management Board and Supervisory Board may, subject to and to the extent permitted by applicable laws, serve on the governing bodies of other FAMUR Group companies (the "FAMUR Group") and enter into agreements with such companies, as and when needed. This, however, must not adversely affect the performance of duties of a member of the Company's Management Board or Supervisory Board.

The FAMUR Group shall mean all subsidiaries of FAMUR S.A. and their respective subsidiaries. The Supervisory Board may adopt a resolution providing for specific restrictions or inclusions in this respect, applicable to individual Management Board members.

Depending on the Company's needs, the Supervisory Board may decide to make an advance payment in respect of a given component of remuneration to a Management Board member.

2. Fixed remuneration (fixed component)

Fixed remuneration means the remuneration for the appointment to the Management Board.

Fixed remuneration shall be set within a range of PLN 10,000.00 to PLN 75,000.00 (inclusive of VAT) per month.

In the exercise of the right provided for in Art. 90d.7 of the Act, taking into account the provisions of the Commercial Companies Code and of the Articles of Association, it is determined that the decision on the amount of individual fixed remuneration for each Management Board member, within the range (limits) specified above herein, shall be made by the Company's Supervisory Board. When determining the individual fixed remuneration of a Management Board member within the remuneration range specified above, the Supervisory Board shall take into account in particular the workload necessary for appropriate performance of the duties of a Management Board member, the extent of the member's engagement in the Company, the scope of duties and responsibilities related to serving on the Management Board, professional expertise, management and social skills, as well as contribution to the Company's overall performance. Moreover, given the objectives of this Remuneration Policy, the Supervisory Board shall also take into account available internal market data (e.g. internal data comparison within the Group) and available external market data (e.g. information on the remuneration of management board members of other WSE listed companies).

Fixed remuneration shall be paid monthly on the 10th day of the following month.

3. Variable remuneration

Variable remuneration may consist of four components (performance-related, budget-related, task-related, and discretionary component) and shall depend on the level of achievement of the targets set for a given calendar year (year n). Targets shall be set in detail by the Supervisory Board in accordance with the principles laid down below. The Supervisory Board may grant a Management Board member all or only selected remuneration components.

Variable remuneration shall be granted to Management Board members for a full calendar year. The targets and tasks assigned during a calendar year shall be valid until the end of that year (year n). A final assessment of the achievement of the performance-related, budget-related, task-related and/or targets and targets subject to discretionary evaluation shall be 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.

Notwithstanding the conditions set out below, the Management Board Member's right to variable remuneration (each component thereof) shall be at all times conditional upon their holding of the office as at September 30th of year n, with the proviso that:

- when a Management Board member is transferred before September 30th of year n to a managerial position in another FAMUR Group company (e.g. to serve as a Management

Board member, Director, Commercial Proxy, Adviser), the variable remuneration will be settled at FAMUR S.A. as the company in which the targets and tasks have been originally set and assigned.

- when a Management Board member is removed from office before September 30th of the assessed year n, the Management Board member will be entitled to variable remuneration for the targets achieved in full by that time. When a Management Board member is removed from office after September 30th of year n, the Management Board member shall be entitled to variable remuneration component for the performance targets archived in full by that time, while in respect of the tasks planned to be performed by the end of year n - proportionally to the time served on the Management Board.

- when a Management Board member is removed from office between October 1st and December 31st inclusive, the variable remuneration component for the achievement of the targets evaluated on a discretionary basis shall be payable to the Management Board member proportionally to the period of employment in a given year, and in accordance with the target achievement levels.

Concurrently, this condition (the requirement to serve as a Management Board member as at September 30th of a given assessed year (n)) shall be treated as stipulated to the benefit of the Supervisory Board, which means that after analysing the situation and assessing the work of a Management Board member, even if the condition has not been satisfied, in special circumstances, e.g. when there is a material improvement in the Company's financial performance or in the Company's internal or market situation, attributable to that Management Board member's commitment, the Supervisory Board may waive the condition by adopting a relevant resolution.

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 shall not exceed 150% of the Management Board members' annual fixed remuneration.

Variable remuneration shall be paid in the year following the assessed year (year n), on the 10th day of the month following the month in which the Supervisory Board adopted a resolution confirming satisfaction of the conditions upon which a Management Board member becomes entitled to such remuneration and indicating the amount of such remuneration.

A. Performance-based component of variable remuneration – performance-related targets

In the exercise of the right provided for in Art. 90d.7 of the Act, taking into account the provisions of the Commercial Companies Code and the Articles of Association, the Supervisory Board determines the minimum expected net profit of the Company or the Group (depending on the decision of the Supervisory Board) for a given year (n) and, then, subject to the applicable limits set out in the Remuneration Policy, it determines, individually for each Management Board member, the percentage share in the surplus of actual net

profit over the minimum net profit target, and sets the maximum remuneration threshold (i.e. the maximum remuneration that can be paid for achieving the target in 100%).

The basis for determining whether a Management Board member is entitled to the performance-related component of the remuneration shall be the information on the net profit actually realised for a given year, as disclosed in the audited financial statements of the Company or the Group, in which a given Management Board member held office, adjusted mathematically (for variable remuneration purposes) for one-off and extraordinary events or effects of non-operating transactions, because for the purposes of determining the remuneration of a Management Board member the Supervisory Board is authorised to adjust the net profit earned by the Company or the Group for one-off or extraordinary items (in particular non-cash ones) related, for example, to accounting reclassifications, thus “removing” the effects of such events or transactions from the net profit earned by the Company.

If the Company does not earn a surplus over the minimum expected net profit of the Company or the Group (as determined by the Supervisory Board in the relevant resolution) in a given year n, a Management Board member shall not receive variable remuneration for the performance-related targets set for year n.

A Management Board member shall become entitled to the performance-based remuneration component when all of the following conditions (as specified in Sections 1-2) are met:

1. a surplus over the expected minimum profit in year n is achieved;
2. the Company’s net debt in year n is kept below the threshold of twice the annual EBITDA at the end of each calendar quarter - with the proviso that this condition shall be treated as stipulated for the benefit of the Supervisory Board, which means that in exceptional cases or when a Management Board member is appointed during year n and it is known at that point that the Company’s net debt has already exceeded two times EBITDA threshold in year n or it is certain or highly probable that it will exceed this threshold in year n, the Supervisory Board may waive the condition for a specified period of time notified in writing to the Management Board member concerned (grace period).

B. Budget-related component of variable remuneration – budget-related targets

The Supervisory Board may determine a minimum annual EBITDA or net profit to be achieved by the Management Board, to serve as the budget of the Company or the FAMUR Group, with a view to implementing the adopted strategy and ensuring financial stability of the Company or the FAMUR Group.

The budget-related component of variable remuneration shall be paid on condition that the Management Board has demonstrated the achievement of the minimum expected EBITDA or net profit in a given year (year n). Assessment shall be made by the Supervisory Board based on the audited consolidated financial statements of the Company or the Group. The Supervisory Board may exclude certain items from the financial statements for assessment purposes, in correlation with the set targets.

C. Task-related component of variable remuneration - task-related targets

Task-related targets for a given financial year, for each Management Board member, may be proposed to the Supervisory Board by the Management Board. The final task-related targets for a given year (n) shall be set and adopted by the Supervisory Board.

To the extent permitted by this Remuneration Policy, the Supervisory Board may determine the weighted percentage share of individual tasks in the total variable remuneration. The targets set by the Supervisory Board for a given year (year n) may be of measurable or discretionary nature. The level of achievement of the targets is assessed by the Supervisory Board on the basis of, among others, the target achievement report prepared by the Management Board member concerned.

A Management Board Member or the Company's Supervisory Board may propose changes to the tasks set, during the year for which they were set, if they have not already been achieved. When a task is changed or cancelled during the settlement period, upon a decision made to that effect by the Supervisory Board, the Supervisory Board shall make an assessment of the current status of the changed/cancelled task. The assessment shall be made not later than by the end of the month following the month in which the decision to change/cancel a given target is communicated and the terms of remuneration of a given Management Board member are amended. When a task is changed or cancelled prior to the originally scheduled completion deadline, a Management Board member will retain the possibility to earn the variable remuneration component that has been cancelled in connection with the failure to perform the cancelled/changed task in full. In order to ensure that a Management Board member has the possibility to obtain the variable remuneration component in the initially determined amount, the Supervisory Board may assign new tasks to the member or transfer the variable remuneration component related to the cancelled task to the other tasks, e.g. pro rata to their weight. A Management Board member may request the Supervisory Board to change or cancel a task, specifying the reasons for the request, which shall serve as a basis for the Supervisory Board's decision whether to maintain, cancel or change a given task.

A Management Board member shall present to the Supervisory Board their target achievement reports by the end of January of the year following the assessed period or – in the case of performance-related and task-related targets reviewed on the basis of data from audited financial statements – by the end of April of the year following the assessed period.

D. Discretionary component of variable remuneration – discretionary targets

As regards the discretionary component of variable remuneration, the following are assessed:

1. achievement of targets and tasks important for the Company, assigned to the Management Board on an ad hoc basis, other than performance-related, budget-related and task-related targets as part of the variable remuneration component (Sections A - C)
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 team’s decisions and actions,
 - taking initiative,
 - always acting in the Company’s best interest,
- c) cooperation – understood as:
 - mutual trust and acting as a well-integrated team,
 - listening to and learning from others, taking into consideration every opinion presented in a discussion,
 - when a decision is made - taking joint action to achieve the objective,
 - being happy for successes of colleagues and employees, promoting their 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.

4. Cafeteria system benefits

1. Cafeteria system benefits, financed or co-financed by the Company, shall be provided by enabling a Management Board member to use an online platform (“the System”). Via the System, a Management Board member will be able to 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 equals PLN 1.00) to purchase or order benefits, vouchers or subscription packages in the System.
2. The 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 (inclusive of VAT) per year.
3. 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.
4. A Management Board member may use the cafeteria system benefits from the time and subject to the rules set out in a separate resolution of the Supervisory Board until their revocation by the Supervisory Board or until the Management Board

member ceases to serve on the Management Board. To be able to use the System, a Management Board member must create a personalised user account and accept the System Rules.

5. The amount set by the Supervisory Board in the cafeteria benefit system is the total cost incurred by the Company in respect of the System benefits.
6. A Management Board member shall be assigned a specific number of Points in the system, available under the package granted to the member, accruing in equal amounts on a monthly basis. A Management Board member shall decide, at their own discretion, when to use their accrued points. The points may be used at once or gradually to purchase benefits, vouchers or subscription packages in individual, consecutive months. When a Management Board member chooses to purchase a subscription package using the points allocated to the next month, the System shall automatically block the appropriate number of points necessary to pay for the subscription package selected by the Management Board member in the subsequent period.
7. A Management Board member shall individually decide whether to use the System to acquire or order a given benefit, voucher or subscription package in a given period, or not. In such a case, the Management Board member's income shall be only the value of benefits actually acquired, and not the value of points awarded (available for use).
8. If a Management Board member fails to use the total number of points available in a given System package in a given year, they shall not be entitled to claim the payment of any equivalent in respect of any unused points. However, unused points shall be transferred to the following year and may continue to be used; however, a Management Board member is not allowed to accumulate more than three times the annual value of the last package granted to them. Should this be the case, any points in excess of the amount equalling three times the value of the package granted shall be forfeited (deactivated in the System) and the Management Board member shall not have the right to demand any equivalent in respect thereof.
9. A Management Board member's 'close persons' shall be understood as their children, adopted children, spouse or cohabitating partner.
10. If a Management Board member ceases to serve on the Management Board, they shall no longer be able to use the benefits available via the System; however, the Company may allow the Management Board member to use the subscription package selected prior to ceasing to serve on the Management Board, until the end of the month in which the Management Board member ceases to serve on the Management Board. In such a case, the System shall automatically deactivate the subscription package after the month ends.

5. Additional bonus

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 10% 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.

6. Severance pay

If a Management Board member is removed during their term of office, or if they resign or are not re-appointed for another term of office, such Management Board member shall also have the right to receive a severance pay in the following amounts:

- for the President of the Management Board: from three to six times their fixed gross monthly remuneration, depending on the Supervisory Board's decision;
- in the case of other Management Board members: from one to three times their fixed gross monthly remuneration, depending on the Supervisory Board's decision.

VI.

The proportion of the above remuneration components shall be as follows:

The proportion of variable remuneration depending on a given 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 above) 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 (described in Section V. 3 above) to fixed remuneration may not exceed 150% of the fixed annual remuneration of a given Management Board member.

The fixed and variable remuneration as well as other benefits comprising the total remuneration for Management Board members shall be reasonable in relation to the Company's financial performance and its total costs and expenses.

The remuneration structure, i.e. the proportion of fixed to variable components (i.e. the variable remuneration described in Section V. 3 above) shall therefore be in line with global trends, with the share of variable remuneration in total remuneration exceeding 50% (based on data from a 2019 EY report).

In this respect, FAMUR S.A. notes that the remuneration of Management Board members is structured similarly to the remuneration of the Company's key personnel, who receive fixed remuneration and may earn variable remuneration. Additionally, in special cases the key personnel may also receive additional bonuses.

Given the scope of duties, responsibility and active role of the Management Board, the amount of fixed remuneration for its members is higher than the amount of fixed remuneration payable to the key personnel (on average by approximately 64% in 2019).

Considering pay expectations and the need to ensure stable workforce levels, the remuneration of the Company's rank and file employees is structured in a different manner: they receive the base pay and monthly remuneration components (bonuses) as well as remuneration components and benefits provided for in the labour law.

VII. IN-KIND BENEFITS GRANTED TO MANAGEMENT BOARD MEMBERS

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 and 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 shall be made by the Supervisory Board depending on the Company's needs and capabilities.

The choice of property shall be made by the Supervisory Board, with the proviso that the total amount spent on using such property may not exceed PLN 500,000 (VAT inclusive) per annum.

A Management Board member shall be fully responsible for the property so entrusted and shall be obliged to return the property. Subject to further provisions of the Remuneration Policy, a Management Board member may not use that property for private purposes or make it available for use by third parties.

A Management Board member shall exercise due care while using the entrusted property, and shall avoid any situations in which the Company's property could be damaged or lost, immediately notify the Company of any failure, damage, loss or theft of the property entrusted to them, and comply with the laws of general application when using the property.

In particular, where a company car has been entrusted to a Management Board member, such member shall, among other things, observe road traffic regulations, use the car in a manner which does not cause its excessive wear and tear or excessive use of consumables, have it undergo periodic vehicle inspection tests at MOT stations and periodic inspections at authorised service stations, and shall protect the car against theft, damage or destruction.

A Management Board member shall not be financially liable for damage to the property entrusted to them by the Company to the extent such damage has been redressed by the insurance company.

A Management Board member may use a company car for private purposes. With the Management Board member's consent, a company car may also be driven by a third party. In such circumstances, the costs directly related to the use of a company car for private purposes (e.g. payment for fuel, car parks, motorway vignettes, etc.) shall be borne by the Management Board member, without the right to seek reimbursement from the Company.

To enable a Management Board member to properly perform their duties and for the duration of service as a Management Board member, considering, *inter alia*, the confidential nature of tasks performed as a Management Board member and the need to maintain the highest standards of safe storage and processing of data relating to those tasks, the Company shall provide a Management Board member with necessary equipment, i.e. a computer and telephone. A Management Board member shall be fully liable for any damage

to the property which is not covered by the insurance company. A Management Board member shall have the duty to properly operate the computer hardware and shall not use any illegal software or interfere with system settings that go beyond user privileges. If a Management Board member is to perform their duties outside the Company's or Group companies' offices, the member shall be obliged to use the equipment made available by the Company (laptop, mobile phone), which meet the security requirements, especially with regard to data collection and transmission.

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 shall not be 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 shall be made by the Supervisory Board in the form of a resolution.

VIII. SUPERVISORY BOARD REMUNERATION COMPONENTS

Supervisory Board members shall perform their duties on the basis of appointment made in accordance with the Commercial Companies Code and the Articles of Association. They shall not be 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.

The rules of remuneration for Supervisory Board members shall be as follows:

- 1) Supervisory Board members shall receive single-component fixed monthly remuneration in the amount defined in a resolution of the General Meeting.

The monthly gross remuneration for a Supervisory Board member shall range between PLN 250.00 and PLN 2,500.00. The amount of remuneration shall not depend on the number of Supervisory Board meetings in a given month or a Supervisory Board member's presence at such meetings.

The remuneration shall be such as to ensure adequate quality and effectiveness of a Supervisory Board member's performance;

- 2) the proposed amounts of remuneration for Supervisory Board members shall be submitted by a Shareholder or the Company's Management Board.
- 3) Supervisory Board members shall, unless they make a statement to the contrary, be covered by the Act on Employee Capital Plans of October 4th 2018, and the Company shall therefore make the minimum (i.e. 1.5% of the remuneration) contributions for their benefit, required under the Act;
- 4) Supervisory Board members shall not be entitled to any forms of remuneration other than those referred to above.

Considering the provisions of Best Practice of GPW Listed Companies 2016, it is also determined that the remuneration of Supervisory Board members shall not be linked to any

options or other derivative instruments or to any other variable components, and neither shall it be linked to the Company's performance.

Remuneration of Supervisory Board members does not represent a material item of the Company's operating expenses.

IX. OTHER INFORMATION AND RULES

No remuneration in the form of financial instruments shall be granted to members of the Management or Supervisory Boards of FAMUR S.A.

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.

X. MEASURES TAKEN TO AVOID CONFLICTS OF INTEREST

All members of the Management and Supervisory Boards of FAMUR S.A. are required to know the provisions of and comply with this Remuneration Policy. Those persons shall make a written statement to the effect that they have read, accept and agree to strictly comply with the Remuneration Policy, in accordance with the form set out in Appendix 1 hereto.

Members of FAMUR S.A.'s Management and Supervisory Boards should refrain from undertaking any professional or other activities which might lead to a conflict of interest or adversely affect their reputation as members of the governing bodies of the Company, and where a conflict of interest arises, they should immediately disclose such conflict.

Members of FAMUR S.A.'s Supervisory and Management Boards shall be obliged not to take any steps aimed at undermining the effect of applying the Remuneration Policy to them, and in particular they shall not:

- enter into any civil-law agreements with the Company;
- submit incomplete information on the Company's performance and condition, affecting the assessment of their right to receive specific remuneration components.

The decision-making process should be duly documented in the minutes and resolutions.

XI. EXCEPTIONS TO/DEPARTURES FROM THE REMUNERATION POLICY

If it proves necessary for furthering the Company's long-term interests and ensuring its financial stability or profitability, that is if continued compliance with this Remuneration Policy could have an adverse effect on the Company's ability to fulfil its monetary obligations or on its liquidity, or could reduce the Company's profit below a given year's target (by more than 25%), or if the Company's market situation changes or there are material changes in legislation, the Company's Supervisory Board may, at its discretion, resolve to temporarily (for less than 12 months) suspend the Remuneration Policy and make a temporary amendment to the rules of remuneration for Management Board members with respect to (as appropriate): the amount of fixed and/or variable remuneration for the Management

Board members, additional bonuses or cafeteria system benefits, or the property made available by the Company.

However, doing so may not change the amount of remuneration for a Management Board member as previously determined in accordance with this document by more than 50%.

In addition, departures from the terms and conditions of entitlement to the variable component of remuneration are described in Section V.3 above.

XII. TERM

This Remuneration Policy shall come into effect upon the date of its adoption by the General Meeting.

It comprises rules and guidelines which, once adopted by the General Meeting, shall govern the terms of remuneration for members of the Management and Supervisory Boards of FAMUR S.A.

Shareholders will thus be able to determine the rules of remuneration in a lasting and binding manner, also in the long term.

XIII. PREPARATION PROCEDURE

This Remuneration Policy was drawn up following an analysis of the information on remuneration components and their amounts in the period January–December 2019, provided by the FAMUR S.A. Management Board.

In the course of its preparation, with a view to preparing in the best and most effective manner for the changes being introduced, and seeking to ensure the Company's stability and fulfilment of its long-term interests for the Company's good, the existing system of remuneration for the Management Board members was discussed and assessed in terms of its effectiveness, also taking into account the annual budget.

XIV. EVALUATION OF THE REMUNERATION POLICY AND REPORTING

The Remuneration Policy may be changed at any time. Under the new rules it will not be possible to change a Management Board member's rights conferred under the previous rules where such Management Board member had acquired the right to remuneration (satisfied the conditions to receive it), unless the Management Board member agrees to such a change in writing.

A resolution on the Remuneration Policy shall be adopted by the Company's General Meeting at least every four years, with the proviso that the first resolution shall be put to vote by June 30th 2020, as required by the Act. The amended Remuneration Policy, indicating material changes relative to the previous Remuneration Policy, shall be adopted by way of a resolution of the General Meeting.

The Company's Supervisory Board shall make an annual assessment of the Remuneration Policy's objectives, the structure and amount of remuneration against costs, and shall each year submit a report on the assessment of FAMUR S.A.'s Remuneration Policy as well as a remuneration report presenting a comprehensive review of remuneration,

including all benefits, whatever their form, received by or due to individual members of the Management and Supervisory Boards in the most recent financial year, in accordance with the Remuneration Policy.

The report on remuneration for each member of the Management and Supervisory Boards contains the elements required by the Act, in particular:

- 1) the aggregate remuneration, broken down into the components referred to in Art. 90d.3.1 of the Act, and the proportions between these remuneration components;
- 2) an explanation of how the aggregate remuneration complies with the adopted Remuneration Policy, including how it contributes to the achievement of the company's long-term results;
- 3) information on how the performance criteria were applied;
- 4) 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, in a manner that permits comparison;
- 5) remuneration from members the same corporate group within the meaning of the Accounting Act of September 29th 1994;
- 6) information on departures from the procedure of implementing the remuneration policy and waivers applied in accordance with the Remuneration Policy, including an explanation of the reasons and procedures for such departures and waivers and specification of the elements to which departures and waivers applied.

If, in accordance with this Remuneration Policy, the remuneration for Management Board members includes non-cash benefits granted to Management Board members' close persons, the remuneration report shall include information on the amount of such benefits. A close person is a spouse, ascendant, descendant, sibling, relative by affinity in the same line or in the same degree, an adoptee and his or her spouse, as well as a cohabiting partner. Such information shall not include:

- 1) the grounds for granting such benefits;
- 2) personal details of persons to whom those benefits were paid.

The above data is to be presented to the Supervisory Board by the Management Board, which shall be responsible for its completeness, accuracy and truthfulness, each year within a time limit allowing the Supervisory Board to prepare a report in accordance with the requirements of the Act.

The General Meeting shall pass a resolution containing an opinion on the remuneration report. The resolution is of an advisory nature. If the circumstances defined in Art. 90g.7 of the Act arise, a discussion on the report may be held instead of passing a resolution.

The remuneration report shall be assessed by an auditor to the extent provided for in applicable laws, including the Act.

The company shall publish the remuneration report on its website and shall make it available free of charge for at least ten years from the closing of the General Meeting. If the company makes the remuneration report available after the end of such period, the report may not contain the personal details of members of the management or supervisory boards.

The company shall store and archive documents and other data storage devices containing documents, reports (other than the abovementioned remuneration report), analyses or other information developed, maintained or prepared in connection with pursuing this Remuneration Policy for five years from the first day of the year following the year in which such documents and other data storage devices were developed, maintained or prepared.

XV. PUBLICATION AND TRANSPARENCY OF THE REMUNERATION POLICY ADOPTED BY THE GENERAL MEETING

This Remuneration Policy shall be permanently available to members of the Company’s Supervisory and Management Boards, who shall be forthwith (in writing or via email) notified of any changes hereto.

The Remuneration Policy adopted by the Company’s General Meeting, as well as the related resolution and voting results, shall be posted on the Company’s website for so long as the Policy remains in effect.

Appendix 1

REPRESENTATION

I, the undersigned, _____ hereby represent that I have read, accept, and agree to comply with the Remuneration Policy of FAMUR S.A.

.....
(date and signature)