Report of the Supervisory Board of ERBUD S.A. on remuneration of the Management and Supervisory Board members in 2021

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I. Introduction

This report concerning remuneration of the members of the Management and the Supervisory Boards of ERBUD S.A. (the "Company") („**the Company**") for the accounting year 2021 ("**The Report**") was drawn up pursuant to Article 90g of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies of July 29, 2005 (Journal of Laws of 2021, item 1983) in conjunction with Article 32(2) of the Act of 16 October 2019 amending the Act on public offering and the conditions for introducing financial instruments to the organised trading system and on public companies and certain other acts (Journal of Laws of 2021, item 1983) and includes a comprehensive review of the remuneration, including all benefits, received by or due and payable to individual members of the Management and Supervisory Board members in the accounting year 2021, in accordance with the remuneration policy for the Management and Supervisory Boards' members, adopted by virtue of Resolution No. 18/2020 of the Company's Ordinary General Meeting of Shareholders dated 30 June 2020 and Resolution No. 58/2020 of the Supervisory Board dated 4 September 2020 **(the "Remuneration Policy").**

As the remuneration of the Management and the Supervisory Boards' members does not include cash and/or non-cash benefits granted for the benefit of their immediate family members, this report does not contain information on this subject.

This Report is the second report drawn up pursuant to Article 90g(1) et seq. of the Act on Public Offering of the Company. The report of the Supervisory Board on remuneration of the Management and Supervisory Boards' members in 2019 - 2020 was reviewed positively by the General Meeting of Shareholders of ERBUD S.A. on 11 May 2021 - Resolution No. 16, Art. 90g, para. 7 of the Act on Public Offering.

All remuneration figures in this Report are expressed in gross terms.

Included in wages and salaries is the employer's portion paid to Employee Capital Plan, with the Issuer paying for the Employee Capital Plan on a standard, non-enhanced basis.

II. Composition of the Management and Supervisory Boards.

During the period covered by the Report, the composition of the Management and Supervisory Boards was as follows:

Management Board composition

Name and surname	**Function**	**Term of office in 2021**
Dariusz Grzeszczak	President of the Management Board	1 Jan. 2021 – 31 Dec. 2021
Agnieszka Głowacka	Vice-President of the Management Board	1 Jan. 2021 – 31 Dec. 2021

Jacek Leczkowski	Vice-President of the Management Board	1 Jan. 2021 – 31 Dec. 2021
Radosław Górski	A Management Board member	1 Jan. 2021 – 31 Dec. 2021

Supervisory Board composition

Name and surname	**Function**	**Term of office in 2021**
Udo Berner	The Chairman of the Supervisory Board	1 Jan. 2021 – 8 Sept. 2021
Gabriel Główka	Deputy Chairman of the Supervisory Board	1 Jan. 2021 – 31 Dec. 2021
Albert Dürr	A Supervisory Board Member	1 Jan. 2021 – 31 Dec. 2021
Michał Otto	A Supervisory Board Member	1 Jan. 2021 – 31 Dec. 2021
Janusz Reiter	A Supervisory Board Member	1 Jan. 2021 – 31 Dec. 2021
Piotr Kaczmarek	A Supervisory Board Member	1 Jan. 2021 – 11 May 2021
Michał Wosik	A Supervisory Board Member	11 May 2021 – 31 Dec. 2021
Roland Bosch	The Chairman of the Supervisory Board	26 Nov. 2021 – 31 Dec. 2021
Beata Jarosz	A Supervisory Board Member	26 Nov. 2021 – 31 Dec. 2021

III. The total remuneration amount broken down by individual items and the mutual proportions between these remuneration items

During the period covered by drawn up Report, the Company paid the following remuneration totals to the persons covered by the Remuneration Policy:

<table>
<tr><td></td><td></td><td colspan="6"><u>2021</u></td></tr>
<tr><td><u>Name and surname</u></td><td><u>Function</u></td><td colspan="6"><u>Fixed remuneration in full Polish zlotys broken down into:</u></td></tr>
<tr><td rowspan="6"><u>Dariusz Grzeszczak</u></td><td rowspan="6">President of the Management Board</td><td>Employment contract/management contract/appointment</td><td>Additional insurance</td><td>Health care</td><td>Membership in organisations</td><td>Educational Background</td><td>Benefit system</td></tr>
<tr><td>PLN 1,957,139.60*
*- in 2021 8/12 monthly invoices for consultancy services rendered by Mr Dariusz Grzeszczak to ERBUD Shared Services sp. z o. o. was paid by ERBUD SA, as the parent company.</td><td>PLN 15,486.10</td><td>PLN 1,932.00</td><td>PLN 0.00</td><td>PLN 0.00</td><td>PLN 0.00</td></tr>
<tr><td colspan="6"><u>Variable remuneration in full Polish zlotys broken down into:</u></td></tr>
<tr><td>Bonus under the employment contract/management contract/appointment resolution</td><td>Awards</td><td>Bonuses</td><td>Ratio of fixed to variable remuneration</td><td></td><td></td></tr>
<tr><td>PLN 2,014,912.80</td><td>PLN 0.00</td><td>PLN 0.00</td><td>1,974,557.70 /2,014,912.80 *100% = 0.98</td><td></td><td></td></tr>
<tr><td>Estimated variable remuneration payable for 2021 to be paid upon approval of the 2021 Financial Statements</td><td></td><td colspan="6"><u>PLN 5,443,293.41</u></td></tr>
</table>

Name and surname	Function	Fixed remuneration in full Polish zlotys broken down into:					
Agnieszka Głowacka	Vice-President of the Management Board	Employment contract/management contract/appointment	Additional insurance	Health care	Membership in organisations	Educational Background	Benefit system
		PLN 628,000.00	PLN 2,755.50	PLN 1,932.00	PLN 0.00	PLN 0.00	PLN 0.00
		Variable remuneration in full Polish zlotys broken down into:					
		Bonus under the employment contract/management contract/appointment resolution	Awards	Bonuses	Ratio of fixed to variable pay		
		PLN 503,728.20	PLN 0.00	PLN 0.00	632,687.50 /503 728.20 *100% = 1.26		
Estimated variable remuneration payable for 2021 to be paid upon approval of the 2021 Financial Statements		**PLN 1,360,823.35**					

Name and surname	**Function**	**Fixed remuneration in full Polish zlotys broken down into:**					
Jacek Leczkowski	Vice-President of the Management Board	Employment contract/management contract/appointment	Additional insurance	Health care	Membership in organisations	Educational Background	Benefit system
		PLN 840,000.00	PLN 2,755.50	PLN 1,932.00	PLN 0.00	PLN 0.00	PLN 0.00
		Variable remuneration in full Polish zlotys broken down into:					
		Bonus under the employment contract/management contract/appointment resolution	Awards	Bonuses	Ratio of fixed to variable remuneration		
		PLN 1,316,100.00	PLN 0.00	PLN 0.00	844,687.50 /1,316,100.00*100% = 0.64		
Estimated variable remuneration payable for 2021 to be paid upon approval of the 2021 Financial Statements		**PLN 3,360,000.00**					

Name and surname	**Function**	**Fixed remuneration in full Polish zlotys broken down into:**					
Radosław Górski	A Management Board member	Employment contract/management contract/appointment	Additional insurance	Health care	Membership in organisations	Educational Background	Benefit system
		PLN 856,712.55	PLN 2,755.50	PLN 12.00	PLN 0.00	PLN 0.00	PLN 0.00
		Variable remuneration in full Polish zlotys broken down into:					
		Bonus under the employment contract/management contract/appointment resolution	Awards	Bonuses	Ratio of fixed to variable remuneration		
		PLN 274,170.00	PLN 0.00	PLN 0.00	859,480.05 /274,170.00 * 100% = 3.13		
Estimated variable remuneration payable for 2021 to be paid upon approval of the 2021 Financial Statements		**PLN 452,056.59**					

In addition, each Management Board Member is entitled to a company car, the maximum value of which is specified in the employment contract (management contract) between the company and the Management Board Member.

YEAR **2021**		
Name and surname	**Function**	**Fixed remuneration**
Udo Berner	The Chairman of the Supervisory Board	PLN 63,000.00
Gabriel Główka	Deputy Chairman of the Supervisory Board	PLN 80,400.00
Albert Dürr	A Supervisory Board Member	PLN 68,005.00
Michał Otto	A Supervisory Board Member	PLN 67,000.00
Janusz Reiter	A Supervisory Board Member	PLN 67,000.00
Piotr Kaczmarek	A Supervisory Board Member	PLN 25,375.00
Michał Wosik	A Supervisory Board Member	PLN 45,387.10
Roland Bosch	The Chairman of the Supervisory Board	PLN 10,500.00
Beata Jarosz	A Supervisory Board Member	PLN 7,000.00

IV. An explanation of how total remuneration is consistent with the Remuneration Policy, including how it contributes to the Company's long-term performance

In 2021, the Company granted and paid remuneration to the Management and Supervisory Board members exclusively on the grounds of the Remuneration Policy. The Remuneration Policy, within the scope regulated herein, has prevailed since then over other documents regulating the principles of remuneration of the beneficiaries covered by the Remuneration Policy, effective at the Company.

In 2021, the remuneration of the individuals covered by the Remuneration Policy took into account the objective criteria provided for in the Remuneration Policy and the pay and working conditions of other Company personnel in the manner provided for in the Remuneration Policy. The applied principles of remuneration of the Management and Supervisory Boards' members contributed to the implementation of the Company's strategy and the set long-term goals by providing: (i) full engagement in the performance of functions in the Company, (ii) motivating the individuals subject to the Remuneration Policy to implement the Company's strategy and its long-term objectives, (iii) permanently binding the individuals subject to the Remuneration Policy with the

Company, (iv) the amount of remuneration of the individuals subject to the Remuneration Policy which is adequate to the financial and business performance of the Group, including the Company and (v) attitudes which preclude the individuals subject to the Remuneration Policy from taking excessive risks in performing their functions.

In 2021, members of the Management Board were entitled to remuneration on the basis of contracts concluded with individual Management Board members. The contracts in question specify the amount and other terms of the fixed remuneration determined by the Supervisory Board, as well as the non-cash benefits that may be granted to a Management Board member. The amount of fixed remuneration corresponds to the type of work performed by individual Management Board members, as well as their qualifications and the quantity and quality of their work for the Company. The Company's practice of (i) establishing the components of fixed and variable remuneration, as well as bonuses and other cash and non-cash benefits and non-cash benefits that may be awarded to members of the Management Board, (ii) clear, comprehensive and differentiated financial and non-financial performance criteria for the award of variable remuneration, (iii) deferment periods for the payment of the Variable Remuneration, (iv) an option for the Company to claim reimbursement of the Variable Remuneration and (v) the award of remuneration in the form of financial instruments to the Management Board members is in accordance with the provisions of the Remuneration Policy.

In the aforementioned period, the Report granted monthly lump-sum remuneration to the Supervisory Board members exclusively on the grounds of and in the amount provided for in a resolution of the General Meeting of Shareholders. No variable remuneration applies to the Supervisory Board. Fixed remuneration is commensurate with the assigned scope of activities and functions performed, in proportion to the term of office of the certain function. The members of the Supervisory Board did not receive any remuneration (i) linked to the results of the Company or the Group, (ii) in the form of financial instruments or other non-cash benefits.

V. Information on how the performance criteria were applied

The variable remuneration of the members of the Management Board was granted to them in connection with their compliance with the criteria for obtaining variable remuneration as set forth in the Supervisory Board's Resolution No. 58/2020 of 4 September 2020 within the limits provided for in the Remuneration Policy.

Decisions regarding the allocation and payment of variable remuneration in 2021 to the Management Board members in the form of an 2020 annual bonus were preceded by individual verification of the fulfilment of the criteria with reference to individual Management Board members. The verification of the fulfilment of the criteria for obtaining variable remuneration in the form of an 2020 annual bonus was based on data from the approved Company's financial statements, Group member companies or companies supervised by the respective member, drawn up for the accounting year 2020, and laid grounds for awarding variable remuneration to the respective Management Board member. The annual bonus was awarded in connection with the achievement of a positive financial result by the Company, Group member companies or companies under the supervision of a certain Management Board member, and its amount was defined as a percentage of the financial result, as agreed in the contract with a certain Management Board member .

NAME AND SURNAME	RULES FOR VARIABLE REMUNERATION ACCRUAL
Dariusz Grzeszczak – President of the Management Board	Year 2020- 4% on the consolidated profit of the ERBUD Group. 2021- up to the amount of PLN 100 million of net profit of the Erbud Group - 4% of the net profit of the Erbud Group. Above PLN 100 million of net profit of the Erbud Group - 2% of net profit of the Erbud Group, on the exceeded amount. Pursuant to the Company's Remuneration Policy for members of governing bodies, variable remuneration may not exceed four times the fixed remuneration. If, as a result of a business event, the net result from such event does not appear in the consolidated result of the ERBUD Group as a result of consolidation adjustments, the President of the Management Board is entitled to additional remuneration on this net result, resulting from a non-recurring event not related to the ordinary course of business of the Company or companies for which the President of the Management Board is responsible, as long as this event will affect the cash flow of the Company/subsidiaries - cash result accompanying the non-recurring event - i.e. positive cash flow related to the non-recurring event - e.g. sale of existing ONDE shares by ERBUD S.A. and cash profit on this event less costs and tax as a result of the sale of shares as part of an IPO, the gain from which appears only in the separate income statement, while it is not presented.
Agnieszka Głowacka – Vice-President of the Management Board	Year 2020 – 1% on the consolidated net profit of ERBUD Group. 2021- up to the amount of PLN 100 million of net profit of the Erbud Group - 1% of the net profit of the Erbud Group. Above PLN 100 million of net profit of the Erbud Group - 0.5% of net profit of the Erbud Group, on the exceeded amount. Pursuant to the Company's Remuneration Policy for members of governing bodies, variable remuneration may not exceed four times the fixed remuneration. In the case when, as a result of a business event, the net result from this event as a result of consolidation adjustments does not appear in the consolidated result of the ERBUD Group, the Manager is entitled to additional remuneration from this net result. resulting from a non-recurring event not related to the ordinary course of business of the Company or the companies for which the Manager is responsible, as long as this event will have an impact on the cash flow of the Company / subsidiaries.

Jacek Leczkowski – Vice-President of the Management Board	Year 2020 - 3% of the net result achieved in a given calendar year jointly by Erbud S.A., PBDI S.A. (currently ONDE S.A.) and ERBUD Operations sp. z o. o./ currently ERBUD International sp. z o. o. 2021 - up to PLN 100 million of net profit generated jointly by ERBUD S.A., ONDE S.A., Erbud Operations sp. z o. o. / currently Erbud International Sp. z o. o – 3% Over PLN 100 million of net profit achieved jointly by Erbud SA, ONDE SA, Erbud Operations sp. z o. o. / currently Erbud International Sp. z o. o – 1.5% of net profit on the exceeded amount. Pursuant to the Company's Remuneration Policy for members of governing bodies, variable remuneration may not exceed four times the fixed remuneration. In the case when, as a result of a business event, the net result from this event as a result of consolidation adjustments does not appear in the consolidated result of the ERBUD Group, the Manager is entitled to additional remuneration from this net result. resulting from a non-recurring event not related to the ordinary course of business of the Company or the companies for which the Manager is responsible, as long as this event will have an impact on the cash flow of the Company / subsidiaries.
Radosław Górski – a Management Board Member.	Year 2020 - 3% of the net result generated by the industrial segment of the ERBUD Capital Group. Year 2021 - Up to PLN 100 million of consolidated net profit generated by the service in Poland and abroad, ERBUD Industry sp. z o. o. and new businesses – 3% Over PLN 100 million of consolidated net profit generated by maintenance companies in Poland and abroad, ERBUD Industry sp. z o. o. and new business - **1.5%** of the excess. Pursuant to the Company's Remuneration Policy for members of governing bodies, variable remuneration may not exceed four times the fixed remuneration. f, as a result of a business event, the net result achieved on that event as a result of consolidation adjustments does not appear in the consolidated result of the ERBUD Group, the Member of the Management Board is entitled to additional remuneration on such net result. resulting from a non-recurring event not related to the ordinary course of business of the Company or companies for which the Member of the Management Board is responsible, as long as the event affects the cash flow of the Company / subsidiaries.

In the period for which the Report was drawn up, the Management Board members were awarded variable remuneration in the form of an annual bonus.

The 2020 bonus was paid after the approval of the report for 2020 by the General Meeting of Shareholders and was included under: variable remuneration paid in 2021.

The Supervisory Board members are not remunerated on the basis of performance criteria.

VI. Information about changes, on an annual basis, in remuneration, the Company's performance and the average remuneration of the Company's employees who are not members of the management or supervisory boards, during at least the last five accounting years

The amount of total remuneration from 2017 to 2021

Remuneration of the Management Board members is presented on a cash basis (including remuneration received within the ERBUD Group). This applies in particular to the variable remuneration due for a given financial year, which is paid in the second half of the following year - the data is presented in PLN.

** total remuneration of Ms Agnieszka Głowacka also includes remuneration in the amount of PLN 62,142.86 for acting as a Member of the Supervisory Board in ONDE SA from 19 February 2021.

*** - total remuneration of Mr Jacek Leczkowski also includes remuneration in the amount of PLN 82.857,14 for acting as a Member of the ONDE SA Supervisory Board from 19 February 2021.

*** - total remuneration of Mr Michał Otto also includes remuneration in the amount of PLN 62.142,86 for acting as a Member of the ONDE SA Supervisory Board from 19 February 2021.

Name and surname	Function	2021 / 2020 % change	2021	2020 / 2019 % change	2020	2019 / 2018 % change	2019	2018 / 2017 % change	2018	2017 / 2016 % change	2017
Dariusz Grzeszczak	President of the Management Board	10.3%	4,119,197	20%	3,735,798	43%	3,110,713	86%	2,168,029	-49%	1,166,319
Agnieszka Głowacka	Vice-President of the Management Board	7.6%	1,360,559**	74%	1,263,938	(10)%	724,332	62%	796,591		490,322
Jacek Leczkowski	Vice-President of the Management Board	(23.9%)	2,453,545***	0%	3,432,612	0%	Not applicable		Not applicable		Not applicable
Radosław Górski	A Management Board member	431.8%	1,133,650.05	0%	213,153	0%	Not applicable		Not applicable		Not applicable
Udo Berner	The Chairman of Supervisory Board until 8 Sept. 2021	68%	63,000	(58%)	37,500	(100%)	90,000	0%	180,000	0%	90,000
Gabriel Główka	Deputy Chairman of the Supervisory Board	11.7%	80,400	0%	72,000	0%	72,000	0%	72,000	0%	72,000
Albert Dürr	A Supervisory Board Member	11.7%	68,005	1%	60,900	0%	60,150	0%	60,000	0%	60,000
Michał Otto	A Supervisory Board Member	115.2%	129,143****	0%	60,000	0%	60,000	0%	60,000	0%	60,000
Janusz Reiter	A Supervisory Board Member	11.7%	67,000	0%	60,000	0%	60,000	0%	60,000	0%	60,000
Piotr Kaczmarek	A Supervisory Board Member	(58.3%)	25,375	0%	60,900	61%	60,150		37,258		Not applicable
Michał Wosik	A Supervisory Board Member	No applicable	45,387		Not applicable		Not applicable		Not applicable		Not applicable
Roland Bosch	The Chairman of the Supervisory Board	No applicable	10,500		Not applicable		Not applicable		Not applicable		Not applicable
Beata Jarosz	A Supervisory Board Member	No applicable	7,000,		Not applicable		Not applicable		Not applicable		Not applicable

Company performance in PLN in 2017-2021

Accounting year	2021 / 2020 % change	2021	2020 / 2019 % change	2020	2019 / 2018 % change	2019	2018 / 2017 % change	2018	2017 / 2016 % change	2017
Net profit of ERBUD S.A.	651%	177,736,302.25	46%	27,308,332.00	253%	18,691,264.28	(198%)	(12,254,355.09)	13%	12,539,246.93
Result Consolidated net profit	(58%)	21,338,889.07	44%	50,372,820.03	266%	35,042,589.01	(88%)	(21,135,696.59)	2,124%	23,931,837.32

Average remuneration of the Company's employees who were not Management and Supervisory Boards' members from 2017 to 2021

Accounting year	2021 / 2020 % change	2021	2020 / 2019 % change	2020	2019 / 2018 % change	2019	2018 / 2017 % change	2018	% change	2017
Average annual salary for other personnel members	(2%)	83,956,466	19%	85,807,062	9%	72,093,993	12%	66,081,733	2%	58,886,238
Accounting year	**% change**	**2021**	**% change**	**2020**	**% change**	**2019**	**% change**	**2018**	**% change**	**2017**
Average annual salary for other personnel members	1%	9.403	23%	9.335	6%	7.576	13%	7.161	(14%)	6.356

Taking into account the size of the criteria that determine the amount of bonuses of individual Management Board members due and payable in 2021, and in accordance with the Employment Agreements, paid after the approval of the consolidated statement by the General Meeting of Shareholders of the ERBUD Group, i.e. mid-year 2022, the estimated remuneration of individual members of the Management Board of ERBUD S.A. will be as follows:

NAME AND SURNAME	FUNCTION	ESTIMATED LEVEL OF VARIABLE REMUNERATION IN '000 PLN.
Dariusz Grzeszczak	President of the Management Board	5,443
Agnieszka Głowacka	Vice-President of the Management Board	1,361
Jacek Leczkowski	Vice-President of the Management Board	3,360
Radosław Górski	A Management Board member	452
	TOTAL	10,616

VII. Remuneration from entities belonging to the same capital group

During the period covered by the Report, the persons covered by the Remuneration Policy were paid the following fees (in PLN) for consulting services and for being members of the Supervisory Board by member companies of the Company's capital group:

Name and surname	Erbud Shared Services Sp. z o.o.	ONDE S.A.	TOTAL
Dariusz Grzeszczak	129,726		129,726
Agnieszka Głowacka	162,000	62,143 [1]	224,413
Jacek Leczkowski	210,000	82,857 [2]	292,857
Michał Otto	0	62,143 [3]	62,143

[1] Remuneration paid for acting as a Member of the Supervisory Board of ONDE S.A.

[2] Remuneration paid for acting as the Chairman of the Supervisory Board of ONDE S.A.

[3] Remuneration paid for acting as a Member of the Supervisory Board of ONDE S.A.

The number of financial instruments granted or offered and the fundamental terms and conditions for the exercise of the rights attached to those instruments, including the price and exercise date and changes thereto

In the period for which the Report was prepared, the Company operated an incentive scheme under which financial instruments of the Issuer's subsidiary, ONDE S.A., were granted or offered to persons covered by the Remuneration Policy.

The fair value of the incentive scheme was estimated as the product of the one value resulting from the Group valuation less the price at which employees could subscribe for shares and the number of shares issued. The share subscription price was PLN 0.35 per share.

Dariusz Grzeszczak: President of the Management Board 276,250 shares – fair value: PLN 7.085.812,50
Jacek Leczkowski: Vice-President of the Management Board 138.125 shares – fair value: PLN 3.542.906,25
Agnieszka Głowacka: Vice-President of the Management Board 138.125 shares – fair value: PLN 3.542.906,25

VIII. Information on the use of the option to claim back variable remuneration items

During the period covered by the Report, the Company did not address any requests for reimbursement of variable remuneration components to the individuals covered by the Remuneration Policy.

IX. Information on deviations from the procedure for implementation of the remuneration policy and on the applied deviations from the Remuneration Policy, including an explanation of the rationale and procedure, and indication of the elements from which deviations were applied.

As at the date of preparation of this Report, the Supervisory Board is not aware of any cases of departure from the Remuneration Policy and in particular has not consented to the application of a withdrawal from the Remuneration Policy on the terms provided for therein.

Warsaw, 14 April 2022