

Report on remuneration
for members of Management Board and Supervisory Board
of Dekpol S.A.
for the years
2019 and 2020

Introduction

This Report on remuneration was drawn up pursuant to Art. 90g of the the Act on Public Offering and Conditions of Introducing Financial Instruments to an Organized Trading System and Public Companies of 29 July 2005 (Journal of Laws 2020, item 2080 as amended).

It provides an overview of remuneration and all benefits received and due to individual Members of Management Board and Supervisory Board of Dekpol S.A. and covers two financial years: 2019 and 2020.

Remuneration Policy for Members of Management Board and Members of Supervisory Board of Dekpol S.A. was adopted on 31st of August 2020 by Resolution No. 18 of the General Meeting of Shareholders of Dekpol S.A. on adoption of Remuneration Policy for Members of Management Board and Supervisory Board. The current version of Remuneration Policy is available on Company's website at: <https://dekpole.pl/wp-content/uploads/2020/10/Remuneration-policy-Dekpol-31082020.pdf>

Pursuant to § 14 of the Remuneration Policy, Supervisory Board annually prepares and presents to General Meeting of Shareholders the Remuneration report presenting a comprehensive overview of remunerations, including all benefits, regardless of their form, received by individual Members of Management Board and Members of Supervisory Board. Pursuant to Art. 90g paragraph 10 of the above Act, remuneration report is assessed by a statutory auditor in terms of containing of required information.

Pursuant to Art. 36 section 2 of the Act of 16 October 2019 amending the Act on public offering and the conditions for introducing financial instruments to an organized trading system and on public companies and certain other acts (Journal of Laws 2019, item 2217), Supervisory Board prepares for the first time the total remuneration report for the years 2019 and 2020.

1. Components of remuneration of Management Board and Supervisory Board in 2019 and 2020

1) Management Board

In 2019 and 2020, Members of Management Board of Dekpol S.A. were entitled to remuneration for the following titles / elements:

- a. Fixed Remuneration - monthly cash remuneration, based on appointment to the function of the President of Management Board or a Member of Management Board of Dekpol S.A., remuneration received for agreements for provision of services with the Company or Subsidiaries;
- b. Variable Remuneration - supplementary to fixed remuneration, awarded for achievements by members of Company's bodies of goals defined in Company's

Strategy. They are granted in the form of a bonus, award or other supplementary benefit;

- c. Additional Benefits - non-cash benefits in the form of putting a company car for use, co-financing of health care and business allowances.

In 2019/2020, the Company did not pay Members of Management Board a variable remuneration - in addition to fixed remuneration, awarded for achievement by members of Company's bodies of goals set out in Company's Strategy, awarded in the form of a bonus, award or other supplementary benefit - in accordance with guidelines set out in Remuneration Policy adopted on 31st of August 2020.

2) Supervisory Board

In 2019 and 2020, the remuneration of Members of the Supervisory Board of Dekpol S.A. consisted of the following elements:

- a. Fixed remuneration - cash based on appointment to a function and differentiated on the basis of functions performed, i.e. Chairman of Supervisory Board, Members of Supervisory Board who are also Members of the Audit Committee and other Members of Supervisory Board;
- b. reimbursement of expenses related to participation in works of the Board.

2. Total amount of remuneration

1) Management Board

Remuneration charged in Dekpol S.A. in 2019

Management Board	Term of office	Fixed remuneration - under employment contract	Fixed remuneration - for performance of a function in Management Board	Variable remuneration	Additional benefits	Total
Mariusz Tuchlin	entire 2019	PLN 179 915	PLN 180 000	- PLN	PLN 9 442	PLN 369 356
Michał Skowron	entire 2019	PLN 216 000	PLN 235 200	- PLN	PLN 6 689	PLN 457 889
Andrzej Kuchtyk	entire 2019	PLN 189 600	PLN 150 000	- PLN	PLN 10 546	PLN 350 146
Rafał Dietrich	entire 2019	PLN 189 600	PLN 126 000	- PLN	PLN 5 594	PLN 321 194
Total		PLN 775 115	PLN 691 200	- PLN	PLN 32 270	PLN 1 498 585

Proportions of individual components of remuneration

Management Board	Fixed cash remuneration	Variable cash remuneration	Additional benefits	Total
Mariusz Tuchlin	97%	0%	3%	100%
Michał Skowron	99%	0%	1%	100%
Andrzej Kuchtyk	97%	0%	3%	100%
Rafał Dietrich	98%	0%	2%	100%
Average	98%	0%	2%	100%

In 2019, remuneration of Members of Management Board of Dekpol S.A. consisted in 98 % of fixed remuneration, which included remuneration for employment contracts and for appointment to a member of Management Board.

In 2019, the Company did not pay the Members of Management Board any Variable - supplementary remuneration.

In 2019, remuneration of Management Board members was supplemented by additional, non-wage benefits, which accounted for a marginal 2 % - share of remuneration.

Remuneration charged in Dekpol S.A. in 2020

Management Board	Term of office	Fixed remuneration - under employment contract	Fixed remuneration - for performance of a function in Management Board	Variable remuneration	Additional benefits	Total
Mariusz Tuchlin	entire 2020	PLN 174 420	PLN 186 539	- PLN	PLN 8 698	PLN 369 657
Michał Skowron	entire 2020	PLN 115 798	PLN 80 965	- PLN	PLN 5 682	PLN 202 444
Katarzyna Szymczak-Dampc	entire 2020	PLN 351 000	PLN 87 974	- PLN	PLN 10 767	PLN 449 741
Total		PLN 641 218	PLN 355 478	- PLN	PLN 25 147	PLN 1 021 843

Proportions of individual components of remuneration

Management Board	Fixed cash remuneration	Variable cash remuneration	Additional benefits	Total
Mariusz Tuchlin	98%	0%	2%	100%
Michał Skowron	97%	0%	3%	100%
Katarzyna Szymczak-Dampc	98%	0%	2%	100%
Average	97%	0%	3%	100%

In 2020, remuneration of Members of Management Board of Dekpol S.A. consisted in 97 % of fixed remuneration, which included remuneration for employment contracts and for appointment to a member of Management Board.

In 2020, the Company did not pay the Members of Management Board any Variable - supplementary remuneration.

In 2020, remuneration of Management Board members was supplemented by additional, non-wage benefits, which accounted for a marginal 3 % - share of remuneration.

2) Supervisory Board

Remuneration charged in Dekpol S.A. in 2019

Supervisory Board	Term of office	Fixed remuneration – due to appointment	Fixed remuneration – due to Audit Committee meetings	Additional benefits	Total
Roman Suszek	entire 2019	PLN 23 010	PLN 4 201	PLN 69	PLN 27 279
Wojciech Sobczak	entire 2019	PLN 19 660	PLN -	PLN 1 240	PLN 20 899
Jacek Grzywacz	entire 2019	PLN 19 659	PLN 4 202	PLN 60	PLN 23 921
Jacek Kędzierski	entire 2019	PLN 19 556	PLN 4 179	PLN -	PLN 23 735
Grzegorz Wąsacz	entire 2019	PLN 19 660	PLN -	PLN 49	PLN 19 709
Total		PLN 101 544	PLN 12 582	PLN 1 418	PLN 115 543

In addition, Mr. Jacek Grzywacz, as a part of provision of advisory services, received remuneration for this on an arm's length basis, in accordance with provisions of concluded contract, in the total gross amount of PLN 152 thousands.

Proportions of individual components of remuneration

Supervisory Board	Fixed remuneration – due to appointment	Fixed remuneration – due to Audit Committee meetings	Additional benefits	Total
Roman Suszek	84%	16%	0%	100%
Wojciech Sobczak	94%	0%	6%	100%
Jacek Grzywacz	82%	18%	0%	100%
Jacek Kędzierski	82%	18%	0%	100%
Grzegorz Wąsacz	100%	0%	0%	100%
Average	89%	10%	1%	100%

In 2019, the main remuneration component of Supervisory Board of Members of Dekpol S.A. was cash remuneration due to appointment.

Remuneration charged in Dekpol S.A. in 2020

Supervisory Board	Term of office	Fixed remuneration – due to appointment	Fixed remuneration – due to Audit Committee meetings	Additional benefits	Total
Roman Suszek	entire 2020	PLN 23 176	PLN 5 689	PLN 433	PLN 29 298
Wojciech Sobczak	entire 2020	PLN 19 607	PLN -	PLN 294	PLN 19 901
Jacek Grzywacz	entire 2020	PLN 19 763	PLN 5 689	PLN 382	PLN 25 833
Jacek Kędzierski	entire 2020	PLN 19 140	PLN 5 518	PLN -	PLN 24 658
Grzegorz Wąsacz	entire 2020	PLN 19 763	PLN -	PLN 296	PLN 20 059
Total		PLN 101 449	PLN 16 895	PLN 1 405	PLN 119 750

In addition, Mr. Jacek Grzywacz, as a part of provision of advisory services, received remuneration for this on an arm's length basis, in accordance with provisions of concluded contract, in the total gross amount of PLN 123 thousands.

Proportions of individual components of remuneration

Supervisory Board	Fixed remuneration – due to appointment	Fixed remuneration – due to Audit Committee meetings	Additional benefits	Total
Roman Suszek	79%	20%	1%	100%
Wojciech Sobczak	99%	0%	1%	100%
Jacek Grzywacz	77%	22%	1%	100%
Jacek Kędzierski	78%	22%	0%	100%
Grzegorz Wąsacz	99%	0%	1%	100%
Average	86%	13%	1%	100%

In 2020, the main remuneration component of Supervisory Board of Members of Dekpol S.A. was cash remuneration due to appointment.

3. Explanation of the manner, on how remuneration of members of Management Board and Supervisory Board is consistent with adopted remuneration policy and its influence on reaching of long-term company's results

Current remuneration policy applies at Dekpol S.A. from 31st of August 2020.

Currently, remunerations paid for Members of Management Board and Supervisory Board of Dekpol S.A. meet requirements of the adopted Remuneration Policy by: payment of remunerations in the form and methods permitted by the Policy, as well as in a transparent manner and facilitating implementation of the business strategy, long-term interests, stability and development of the Company and the Capital Group.

Remuneration of Management Board members contributes to their full involvement in performance of specific functions, motivates for achieving of Company's business goals, and its amount is adequate to positions held.

Adopted in Remuneration Policy division of cash remuneration into fixed and variable components of Members of Management Board, the amount of which depends mainly on economic effects of the Company - encourages Members of Management Board to take deliberate actions resulting in achievement of better and better results by the Company, while ensuring long-term stability of its business operations. The form, structure and level of remuneration correspond to market conditions. However, in 2019/2020, the Company did not exercise this right and did not pay the members of Management Board of a variable remuneration component.

Remuneration of Supervisory Board members based solely on fixed remuneration ensures independence of control over Company's financial position and condition through decoupling of remuneration from Company's financial results.

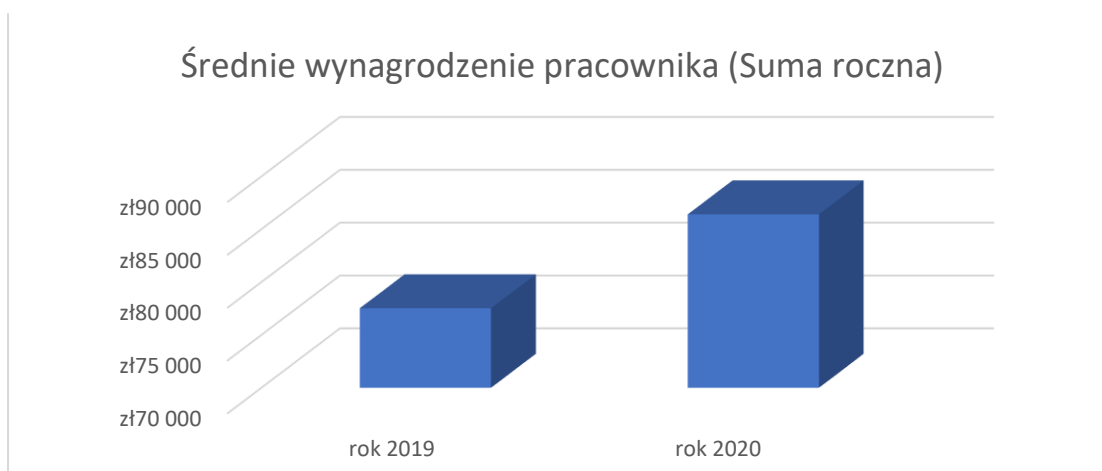
4. Information on how the performance criteria have been applied

Until adoption of Remuneration Policy at Dekpol S.A. performance criteria were not applied. In addition, in 2019/2020, there were no resolutions adopted by the Supervisory Board regarding definition of management goals for Members of Management Board and the

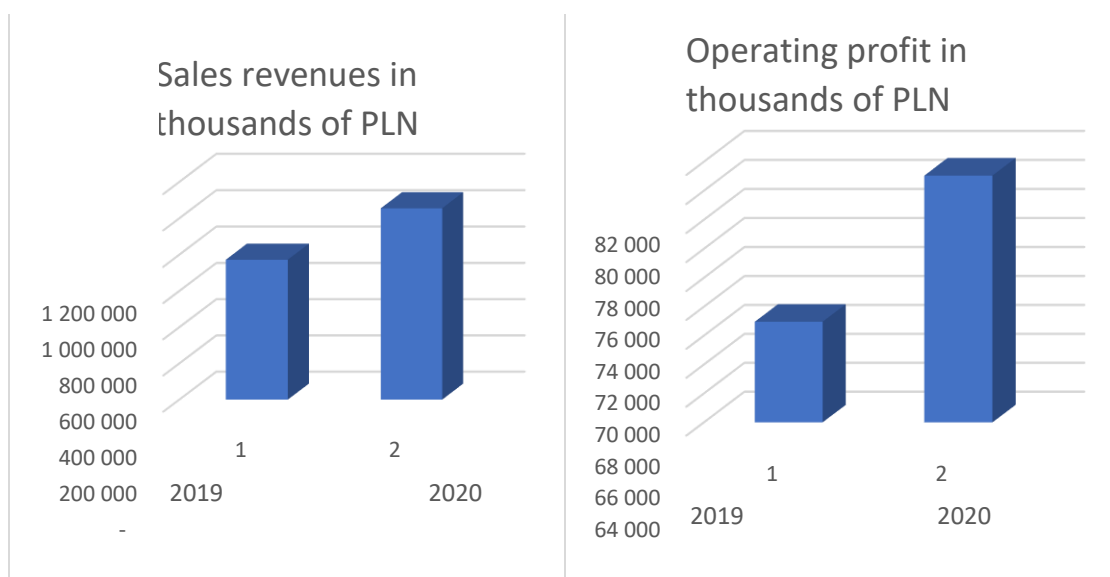
criteria for awarding of variable remuneration. In the indicated period, the Company did not pay the Members of Management Board any Variable - supplementary remuneration, therefore it did not apply criteria related to the implementation of financial results achieved by the Company.

5. Information on the change, in annual terms, of results of the Dekpol Capital Group and the average remuneration of employees of Dekpol S.A. who are not members of management board or supervisory board

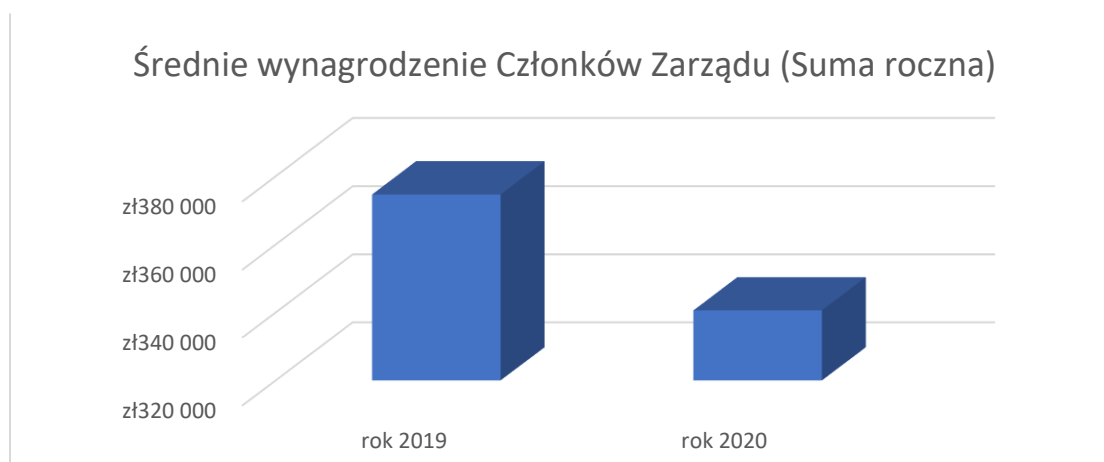
Average remuneration of an employee at Dekpol S.A. in years 2019 – 2020



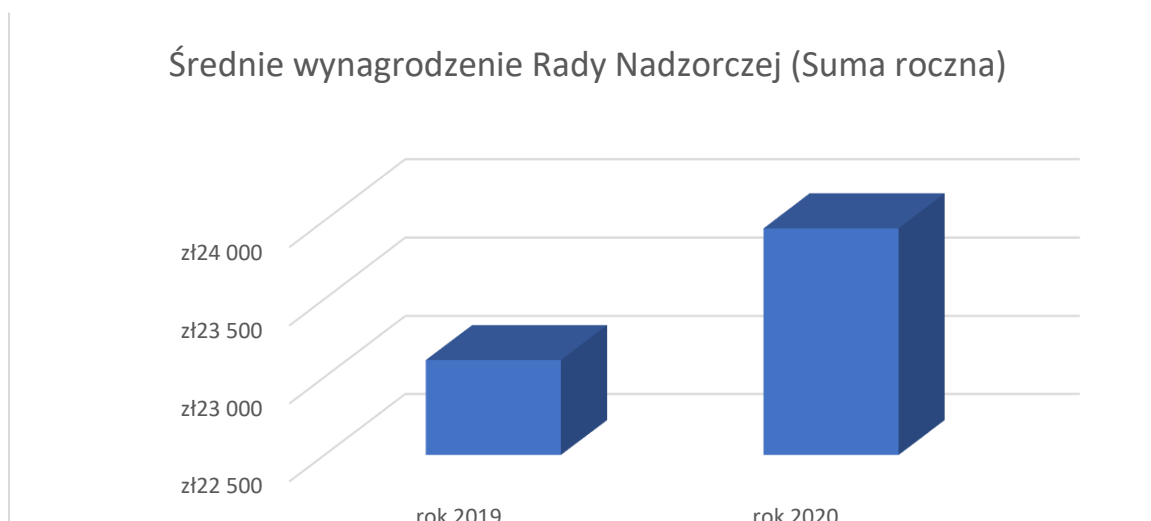
Consolidated revenues and operating profit of the Dekpol Capital Group in financial years 2019/2020



Remuneration of Members of Management Board of Dekpol S.A. in years 2019/2020



Remuneration of Members of Supervisory Board of Dekpol S.A. in years 2019/2020



6. Remuneration amount from entities belonging to the Dekpol S.A. Capital Group in years 2019-2020

1) Management Board and Supervisory Board

In 2019, Members of Management Board and Supervisory Board did not receive any remuneration from entities belonging to the Dekpol S.A. Capital Group.

Remuneration amount from entities belonging to the Dekpol S.A. Capital Group in 2020.

Michał Skowron – remuneration received from the companies Dekpol Budownictwo and Betpref due to appointment.

Management Board	Subsidiary	Fixed remuneration	Variable remuneration	Additional benefits	Total
Michał Skowron	Dekpol Budownictwo Sp. z o.o.	PLN 7 500	PLN -	PLN -	PLN 7 500
Michał Skowron	Betpref Sp. z o.o.	PLN 7 500	PLN 0	PLN 0	PLN 7 500
Total		PLN 15 000	PLN -	PLN -	PLN 15 000

Moreover, members of Management Board, as a part of the provision of advisory services, received remuneration on this account on an arm's length basis, in accordance with provisions of concluded agreements, in the total gross amount of PLN 382 thousands, of which Michał Skowron in the amount of PLN 307 thousands and Mariusz Tuchlin in the amount of PLN 75 thousands.

Members of Supervisory Board did not receive any remuneration from entities belonging to the Dekpol S.A. Capital Group.

7. Number of granted or offered financial instruments and the main conditions for exercising of rights from these instruments, including price and date of exercising and their changes

In years 2019 – 2020, the company Dekpol S.A. did not grant or offer any financial instruments to Members of Management Board.

8. Information on use of the option to demand return of variable remuneration components

Dekpol S.A. neither provides for postponement of payment of variable remuneration components nor the possibility to demand their return.

9. Information on exception from procedure on implementation of remuneration policy and exceptions applied pursuant to Art. 90f, including explanation of the rationale and procedure, as well as indication of elements from which exceptions were applied

To the best knowledge of Supervisory Board, there were no exceptions from procedure of implementation of the Remuneration Policy.

Results

Supervisory Board performed reviewed of remunerations and all benefits received by individual Members of Management Board and Supervisory Board in terms of their compliance with applicable Remuneration Policy.

1. Remuneration paid to Members of Management Board, both in the form of fixed remuneration and variable components, complies with applicable Remuneration Policy and meets all requirements required by law.
2. Binding remuneration Policy is a tool for managing remuneration and fosters effective risk management in the Company and the entire Capital Group.
3. Adopted remuneration principles allow for conducting of a flexible policy of variable remuneration components, including limitation or even non-payment of variable remuneration in the event of a difficult financial situation of the Company.