



**REPORT ON REMUNERATION
OF ENEA S.A. MANAGEMENT BOARD
AND SUPERVISORY BOARD MEMBERS
IN 2019-2020**

10 May 2021

Introduction

This “Report on Remuneration of ENEA S.A. Management Board and Supervisory Board Members in 2019-2020” (hereinafter “the Remuneration Report”) has been prepared by the Supervisory Board of ENEA S.A. pursuant to Article 90g of the amended provisions of the Act of 29 July 2005 on Public Offering and the Terms and Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies (hereinafter “the Act on Offerings”). The amended provisions came into effect on 30 November 2019. Pursuant to Article 36 sec. 2 of the Act of 16 October 2019 amending the Act on Public Offering and the Terms and Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies and certain other acts, the ENEA S.A. Supervisory Board prepares, for the first time, the Remuneration Report for the years 2019 and 2020 jointly.

The Remuneration Report is a comprehensive review of the remuneration, including all the benefits, regardless of the form, received or receivable by each respective ENEA S.A. Management Board Member and each respective ENEA S.A. Supervisory Board Member pursuant to the “Remuneration policy for members of the supervisory body and management body at ENEA Spółka Akcyjna” adopted by the Ordinary General Meeting of ENEA S.A. on 30 July 2020 (hereinafter “the Remuneration Policy”).

The ENEA S.A. Supervisory Board hereby reports that, in the reporting period from 1 January 2019 to 29 July 2020, the Remuneration Policy referred to in the Act on Offerings was not in effect in ENEA S.A. (hereinafter “the Company”). The remuneration of Management Board Members and Supervisory Board Members in effect at that time were regulated on the basis of the Act of 9 June 2016 on the rules for remunerating persons heading certain companies, under which the statutory bodies of ENEA S.A., i.e. the ENEA S.A. General Meeting and the ENEA S.A. Supervisory Board made authorized decisions on the rules for compensating Management Board Members and Supervisory Board Members and remunerating Management Board Members. In the reporting period from 30 July 2020 to 31 December 2020, the Remuneration Policy was in effect in ENEA S.A.

CHAPTER 1

Remuneration rules for ENEA S.A. Management Board Members and ENEA S.A. Supervisory Board Members in effect in 2019 and 2020

The remuneration rules for ENEA S.A. Management Board Members effective in 2019 had been implemented by virtue of a resolution of the Extraordinary General Meeting of ENEA S.A. of 15 December 2016 on the rules for remunerating Management Board Members which was adopted in connection with the coming into force of the Act of 9 June 2016 on the rules for remunerating persons heading certain companies.

The resolution stipulated, among others, that:

- a) a management services agreement is signed with a Management Board Member, the content of which is determined by the Supervisory Board on the terms and conditions laid down in the Act of 9 June 2016 on the rules for remunerating persons heading certain companies;
- b) during the term of the Agreement, Management Board Members:

- are entitled to the monthly Fixed Remuneration set within the range from 7 to 15 times the average salary in the corporate sector without profit-sharing in the fourth quarter of the previous year, as announced by the President of Statistics Poland;
 - are entitled to the Variable Remuneration, which depends on the level of achievement of the management objectives and may not exceed 100% of the Fixed Remuneration amount in the previous financial year;
 - Variable Remuneration is payable to the respective Management Board Member after the Management Board Activity Report and the Financial Statements of the Company for the previous financial year are approved and a discharge on the performance of his/her duties is granted by the General Meeting;
- c) The Supervisory Board may sign a no-compete agreement with the with a Management Board Member effective after he/she ceases to perform the function, however it may be signed only if the Management Board Member has performed the function for at least six (6) months and the compensation amount for each month of the no-compete period may not exceed 50% of the monthly Fixed Remuneration received by the Management Board Member before he/she ceased to perform the function. The no-compete period may not exceed 6 months after the Management Board Member ceases to perform the function. In the event of non-performance or improper performance of the no-compete agreement by a Management Board Member he/she will pay the Company a contractual penalty, which will not be lower than the compensation amount payable for the entire no-compete period.
- d) In the event of termination or dissolution of the Agreement by the Company, the Management Board Member may be granted a severance pay in the amount not higher than 3 times the Fixed Remuneration under the condition he/she has discharged the function for the period of at least 12 months before termination of the Agreement. The severance pay will not be awarded to the Management Board Member in the event of:
- termination or amendment of the Agreement as a result of change of the function discharged by the Management Board Member in the Management Board;
 - termination or amendment of the Agreement as a result of appointment of the Management Board Member for another term of office of the Management Board;
 - the Management Board Member taking up a function in a company within the ENEA Group (hereinafter "the ENEA Group");
 - resignation from his/her function;
- e) A Management Board Member may not receive remuneration for performing the function of a member of a corporate body in the Company's subsidiaries within its Group as defined in Article 4 Item 14 of the Act of 16 February 2007 on competition and consumer protection.

Acting pursuant to a Resolution of the General Meeting of ENEA S.A. of 15 December 2016, which was in effect until 18 December 2019, The ENEA S.A. Supervisory Board set the remuneration of Management Board

Members by adopting Resolutions to that effect, including resolutions setting out the contents of the management services agreements.

On 19 December 2019, the General Meeting of ENEA S.A. adopted a new Resolution on the rules for remunerating Management Board Members, thus repealing the previous resolution on the rules for remunerating Management Board Members of 15 December 2016. The new remuneration rules for ENEA S.A. Management Board Members adopted by the General Meeting of ENEA S.A. maintained the existing Fixed Remuneration multiples, defining its basis pursuant to Article 1 sec. 3 item 11 of the Act of 9 June 2016 on the rules for remunerating persons heading certain companies. They also maintained the previous amounts and conditions for awarding Variable Remuneration and the previous provisions concerning the severance pay and no-compete obligation

Accordingly, the regulations adopted by the ENEA S.A. Supervisory Board on remunerating ENEA S.A. Management Board Members remained in effect, including the amounts of the Fixed Remuneration for the Management Board Members, which were within the range set by the General Meeting of ENEA S.A.

The remunerations rules for ENEA S.A. Supervisory Board Members effective in 2019 had been implemented by virtue of a resolution of the General Meeting of ENEA S.A. of 15 December 2016. According to that Resolution, Supervisory Board Members are entitled solely to monthly remuneration set as the product of the average monthly salary in the corporate sector without profit-sharing in the fourth quarter of the previous year, as announced by the President of Statistics Poland and the following multiplier:

- for the Chairman of the Supervisory Board – 1.7;
- for other Supervisory Board Members – 1.5.

The resolution of the General Meeting further stipulates that:

- the Supervisory Board Members are entitled to the abovementioned remuneration regardless of the number of meetings convened;
- a Supervisory Board Member is not entitled to any remuneration for the month in which he/she did not attend any of the correctly convened meetings and their absence was not excused.

On 19 December 2019, the General Meeting adopted a resolution to amend the resolution of the General Meeting of 15 December 2016 establishing the remuneration rules for Supervisory Board Members, and set the monthly remuneration of Supervisory Board Members as the product of the base amount referred to in Article 1 sec. 3 item 11 of the Act of 9 June 2016 on the rules for remunerating persons heading certain companies and the following multiplier:

- for the Chairman of the Supervisory Board – 1.7;
- for other Supervisory Board Members – 1.5.

To the remaining extent pertaining to the Supervisory Board's remuneration, the General Meeting maintained the provisions of the Resolution of the General Meeting of 15 December 2016.

Having in mind the provisions of the Act of 9 June 2016 on the rules for remunerating persons heading certain companies, the Act of 9 November 2018 on special solutions for implementing the 2019 budget act and the Act of 13 February 2020 on special solutions for implementing the 2020 budget act, of which the two latter set the remuneration base amount referred to in Article 1 sec. 3 item 11 of the Act of 9 June 2016 on the rules for remunerating persons heading certain companies, in 2019 and 2020, respectively, as the average monthly salary in the corporate sector without profit-sharing in the fourth quarter of 2016, the ENEA S.A. Supervisory Board hereby reports that:

- the average monthly salary in the corporate sector without profit-sharing in the fourth quarter of 2018, as announced by the President of Statistics Poland, was PLN 5,071.25;
- the average monthly salary in the corporate sector without profit-sharing in the fourth quarter of 2019, as announced by the President of Statistics Poland, was PLN 5,367.71;
- the average monthly salary in the corporate sector without profit-sharing in the fourth quarter of 2016, as announced by the President of Statistics Poland, was PLN 4,403.78.

Having in mind the provisions of the aforementioned Acts and the necessity to apply them correctly to the legal status in effect at that time in the Company, different bases were used in 2019 and 2020 to calculate remuneration for the Company's Supervisory Board Members; namely:

- in 2019: from January to June – the base of PLN 5,071.25; in the remaining months – the base of PLN 4,403.78;
- in 2020: from January to February – the base of PLN 5,367.71; in the remaining months – the base of PLN 4,403.78.

The above situation did not apply to Management Board Members, since their remuneration was set by the Company's Supervisory Board as specific amounts, which is described in Chapter 3 of the Remuneration Report.

Since 30 July 2020 ENEA S.A. has had in place the Remuneration Policy, which was adopted by the Ordinary General Meeting of ENEA S.A., acting pursuant to Article 90d sec. 1 of the Act of 29 July 2005 on Public Offerings and the Terms and Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies. According to the Act mentioned above, as of 30 July 2020, ENEA S.A. is obligated to pay remuneration to Management Board Members and Supervisory Board Members only in compliance with the Remuneration Policy.

In connection with the above, the regulations in place in ENEA S.A. as at 30 July 2020 pertaining to the payment of remuneration to ENEA S.A. Management Board Members and Supervisory Board Members were reviewed, finding that they conform to the Remuneration Policy in effect in ENEA S.A. as of 30 July 2020.

CHAPTER 2

Persons subject to the disclosure obligation for 2019 and 2020

The report concerns the individual ENEA S.A. Management Board Members and the individual ENEA S.A. Supervisory Board Members who performed functions in the ENEA S.A. Management Board and in the ENEA S.A. Supervisory Board, respectively, in the period from 1 January 2019 to 31 December 2020.

The list of individuals meeting this condition is provided below:

ENEA S.A. Management Board Members in 2019 and 2020.

Name	Position	In office
Mirosław Kowalik	President of the Management Board	01.01.2019 – 05.06.2020
Piotr Adamczak	Management Board Member for Commercial Matters	01.01.2019 – 10.08.2020
Zbigniew Piętka	Management Board Member for Corporate Matters	01.01.2019 – 24.07.2020
Piotr Olejniczak	Management Board Member for Financial Matters	01.01.2019 - 20.05.2019
Jarosław Ołowski	Management Board Member for Financial Matters	21.05.2019 - 17.11.2020
Paweł Szczeszek	acting President of the Management Board – delegated from the Supervisory Board	06.06.2020 - 29.06.2020
Paweł Szczeszek	President of the Management Board	30.06.2020 - 31.12.2020
Tomasz Szczegieliński	Management Board Member for Corporate Matters	07.08.2020 - 31.12.2020
Tomasz Siwak	Management Board Member for Commercial Matters	17.08.2020 - 31.12.2020
Marcin Pawlicki	Management Board Member for Operational Matters	29.10.2020 - 31.12.2020
Rafał Mucha	Management Board Member for Financial Matters	21.12.2020 - 31.12.2020

ENEA S.A. Supervisory Board Members in 2019 and 2020.

Name	Position	In office
Stanisław Hebda	Chairman of the Supervisory Board	01.01.2019 – 06.02.2020
Paweł Jabłoński	Deputy Chairman of the Supervisory Board/ Supervisory Board Member from 21 May 2019/ Deputy Chairman of the Supervisory Board from 30 May 2019	01.01.2019 – 02.12.2019
Piotr Mirkowski	Secretary of the Supervisory Board/ Supervisory Board Member from 21 May 2019	01.01.2019 – 31.12.2020
Paweł Korobłowski	Supervisory Board Member	01.01.2019 – 31.12.2020
Ireneusz Kulka	Supervisory Board Member	01.01.2019 – 31.12.2020
Wojciech Klimowicz	Supervisory Board Member	01.01.2019 – 20.05.2019
Sławomir Brzeziński	Supervisory Board Member	01.01.2019 – 20.05.2019
Tadeusz Mikłosz	Supervisory Board Member	01.01.2019 – 20.05.2019
Roman Stryjski	Supervisory Board Member/ Deputy Chairman of the Supervisory Board from 4 June 2020	01.01.2019 – 31.12.2020
Michał Jaciubek	Supervisory Board Member/ Supervisory Board Secretary from 30 May 2019	21.05.2019 – 31.12.2020
Maciej Mazur	Supervisory Board Member	21.05.2019 – 31.12.2020
Mariusz Pliszka	Supervisory Board Member/ Deputy Chairman of the Supervisory Board from 12 December 2019/ Supervisory Board Member from 7 February 2020	21.05.2019 – 31.12.2020
Bartosz Nieścior	Supervisory Board Member/ Deputy Chairman of the Supervisory Board from 6 February 2020	03.02.2020 – 27.05.2020
Izabela Felczak-Poturnicka	Supervisory Board Chairwoman	19.03.2020 – 31.12.2020
Mariusz Fistek	Supervisory Board Member	19.03.2020 – 31.12.2020
Paweł Szczeszek	Supervisory Board Member	27.05.2020 – 29.06.2020
Rafał Włodarski	Supervisory Board Member	16.09.2020 – 31.12.2020

The Supervisory Board hereby reports that from 2019 to 2020, employee representatives elected in accordance with the ENEA S.A. Statute held and, as at the date of signing this Remuneration Report, continue to hold mandates in the Company's Supervisory Board.

Until 20 May 2019 those were: Sławomir Brzeziński, Wojciech Klimowicz and Tadeusz Mikłosz. They were all employees of ENEA S.A. and on that account they received remuneration and other benefits due to ENEA S.A. employees.

From 21 May 2019 to 31 December 2020 and as at the date of signing this Remuneration Report, mandates of Supervisory Board Members are held by the following individuals elected by employees: Michał Jaciubek, Maciej Mazur and Mariusz Pliszka, who were elected to the ENEA S.A. Supervisory Board as employees of ENEA Group companies and remain employed under employment agreements: Michał Jaciubek in ENEA Wytwarzanie spółka z o.o., Maciej Mazur in Lubelski Węgiel Bogdanka S.A., Mariusz Pliszka in ENEA Operator spółka z o.o. On account of their employment, they receive remuneration and other benefits due to employees of the respective above companies.

CHAPTER 3

Total remuneration of ENEA S.A. Management Board Members in 2019 and in 2020 broken down into components and proportions between the components

The remuneration of ENEA S.A. Management Board Members is presented so that it shows its individual components for the year, for which they were due – this refers in particular to Variable Remuneration, whose amount is stated for the year, for which the objectives determining the amount of the awarded Variable Remuneration had been set by the ENEA S.A. Supervisory Board.

The main components of remuneration of a Management Board Member are: the monthly Fixed Remuneration and Variable Remuneration for a given financial year, which depends on the level of fulfillment of management objectives.

The rules for paying out this remuneration and other remuneration components are described in the part of this Chapter entitled "Ratios between individual components of remuneration of ENEA S.A. Management Board Members".

Remuneration of ENEA S.A. Management Board Members in 2019.

Name	Fixed Remuneration [PLN]	* Variable Remuneration for 2019 [PLN]	Severance pay [PLN]	No-competence obligation [PLN]	Handing-over of responsibilities [PLN]	Total remuneration [PLN]
Mirosław Kowalik	758,833.33	432,938.36	-	-	-	1,191,771.69
Piotr Adamczak	660,000.00	377,520.00	-	-	-	1,037,520.00
Piotr Olejniczak	256,666.66	-	165,000.00	165,000.00	55,000.00	641,666.66
Zbigniew Piętka	660,000.00	377,520.00	-	-	-	1,037,520.00
Jarosław Ołowski	405,166.67	329,163.93	-	-	-	734,330.60
Total	2,740,666.66	1,517,142.29	165,000.00	165,000.00	55,000.00	4,642,808.95

*Variable Remuneration for 2019 was captured for the purposes of the Remuneration Report in the total remuneration for 2019 even though it was awarded and paid out in 2020.

The Supervisory Board also reports that in 2019 Jarosław Ołowski, Member of the ENEA S.A. Management Board, following the approval of the ENEA S.A. Supervisory Board, used an individual training financed by ENEA S.A. in the amount of PLN 11,000, which is in conformity with the regulation included in the Supervisory Board's resolution on remunerating ENEA S.A. Management Board Members and with the management services agreement.

Remuneration of ENEA S.A. Management Board Members in 2020.

Name	Fixed Remuneration [PLN]	* Variable Remuneration for 2020 [PLN]	Severance pay [PLN]	No-competence obligation [PLN]	Handing-over of responsibilities [PLN]	Total remuneration [PLN]
Paweł Szczeszek	444,166.75	288,708.38	-	-	-	732,875.13
Tomasz Siwak	247,500.00	160,875.00	-	-	-	408,375.00
Tomasz Szczegieliński	265,833.25	172,791.61	-	-	-	438,624.86
** Marcin Pawlicki	115,500.00	-	-	-	-	115,500.00
** Rafał Mucha	20,166.63	-	-	-	-	20,166.63
Jarosław Ołowski	581,166.67	377,758.33	165,000.00	55,000.00	-	1,178,925.00
Piotr Adamczak	403,333.33	262,166.66	-	137,500.00	55,000.00	857,999.99
Zbigniew Piętka	374,000.00	243,100.00	-	165,000.00	55,000.00	837,100.00
Mirosław Kowalik	335,833.35	218,291.67	-	195,000.00	65,000.00	814,125.02
Total	2,787,499.98	1,723,691.65	165,000.00	552,500.00	175,000.00	5,403,691.63

*The amount of Variable Remuneration for 2020 was specified assuming 100% fulfillment of the objectives set by the ENEA S.A. Supervisory Board for 2020, i.e. in the maximum possible amount equal to 65% of the Fixed Remuneration received in 2020. The actual level of fulfillment of the objectives along with the Variable Remuneration amount due for 2020 will be determined by the Supervisory Board for each Management Board Member after the General Meeting approves financial statements for 2020, grants a discharge to Management Board Members for 2020 and the Management Board submits a report on the fulfillment of objectives set for 2020.

**The Mandate of the Management Board Member in 2020 was less than 3 months.

The Supervisory Board also reports that in 2020 some of the ENEA S.A. Management Board Members used an individual training and accommodation in the town of the Company's registered office place, financed by ENEA S.A., which is in conformity with the regulation included in the Resolution adopted by the ENEA S.A. Supervisory Board on remunerating ENEA S.A. Management Board Members and with the Agreement signed by the Supervisory Board, and with each of the ENEA S.A. Management Board Members.

Information in this respect is presented in the following table:

Name	Gross value [PLN]		Total [PLN]
	Individual training	Accommodation	
Paweł Szczeszek	-	3,792.00	3,792.00
Tomasz Siwak	-	13,552.66	13,552.66
Tomasz Szczegieliński	3,600.00	10,737.02	14,337.02
Marcin Pawlicki	-	1,880.20	1,880.20

Ratios between individual components of remuneration of ENEA S.A. Management Board Members

The ratios described below between individual components of remuneration are regulated in the same way for each ENEA S.A. Management Board Member.

1. Each Member of the ENEA S.A. Management Board receives monthly basic remuneration (Fixed Remuneration), the amount of which is within the range from 7 to 15 times the base amount referred to in Article 1 sec. 3 item 11 of the Act of 9 June 2016 on the rules for remunerating persons heading certain companies.
2. The Supervisory Board, acting within its powers, set the monthly Fixed Remuneration for:
 - President of the Management Board – in the amount of PLN 60,000 and from 21 May 2019 in the amount of PLN 65,000;
 - for every other Management Board Member in the amount of PLN 55,000.
3. The monthly Fixed Remuneration is paid for the calendar month, after it ends, on the basis of an invoice issued by a Management Board Member and in accordance with the rules set forth in the management services agreement.
4. Each Member of the ENEA S.A. Management Board is entitled to Variable Remuneration for the given financial year. The amount of Variable Remuneration is contingent on the level of fulfillment of management objectives.
5. The Company's Supervisory Board, acting within its powers, limited the maximum Variable Remuneration amount that may be received by a Management Board Member to 65% of the annual Fixed Remuneration, which is the sum of Fixed Remuneration for the previous financial year, provided that the annual Fixed Remuneration amount and the Variable Remuneration for the financial year may not exceed the product of PLN 100,000 and the number of months during which the function was performed during the year (for incomplete months, the amount is adjusted accordingly).
6. The Variable Remuneration due for a given financial year is determined by the Supervisory Board generally during the financial year following the year, for which the management objectives were set; therefore the previous financial year referred to in item 5 above is the year, for which the management objectives were set.

The amount of Variable Remuneration for 2019 determined by the ENEA S.A. Supervisory Board in 2020 for each Member of the ENEA S.A. Management Board who met the conditions for being awarded such remuneration, was equal to 57.2% of their annual Fixed Remuneration for 2019.

The Variable Remuneration amount for 2020 has not yet been determined, because as at the date of preparing this Report, the conditions that would allow the ENEA S.A. Supervisory Board to award it have not been satisfied.

For the purpose of the Remuneration Report, the Supervisory Board assumed the Variable Remuneration amount for 2020 in the maximum possible amount equal to 65% of the Fixed Remuneration received in 2020.

The actual level of fulfillment of the objectives along with the Variable Remuneration amount due for 2020 will be determined by the Supervisory Board for each Management Board Member after the General Meeting approves financial statements for 2020, grants a discharge to Management Board Members for 2020 and the Management Board submits a report on the fulfillment of objectives set for 2020.

This principle is consistent with the Remuneration Policy and the authorized decisions made by the Company's bodies on its basis.

7. Any Member of the ENEA S.A. Management Board, who has performed the function for at least 12 months before the agreement is terminated, is entitled to a severance pay equal to 3 times the Fixed Remuneration, provided that:
 - the termination, dissolution or amendment of the Agreement has not resulted from a change in the function performed by the Management Board Member within the Management Board;
 - the termination, dissolution or amendment of the Agreement has not resulted from appointing the Management Board Member for another term of office of the Management Board;
 - he/she has not been appointed as a Management Board Member in an ENEA Group company;
 - he/she has not resigned from the position on the Management Board.
8. Any Management Board Member who has performed his/her function for at least 6 months is entitled, after the performance of the function ends, to compensation for withholding from conducting competitive activity after the performance ends. The compensation is equal to 50% of the Fixed Remuneration amount times 6 and is payable in 6 equal monthly installments.
9. Subject to approval of the Supervisory Board, ENEA S.A. has the right to demand from each of the Management Board Members, after the performance of the function in the Management Board ends, to provide services related to the handing-over of the responsibilities for a period of 1 month, for the remuneration equal to the monthly Fixed Remuneration in effect when the function was performed.
10. The ENEA S.A. Supervisory Board has the right to give its consent for ENEA S.A. to cover the costs of individual training for the Management Board Member up to the net amount of PLN 15,000 per calendar year.
11. ENEA S.A. covers the costs of accommodating an ENEA S.A. Management Board Member in Poznań (registered office of ENEA S.A.) if the place of his/her residence is farther than 100 km on a public road from Poznań, up to the gross amount of PLN 4,500 per month.

The regulations mentioned in items 1 to 11 above are reflected, in terms of their value, in the lists with the specific names presented in this Chapter, in which appropriate remuneration components and costs reimbursed by ENEA S.A. are specified for the individual Members of the ENEA S.A. Management Board.

All the amounts specified in the lists are in compliance with the regulations in effect in ENEA S.A. pertaining to remuneration for Members of the ENEA S.A. Management Board, including the Remuneration Policy in effect from 30 July 2020, in particular in terms of their amount and ratios to the reference levels specified in the regulations.

CHAPTER 4

Total remuneration of ENEA S.A. Supervisory Board Members in 2019 and 2020

Remuneration of ENEA S.A. Supervisory Board Members consists of Fixed Remuneration only.

Remuneration of ENEA S.A. Supervisory Board Members in 2019

Name	Fixed Remuneration [PLN]
Sławomir Brzeziński	35,498.92
Tadeusz Mikłosz	35,498.92
Wojciech Klimowicz	35,498.92
Roman Stryjski	85,275.30
Piotr Mirkowski	85,275.30
Stanisław Hebda	96,645.36
Ireneusz Kulka	85,275.30
Paweł Jabłoński	79,168.73
Paweł Korobłowski	85,275.30
Michał Jaciubek	50,030.17
Maciej Mazur	50,030.17
Mariusz Pliszka	50,030.17
Total	773,502.56

Remuneration of ENEA S.A. Supervisory Board Members in 2020

Name	Fixed Remuneration [PLN]
Izabela Felczak-Poturnicka	70,622.02
Mariusz Fistek	62,313.50
Bartosz Nieścior	26,403.00
Roman Stryjski	82,159.84
Piotr Mirkowski	82,159.84
Stanisław Hebda	10,950.13
Ireneusz Kulka	82,159.84
Paweł Korobłowski	82,159.84
Michał Jaciubek	82,159.84
Maciej Mazur	82,159.84
Mariusz Pliszka	82,159.84
Rafał Włodarski	23,119.86
Paweł Szczeszek	2,201.90
Total	770,729.29

Since the remuneration of Supervisory Board Members consists of the fixed part only, in the form of monthly remuneration, there is no information on the ratios between remuneration components.

CHAPTER 5

Compliance of the total remuneration with the accepted Remuneration Policy

1. Acting pursuant to the General Meeting Resolution of 15 December 2016 and the General Meeting Resolution of 19 December 2019, the Supervisory Board set the remuneration of the ENEA S.A. Management Board Members by adopting appropriate resolutions, which constituted authorized decisions of the statutory body and which:

- set forth that the total remuneration of an ENEA S.A. Management Board Member is composed of a fixed part, which constitutes the monthly base remuneration (Fixed Remuneration) and a variable part, which constitutes the supplementary remuneration for the Company's financial year (Variable Remuneration).
- set the monthly Fixed Remuneration of Management Board Members as an amount within the range from 7 to 15 times the base amount referred to in the Act of 9 June 2016 on the rules for remunerating persons heading certain companies, taking into account the applicable specific provisions of law affecting its amount, in particular:
 - for the President of the Management Board in the amount of PLN 65,000;
 - for every other Management Board Member in the amount of PLN 55,000;
- set the amount of the Variable Remuneration, which is dependent on the level of fulfillment of the management objective as a percentage of the annual Fixed Remuneration up to 65%, which does not exceed 100% of the Fixed Remuneration of a Management Board Member in the previous financial year, that is the level set forth in the Remuneration Policy.
- specified in detail the management objectives, set their weights and fulfillment criteria;
- adopted a form of the management services agreement to be signed with Management Board Members, containing among others the provisions included in the Remuneration Policy, in particular in respect to the severance pay and the remuneration for the no-compete obligation;
- set forth the scope and rules for providing a Management Board Member with resources and technical devices owned by ENEA S.A. and set the limit of costs incurred by the Company in connection with the provision of services by the Management Board Member.

Based on the above, the ENEA S.A. Supervisory Board asserts that the total remuneration of each of the ENEA S.A. Management Board Members is consistent with the "Remuneration policy for members of the supervisory body and management body at ENEA Spółka Akcyjna" adopted by the Ordinary General Meeting of ENEA S.A. on 30 July 2020.

2. On 15 December 2016 and on 19 December 2019, the Extraordinary General Meeting set the remuneration of the ENEA S.A. Supervisory Board Members, by resolving that:

- the monthly remuneration of Supervisory Board Members is the product of the base amount referred to in Article 1 sec. 3 item 11 of the Act of 9 June 2016 on the rules for remunerating persons heading certain companies (until 18 December 2019 it was the product of the average monthly salary in the corporate sector without profit-sharing in the fourth quarter of the previous year, as announced by the President of Statistics Poland) and the multiple:

- for the Chairman of the Supervisory Board – 1.7;
- for other Supervisory Board Members – 1.5;
- the Supervisory Board Members are entitled to the abovementioned remuneration regardless of the number of meetings convened;
- a Supervisory Board Member is not entitled to any remuneration for the month in which he/she did not attend any of the correctly convened meetings and their absence was not excused.

Based on the above, the ENEA S.A. Supervisory Board asserts that the total remuneration of each of the ENEA S.A. Supervisory Board Members is consistent with the “Remuneration policy for members of the supervisory body and management body at ENEA Spółka Akcyjna” adopted by the Ordinary General Meeting of ENEA S.A. on 30 July 2020.

CHAPTER 6

Remuneration criteria referring to the results of ENEA Group, including ENEA S.A., and how the remuneration contributes to the achievement of long-term results

The remuneration of an ENEA S.A. Management Board Member is composed of a fixed part, which constitutes the monthly base remuneration and a variable part, which depends on the level of fulfillment of management objectives.

By using the powers granted by the General Meeting of ENEA S.A., the Supervisory Board has set the criteria pertaining to the results to be achieved in 2019 and in 2020, including the objectives, their fulfillment conditions and the weights, on the fulfillment of which the Variable Remuneration of ENEA S.A. Management Board Members was conditional upon.

The management objectives mentioned above are set annually by the ENEA S.A. Supervisory Board, are directed to the achievement of long-term results and objectives included in the Development Strategy of the ENEA Group (hereinafter referred to as “the Strategy”). The strategy contains the key development directions for the ENEA Group, which constitute a foundation for setting strategic goals in the long term.

The objectives set by the ENEA S.A. Supervisory Board for 2019 and 2020 are linked to the key development directions included in the Strategy serving the achievement of long-term results of the ENEA Group, including ENEA S.A.

This system creates an incentive, since a significant portion of remuneration of an ENEA S.A. Management Board Member, i.e. the Variable Remuneration, is dependent on the achievement of the objectives, which are necessary to achieve the results designed for the long term.

In 2019 and in 2020 the maximum possible level of Variable Remuneration set by the ENEA S.A. Supervisory Board was 65% of the annual Fixed Remuneration calculated as the sum of monthly Fixed Remuneration for the

previous financial year defined as the year, for which the management objectives were set, given the fact that the Variable Remuneration amount is generally determined in the year following the year, for which management objectives have been set.

The management objectives (KPIs) set in Resolution No. 23/IX/2019 of the ENEA S.A. Supervisory Board of 20 March 2019 for ENEA S.A. Management Board Members for 2019 were as follows:

- financial objectives: ENEA Group's EBITDA, net cash flows from operating activities, earnings per share, investment rating level, net debt/EBITDA ratio;
- non-financial (operational) objectives: saleable coal production, availability of system power plants, implementation of the Ostrołęka C Power Plant construction project, reorganization of the RES segment, execution of investments in the distribution grid, DSO qualitative regulation (including interruption duration and interruption frequency), network losses ratio, volume of electricity sales to retail customers, preparation for the investment project entitled "545 WM Integrated Gasification Combined Cycle (IGCC) Power Unit), implementation of the electromobility development program, optimization of sponsorship expenditures.

The objectives set for 2019 for the Company's Management Board Member were fulfilled in 88%, as a result of which, in 2020 Variable Remuneration for 2019 was awarded in the amount of 57.2% of the annual Fixed Remuneration set for the Management Board Member in 2019 in the management services agreement.

The management objectives (KPIs) set in Resolution No. 22/X/2020 of the ENEA S.A. Supervisory Board of 30 April 2020 for ENEA S.A. Management Board Members for 2020 were as follows:

- financial objectives: ENEA Group's EBITDA, investment rating level, current liquidity ratio, interest rate risk measure;
- non-financial (strategic and operational) objectives: update of the Development Strategy for ENEA Group's Business Areas, reorganization of the RES Segment, execution of investments in the distribution grid, DSO qualitative regulation (including interruption duration and interruption frequency), saleable coal production, availability of system power plants, organization's management efficiency measures.

The level of fulfillment of the objectives for 2020 will be determined by the Supervisory Board for each Management Board Member after the General Meeting approves financial statements for 2020, grants a discharge to Management Board Members for 2020 and the Management Board submits a report on the fulfillment of objectives set for 2020.

This principle is consistent with the Remuneration Policy and the authorized decisions made by the Company's bodies on its basis.

CHAPTER 7

Information on changes in selected economic and financial data in 2014-2020

This Chapter presents information on the annual changes of total remuneration of the ENEA S.A. Management Board Member and the ENEA S.A. Supervisory Board Members, selected results of the ENEA Group and the average salary of ENEA S.A. employees.

The Chapter presents the results of the ENEA Group because the remuneration of the ENEA S.A. Management Board Members, especially the variable component of the remuneration, is linked largely to the results of the ENEA Group. The first year, for which the information is presented, is the year 2014.

This allows us to present the changes over the last five financial years where the year 2019 is the first year in which, along with the year 2020, a legal obligation exists for the ENEA S.A. Supervisory Board to prepare the first Remuneration Report.

	2014	*Change 2015 v 2014 [%]	*Change 2016 v 2015 [%]	*Change 2017 v 2016 [%]	*Change 2018 v 2017 [%]	*Change 2019 v 2018 [%]	*Change 2020 v 2019 [%]
** Total aggregate remuneration of ENEA S.A. Management Board Members [PLN 000s]	7,529	+ 14.30	+ 35.88	- 60.57	- 12.19	+ 14.67	+ 16.39
Total variable remuneration of ENEA S.A. Management Board Members included in total aggregate remuneration [PLN 000s]	2,936	- 9.64	- 33.32	- 17.92	- 10.88	+ 17.23	+ 13.65
Total remuneration of ENEA S.A. Supervisory Board Members [PLN k]	334	+ 1.80	+ 42.35	+ 70.66	- 4.36	- 2.03	- 0.39
Total revenue – ENEA Group [PLN 000s]	10,054,994	- 0.21	+ 14.38	+ 1.84	+ 11.20	+ 28.97	+ 10.46
EBITDA – ENEA Group [PLN 000s]	1,945,439	+ 9.48	+ 9.29	+ 15.28	- 12.49	+ 42.14	- 1.08
Operating profit – ENEA Group [PLN 000s]	1,186,475	- 113.66	+ 790.40	+ 32.91	- 30.29	+ 72.03	- 195.64
Net profit – ENEA Group [PLN 000s]	909,122	- 143.88	+ 312.83	+ 37.22	- 38.26	- 24.82	- 513.23
Capital expenditures – ENEA Group [PLN 000s]	2,762,875	+ 10.44	- 10.14	+ 52.69	- 44.90	- 5.45	+ 11.93
Sales of electricity to retail customers [GWh]	16,339	- 0.90	+ 3.00	+ 7.31	+ 14.42	- 5.85	+ 2.61
*** Total SAIDI [average interruption duration in min/customer]	329.58	+ 57.82	- 44.38	+ 151.06	- 72.45	- 25.70	- 17.33

*** Total SAIFI [average interruption frequency per customer]	3.69	+ 59.08	- 29.64	+ 10.90	- 29.48	- 7.74	- 14.43
**** Average monthly total salary of ENEA S.A. employees [PLN]	11,149.90	- 18.29	+ 10.70	+ 3.57	+ 2.71	+ 7.78	+ 5.22

* % change in the specified year vs. previous year [(+) up in %, (-) down in %].

** Total aggregate remuneration of Management Board Members in a given year contains the Variable Remuneration amount due for the same year, irrespective of the year, in which it was awarded and paid out.

*** Including interruptions planned and unplanned with catastrophic.

**** The average monthly salary was calculated on the basis of data provided by ENEA S.A. to Statistics Poland in the Z-06 Report.

Since that this Remuneration Report is prepared for the years 2019 and 2020, the ENEA S.A. Supervisory Board also presents changes concerning this period.

	2019	2020	% change in 2020 vs. 2019 [(+) up in %, (-) down in %]
* Total aggregate remuneration of ENEA S.A. Management Board Members [PLN 000s]	4,643	5,404	+ 16.39
Total variable remuneration of ENEA S.A. Management Board Members included in total aggregate remuneration [PLN 000s]	1,517	** 1,724	+ 13.65
Total remuneration of ENEA S.A. Supervisory Board Members [PLN 000s]	774	771	- 0.39
Total revenue – ENEA Group [PLN 000s]	16,761,766	18,515,743	+ 10.46
EBITDA – ENEA Group [PLN 000s]	3,337,916	3,301,958	- 1.08
Operating profit – ENEA Group [PLN 000s]	1,784,127	- 1,706,259	- 195.64
Net profit – ENEA Group [PLN 000s]	540,697	- 2,234,337	- 513.23
Capital expenditures – ENEA Group [PLN 000s]	2,181,120	2,441,339	+ 11.93
Sales of electricity to retail customers [GWh]	19,279	19,783	+ 2.61
*** Total SAIDI [average interruption duration in min/customer]	148.66	122.90	- 17.33
*** Total SAIFI [average interruption frequency per customer]	2.98	2.55	- 14.43
**** Average monthly total salary of Enea S.A. employees [PLN]	11,563.19	12,166.24	+ 5.22

* Total aggregate remuneration of Management Board Members in a given year contains the Variable Remuneration amount due for the same year, irrespective of the year, in which it was awarded and paid out.

** The amount of Variable Remuneration for 2020 was specified assuming 100% fulfillment of the objectives set by the ENEA S.A. Supervisory Board for 2020, i.e. in the maximum possible amount equal to 65% of the Fixed Remuneration received in 2020. The actual level of fulfillment of the objectives along with the Variable Remuneration amount due for 2020 will be determined by the Supervisory Board for each Management Board Member after the General Meeting approves financial statements for 2020, grants a discharge to

Management Board Members for 2020 and the Management Board submits a report on the fulfillment of objectives set for 2020.

*** Including interruptions planned and unplanned with catastrophic.

**** The average monthly salary was calculated on the basis of data provided by ENEA S.A. to Statistics Poland in the Z-06 Report.

Below, the ENEA S.A. Supervisory Board presents the absolute values, on the basis of which it has presented in this Chapter, the information required in Article 90g sec. 2 item 4 of the Act on Offerings on the changes, by year, in the remuneration, results of the Company and the average salary of the Company's employees who are not Members of the Company's Management Board or Supervisory Board, for the period of at least five last financial years, on an aggregate basis and in a manner facilitating comparison.

	2014	2015	2016	2017	2018	2019	2020
*Total aggregate remuneration of ENEA S.A. Management Board Members [PLN 000s]	7,529	8,606	11,694	4,611	4,049	4,643	5,404
Total variable remuneration of ENEA S.A. Management Board Members included in total aggregate remuneration [PLN 000s]	2,936	2,653	1,769	1,452	1,294	1,517	**1,724
Total remuneration of ENEA S.A. Supervisory Board Members [PLN 000s]	334	340	484	826	790	774	771
Total revenue – ENEA Group [PLN 000s]	10,054,994	10,033,824	11,476,214	11,687,723	12,997,065	16,761,766	18,515,743
EBITDA – ENEA Group [PLN 000s]	1,945,439	2,129,871	2,327,824	2,683,554	2,348,299	3,337,916	3,301,958
Operating profit – ENEA Group [PLN 000s]	1,186,475	- 162,125	1,119,314	1,487,730	1,037,086	1,784,127	- 1,706,259
Net profit – ENEA Group [PLN 000s]	909,122	- 398,878	848,913	1,164,891	719,250	540,697	- 2,234,337
Capital expenditures – ENEA Group [PLN 000s]	2,762,875	3,051,456	2,742,013	4,186,860	2,306,800	2,181,120	2,441,339
Sales of electricity to retail customers [GWh]	16,339	16,192	16,678	17,897	20,477	19,279	19,783
**** Total SAIDI [average interruption duration in min/customer]	329.58	520.15	289.30	726.32	200.08	148.66	122.90
**** Total SAIFI [average interruption frequency per customer]	3.69	5.87	4.13	4.58	3.23	2.98	2.55

**** Average monthly total salary of Enea S.A. employees [PLN]	11,149.90	9,109.85	10,085.05	10,445.51	10,728.96	11,563.19	12,166.24
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* Total aggregate remuneration of Management Board Members in a given year contains the Variable Remuneration amount due for the same year, irrespective of the year, in which it was awarded and paid out.

** The amount of Variable Remuneration for 2020 was specified assuming 100% fulfillment of the objectives set by the ENEA S.A. Supervisory Board for 2020, i.e. in the maximum possible amount equal to 65% of the Fixed Remuneration received in 2020. The actual level of fulfillment of the objectives along with the Variable Remuneration amount due for 2020 will be determined by the Supervisory Board for each Management Board Member after the General Meeting approves financial statements for 2020, grants a discharge to Management Board Members for 2020 and the Management Board submits a report on the fulfillment of objectives set for 2020.

*** Including interruptions planned and unplanned with catastrophic.

**** The average monthly salary was calculated on the basis of data provided by ENEA S.A. to Statistics Poland in the Z-06 Report.

The Supervisory Board evaluates the Company's results using, among others, the ENEA Group's EBITDA and Capital Expenditures, which constitute Alternative Performance Measures in accordance with the ESMA Guidelines on Alternative Performance Measures. The ENEA Group's EBITDA and Capital Expenditures presented in this Remuneration Report are not calculated in accordance with IFRS. These measures should be treated as supplementary information adding to the presentation of results and other Company and ENEA Group's data. The ENEA Group's EBITDA and Capital Expenditures are not defined in IFRS and therefore these measures should not be treated as alternatives to the measures defined in IFRS, such as net profit/(loss), operating profit, net cash from operating activities, liquidity or other IFRS measures.

The ENEA Group's EBITDA and Capital Expenditures also do not have a uniform and set definition. The methodologies for calculating these measures in other companies may be significantly different from those used by ENEA S.A. For this reason, the ENEA Group's EBITDA and Capital Expenditures may not be comparable to similar measures calculated by other companies.

The ENEA Group's EBITDA and Capital Expenditures have been presented in this Remuneration Report because they are significant in terms of the satisfaction of the criteria for granting Variable Remuneration to the Company's Management Board Members.

The ENEA Group's EBITDA and Capital Expenditures specified in this Report are presented in a manner consistent with those measures that are presented in the Management Board Report on the activity of ENEA S.A. and the ENEA Group for the years covered by this Remuneration Report.

CHAPTER 8

Other information

This Chapter presents all other information required under Article 90g sec. 2 of the Act of 29 July 2005 on public offering and the terms and conditions for introducing financial instruments to an organized trading system and on public companies, which is not presented in the previous Chapters.

The information addresses items 5, 6, 7 and 8 of Article 90g sec. 2 of the Act on Offerings.

1. The ENEA S.A. Supervisory Board Members and the ENEA S.A. Management Board Members performing these functions in 2019 and in 2020 did not receive any remuneration from entities from the same Group within the meaning of the Accounting Act of 29 September 1994 (Journal of Laws of 2019, Item 351, 1494, 1571, 1655 and 1680 and from 2020 Item 568) other than information specified below in this item.

In this item the Supervisory Board additionally reports that six Supervisory Board Members (three in the 9th term of office and three in the 10th term of office) who were elected to the Supervisory Board as employee representatives received salary under their employment agreements and used the benefits that were available to all other employees in the ENEA Group. This situation is described also in Chapter 2 of this Remuneration Report.

2. The ENEA S.A. Supervisory Board Members and the ENEA S.A. Management Board Members who performed their functions in 2019 and in 2020 were not awarded and were not offered financial instruments.

At this point, the ENEA S.A. Supervisory Board additionally reports that two of the Supervisory Board Members who performed these functions in 2019 and in 2020 perform them on the date of signing this Report as representatives of ENEA Group employees in the ENEA S.A. Supervisory Board, hold ENEA S.A. shares partially acquired free of charge on the basis of the Act of 30 August 1996 on commercialization and certain employee rights, and partially purchased by them as natural persons. These individuals came into possession of the ENEA S.A. shares before 2019 and before they were appointed to the ENEA S.A. Supervisory Board.

The quantities of shares held by these individuals are presented in the following table:

Name	Position	Number of ENEA S.A. shares as at 21 November 2019	Number of ENEA S.A. shares as at 4 June 2020	Number of ENEA S.A. shares as at the date of signing this Report
Michał Jaciubek	Supervisory Board Secretary	5,020	5,020	5,020
Mariusz Pliszka	Supervisory Board Member	3,880	3,880	3,880

Other current members of the Management Board or Supervisory Board did not hold in 2019-2020 and as at the date of signing this Report do not hold any ENEA S.A. shares.

3. In respect to the ENEA S.A. Management Board Members who performed their functions in 2019 and in 2020, the option of requesting a refund of variable remuneration components has not been exercised, because there were no instances of granting them to a Management Board Member on the basis of data, which proved to be incorrect.

The remuneration of Supervisory Board Members who performed their functions in 2019 and in 2020 consisted of the fixed part only.

4. The implementation of the Remuneration Policy was consistent with Article 36 sec. 1 of the Act of 16 October 2019 amending the Act on public offering and terms of introducing financial instruments into organized trading system and on public companies and certain other acts, with Article 90d sec. 1 and Article 90e sec. 1 and sec. 5 of the Act on Offerings, i.e.:

- on 30 July 2020, the Ordinary General Meeting of ENEA S.A. adopted a Resolution introducing the Remuneration policy for members of the supervisory body and management body at ENEA Spółka Akcyjna

thus implementing Article 36 sec. 1 of the Act of 16 October 2019 amending the Act on public offering and terms of introducing financial instruments into organized trading system and on public companies and certain other acts and Article 90d sec. 1 of the Act on Offerings;

- on 30 July 2020, immediately after the end of the Ordinary General Meeting of ENEA S.A., the wording of the Resolutions, including the Remuneration Policy, was posted on the ENEA S.A.'s website in the "Investor relations" module, "GM" tab, document "OGM Resolutions" (link: <https://ir.enea.pl/wydarzenia-inwestorskie/17416>), which fulfilled the requirement of Article 90e sec. 5 of the Act on Offerings;
- additionally, on 4 August 2020, the Remuneration Policy was posted in the "Investor relations" module, "Corporate governance" tab, in the part named "Corporate documents" (link: <https://ir.enea.pl/lad-korporacyjny>);
- after 30 July 2020, the regulations in place in ENEA S.A. as at 30 July 2020 pertaining to the payment of remuneration to ENEA S.A. Management Board Members and Supervisory Board Members were reviewed, finding that they conform to the Remuneration policy for members of the supervisory body and management body at ENEA Spółka Akcyjna in effect in ENEA S.A. as of 30 July 2020, which means that the Remuneration Policy has been effectively implemented in ENEA S.A.;
- ENEA S.A. pays remuneration to the ENEA S.A. Management Board Members and Supervisory Board Members only under the Remuneration Policy, which implements Article 90e sec. 1 of the Act on Offerings.

5. The ENEA S.A. Supervisory Board has not used the delegation included in Article 90f of the Act on Offerings or the delegation included in Chapter 2 § 1 item 8 of the Remuneration Policy and has not made any decision on derogation from the Remuneration Policy applied pursuant to Article 90f of the Act on Offerings.

ENEA S.A. Supervisory Board Members:

Rafał Włodarski – Supervisory Board Chairman _____

Roman Stryjski – Supervisory Board Deputy Chairman _____

Michał Jaciubek – Supervisory Board Secretary _____

Dorota Szymanek – Supervisory Board Member _____

Mariusz Fistek – Supervisory Board Member _____

Paweł Korobłowski – Supervisory Board Member _____

Ireneusz Kulka – Supervisory Board Member _____

Maciej Mazur – Supervisory Board Member _____

Piotr Mirkowski – Supervisory Board Member _____

Mariusz Pliszka – Supervisory Board Member _____