



CORPORATE GOVERNANCE STATEMENT BY
ASSECO BUSINESS SOLUTIONS JOINT STOCK COMPANY (S.A.)
FOR 2018

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1. Indication of the corporate governance rules adopted by Asseco Business Solutions S.A.

Asseco Business Solutions S.A. adopted, and had been applying until the end of 2018, the corporate governance rules set forth in The Code of Best Practice for WSE-Listed Companies adopted by Resolution No. 26/1413/2015 of the Board of the Warsaw Stock Exchange on 13 October 2015; the full text is available at: www.corp-gov.gpw.pl and https://www.assecobs.pl/files/Dokumenty_korporacyjne/dpsn2016_gpw.pdf.

Pursuant to Article 29(3) of the Warsaw Stock Exchange Rules, on 29 January 2016, Asseco Business Solutions S.A. submitted a report on non-application of the specific rules set out in The Code of Best Practice of WSE-Listed Companies 2016; the full text is available at: <https://assecobs.pl/pl/relacje-inwestorskie/raporty/corporate-governance>.

Information on the status of application by Asseco Business Solutions S.A. of the recommendations and principles contained in The Code of Best Practice for WSE-Listed Companies 2016 is posted on the website https://assecobs.pl/files/Dokumenty_korporacyjne/gpw_dobre_praktyki_asseco_business.pdf.

2. Non-application of certain corporate governance rules

In 2018 the Issuer did not apply selected corporate governance rules set forth in The Code of Best Practice for WSE-Listed Companies 2016 adopted by Resolution No. 26/1413/2015 of the Warsaw Stock Exchange on 13 October 2015:

I. Disclosure Policy, Investor Communications

Detailed principle I.Z.1.3.: “A chart showing the division of duties and responsibilities among members of the management board drawn up according to Principle II.Z.1”

The principle is not applied because of non-application of Principle II.Z.1.

Detailed principle I.Z.1.14.: “A company should operate a corporate website and publish on it, in a legible form and in a separate section, in addition to information required under the legislation: materials provided to the general meeting, including assessments, reports and positions referred to in Principle II.Z.10, tabled to the general meeting by the supervisory board,”

The principle is not applied. The Company publishes on its corporate website The Report on the Activities of the Supervisory Board submitted to the Ordinary General Meeting by the Supervisory Board and a report on the assessment of the Company’s position, including an assessment of internal control system and a risk management system relevant for the Company and The Report of the Supervisory Board on the Assessment of the Management Board’s Report on the Operations of the Company. Hitherto, the Supervisory Board have not tabled to the Ordinary General Meeting the positions listed in Principle II.Z.10. If the Supervisory Board submits the positions listed in Principle II.Z.10 to the Ordinary General Meeting, the principle will be applied.

Detailed principle I.Z.1.15.: “A company should operate a corporate website and publish on it, in a legible form and in a separate section, in addition to information required under the legislation: information about the company’s diversity policy applicable to the company’s governing bodies and key managers; the description should cover the following elements of the diversity policy: gender, education, age, professional experience, and specify the goals of the diversity policy and its implementation in the reporting period; where the company has not drafted and implemented a diversity policy, it should publish the explanation of its decision on its website,”

The principle is not applied. The Company has not framed a diversity policy in relation to its governing bodies and its key managers. However, the individuals making decisions on the election of board members or supervisory board members strive to ensure both the versatility and diversity of these bodies.

Detailed principle I.Z.1.16.: “A company should operate a corporate website and publish on it, in a legible form and in a separate section, in addition to information required under the legislation: information about the planned transmission of a general meeting, not later than 7 days before the date of the general meeting,”

The principle is not applied because of non-application of Principle IV.Z.2.

Detailed principle I.Z.1.20.: “The company maintains a corporate website and publishes, in a legible form and in a separate place, in addition to the information required by the law: an audio or video recording of the General Meeting,”

The principle is not applied. With regard to this principle, the Company follows generally applicable law. The Company publishes and announces on its website the convention of the general meeting, including its agenda, draft resolutions, information on adopted resolutions, as well as the information on taking items off the agenda and information about objections recorded in the minutes.

II. Management Board, Supervisory Board

Detailed principle I.Z.1.: “The internal division of responsibilities for individual areas of the company’s activity among management board members should be clear and transparent, and a chart describing that division should be available on the company’s website.”

The principle is not applied. The members of the management board manage all the Company’s operating areas in accordance with generally applicable laws.

Detailed principle II.Z.6.: “The supervisory board should identify any relationships or circumstances which may affect a supervisory board member’s fulfilment of the independence criteria. An assessment of supervisory board members’ fulfilment of the independence criteria should be presented by the supervisory board according to Principle II.Z.10.2.”

The principle is not applied. If the supervisory board submits to the Ordinary General Meeting an assessment of fulfilment of the independence criteria by the members of the supervisory board, the principle will be applied.

Detailed principle II.Z.10.2.: “In addition to its responsibilities laid down in the legislation, the supervisory board should prepare and present to the ordinary general meeting once per year the following: a report on the activity of the supervisory board containing at least the following information:

- full names of the members of the supervisory board and its committees;
- supervisory board members’ fulfilment of the independence criteria;
- number of meetings of the supervisory board and its committees in the reporting period;
- self-assessment of the supervisory board;”

The principle is not applied only with regard to the inclusion in the Report on the Activities of the Supervisory Board of the information on the Supervisory Board members’ fulfilment of the independence criteria. If the Report on the Activities of the Supervisory Board tabled to the Ordinary General Meeting contains information on the Supervisory Board members’ fulfilment of the independence criteria, this principle will be applied.

Detailed principle II.Z.10.3.: “In addition to its responsibilities laid down in the legislation, the supervisory board should prepare and present to the ordinary general meeting once per year the following: an assessment of the company’s compliance with the disclosure obligations concerning compliance with the corporate governance principles defined in the Exchange Rules and the regulations on current and periodic reports published by issuers of securities,”

The principle is not applied. If the Supervisory Board submits to the Ordinary General Meeting an assessment of the company’s compliance with the disclosure obligations concerning compliance with the corporate governance principles defined in the Rules of the Warsaw Stock Exchange and the regulations on current and periodic reports published by issuers of securities, this principle will be applied.

Detailed principle II.Z.10.4.: “In addition to its responsibilities laid down in the legislation, the supervisory board should prepare and present to the ordinary general meeting once per year the following: an assessment of the rationality of the company’s policy referred to in recommendation I.R.2 or information about the absence of such policy.”

The principle is not applied. If the Supervisory Board submits to the Ordinary General Meeting the information about the absence of the policy referred to in Recommendation I.R.2., this principle will be applied.

III. Internal Systems and Functions

Detailed principle II.Z.2.: “Subject to principle III.Z.3, persons responsible for risk management, internal audit and compliance should report directly to the president or other member of the management board and should be allowed to report directly to the supervisory board or the audit committee.”

The principle is not applied. Most processes of the internal control and risk management systems have been automated because they are supported by the Company’s integrated ERP system. Additionally, the system provides an ongoing functional control, handled by both every employee and their immediate supervisor. In order to strengthen control and the flow of information, the Company holds regular meetings of the representatives of its key organisational units.

any non-standard factors and occurrences emerging in the different areas of the business. Supervision over the process of internal control and the risk management system is exercised by the department directors.

Detailed principle II.Z.3.: “The independence rules defined in generally accepted international standards of the professional internal audit practice apply to the person heading the internal audit function and other persons responsible for such tasks.”

The principle is not applied because of non-application of principle III.Z.2.

Detailed principle III.Z.4.: “The person responsible for internal audit (if the function is separated in the company) and the management board should report to the supervisory board at least once per year with their assessment of the efficiency of the systems and functions referred to in principle III.Z.1 and table a relevant report.”

The principle is not applied. The Company has not established a separate internal audit function.

Detailed principle III.Z.6.: “Where the company has no separate internal audit function in its organisation, the audit committee (or the supervisory board if it performs the functions of the audit committee) should review on an annual basis whether such function needs to be separated.”

The principle is not applied. If the Supervisory Board performs an annual assessment of whether there is a need to establish the internal audit function within the Company, this principle will be applied.

IV. General Meeting, Shareholder Relations

Recommendation IV.R.2.: “If justified by the structure of shareholders or expectations of shareholders notified to the company, and if the company is in a position to provide the technical infrastructure necessary for a general meeting to proceed efficiently using electronic communication means, the company should enable its shareholders to participate in a general meeting using such means, in particular through:

- 1) real-life broadcast of the general meeting,
- 2) real-time bilateral communication where shareholders may take the floor during a general meeting from a location other than the general meeting,
- 3) exercise of the right to vote during the general meeting either in person or through a proxy.

The principle is not applied. Neither the Articles of Association nor the Rules of Procedure of the General Meeting provide for the participation of shareholders in a General Meeting by means of electronic communication.

Detailed principle IV.Z.2.: “If justified by the structure of shareholders, companies should ensure publicly available real-time broadcasts of general meetings.”

The principle is not applied because of non-application of principle IV.R.2. The Company provides all the information relating to its general meetings in the published current reports and on the corporate website.

V. Conflicts of Interest, Related Party Transactions

Detailed principle V.Z.5.: “Before the company concludes a significant agreement with a shareholder who holds at least 5% of the total vote in the company or with a related party, the management board should request the supervisory board’s approval of the transaction. Before giving its approval, the supervisory board should evaluate the impact of the transaction on the interest of the company. The foregoing does not apply to typical transactions and transactions at arm’s-length made as part of the company’s operations between the company and the members of its group. If the decision concerning the company’s significant agreement with a related party is made by the general meeting, the company should give all shareholders access to information necessary to assess the impact of the transaction on the interest of the company before the decision is made.”

The principle is not applied. The Company supports the opinion that the regulations concerning the powers of the governing bodies to enter into transactions/agreements contained in the applicable laws and provisions of the Company’s Articles of Association are sufficient and point to the Management Board as the body responsible for Company’s affairs. The capacity of the Management Board to take independent decisions ensures the efficient management of the Company’s current operations.

Detailed principle V.Z.6.: “In its internal regulations, the company should define the criteria and circumstances under which a conflict of interest may arise in the company, as well as the rules of conduct where a conflict of interest has arisen or may arise. The company’s internal regulations should, among others, provide for ways to prevent, identify and resolve conflicts of interest, as well as rules of excluding members of the management board or the supervisory board from participation in reviewing matters subject to a conflict of interest which has arisen or may arise.”

The principle is not applied. With regard to this principle, the Company follows generally applicable law. According to Section III(18), Exercise of the Management, of the Rules of Procedure of the Management Board, the board members are obliged to inform the Supervisory Board of any real or potential conflict of interest in connection with their function.

VI. Wages and salaries

Recommendation VI.R.1.: “Remuneration of the members of the company’s governing bodies and key managers should follow the approved remuneration policy.”

The principle is not applied. With regard to this principle, the Company follows generally applicable law. The remuneration for the Management Board is determined by the Supervisory Board based on the qualifications, scope of responsibilities and experience of a Management Board member. Contracts with the board members contain provisions commonly used in management contracts. The remuneration of the Supervisory Board is determined by the General Meeting. The remuneration of executives and supervisors is fully dependent upon the scope of tasks and responsibilities in a given function and are reasonably related to their economic performance.

Recommendation VI.R.2.: “The remuneration policy should be closely tied to the company’s strategy, its short- and long-term goals, long-term interests and results, taking into account solutions necessary to avoid discrimination on whatever grounds.”

The principle is not applied. With regard to this principle, the Company follows generally applicable law. The remuneration for the Management Board is determined by the Supervisory Board based on the qualifications, scope of responsibilities and experience of a Management Board member. Contracts with the board members contain provisions commonly used in management contracts. The remuneration of the Supervisory Board is determined by the General Meeting. The remuneration of managers and supervisors is fully dependent upon the scope of tasks and responsibilities in a given function and are reasonably related to their economic performance.

Detailed principle VI.Z.4.: “In this activity report, the company should report on the remuneration policy including at least the following:

- 1) general information about the company’s remuneration system,
- 2) information about the conditions and amounts of remuneration of each management board member broken down by fixed and variable remuneration components, including the key parameters of setting the variable remuneration components and the terms of payment of severance allowances and other amounts due on termination of employment, contract or other similar legal relationship, separately for the company and each member of its group,
- 3) information about non-financial remuneration components due to each management board member and key manager,
- 4) significant amendments of the remuneration policy in the last financial year or information about their absence,
- 5) assessment of the implementation of the remuneration policy in terms of achievement of its goals, in particular long-term shareholder value creation and the company’s stability.”

The principle is not applied. With regard to this principle, the Company follows generally applicable law. The remuneration for the Management Board is determined by the Supervisory Board based on the qualifications, scope of responsibilities and experience of a Management Board member. Contracts with the board members contain provisions commonly used in management contracts. The remuneration of the Supervisory Board is determined by the General Meeting. The remuneration of managers and supervisors is fully dependent upon the scope of tasks and responsibilities in a given function and are reasonably related to their economic performance. In the report on its operations, the Company only discloses the remuneration of the members of the Management Board and of the Supervisory Board.

3. Description of the main characteristics of internal control and risk management with respect to the process of preparing financial statements and consolidated financial statements.

Asseco Business Solutions S.A. maintains a system of internal control that enables an efficient and reliable flow of financial and non-financial information between individual organizational units of the Company. The supervision over the process of preparation of financial statements and periodic reports is exercised by the CFO responsible for the finance. The internal functional control is exercised by each employee and his or her immediate superior and focused on

quality and accuracy of information prepared for the financial statements. The obligation to prepare the annual and interim financial statements is discharged by the qualified personnel of the Stock Exchange Reporting Division at the Finance Department of the Company. The preparation of financial statements is a scheduled process that takes account of the appropriate work division among the Finance Department personnel, corresponding to their competence and qualification. The basis of the preparation of separate financial statements are the Company's accounts in which transactions are recorded in accordance with the accounting policy based on the International Accounting Standards. Consolidated financial statements are prepared on the basis of uniform consolidation packages prepared in electronic form by the Group's companies. The data consolidation process takes place in the Stock Exchange Reporting Group. The Company monitors the changes made in the external rules and regulations relating to the requirements of the stock exchange reporting and prepares for their introduction well in advance. Each time the scope of data required for the reporting covers the area indicated by and resultant from the regulations concerning periodic information provided by the issuers of securities.

When preparing the financial statements, the following control action is taken:

- assessment of significant and non-standard transactions in terms of their impact on the Company's financial position and the manner of presentation in the financial statements,
- review of the adequacy of assumptions made to the evaluation of estimated values,
- a comparative and content analysis of financial data,
- verification of the arithmetic consistency and integrity of data,
- analysis of the completeness of disclosures.

The prepared financial statements are transferred for preliminary verification by the Chief Financial Officer and subsequently for final verification and approval by the entire Management Board.

In accordance with applicable law, financial statements are subject to an audit and review by an independent certified auditor of high and recognized qualification who, having completed the audit, submits his or her findings and observations to the Management Board and the Audit Committee and issues an opinion and report on the audit/review for the Shareholders, the Audit Committee and the Supervisory Board.

The majority of the abovesaid internal control procedures are supported by an integrated, corporate management computer system.

4. Shareholders holding, directly or indirectly, a majority of shares

The shareholders of Asseco Business Solutions S.A. holding, directly or indirectly through subsidiaries, at least 5% of the total vote at the General Meeting of Shareholders, according to the number of shares and their participation in the share capital on the date of these financial statements, disclosed in the notices served to the Company pursuant to Article 69 of the Act on public offering, conditions governing the introduction of financial instruments into organised trade and on public companies, are:

Shareholders	Share in shareholding	No. of shares	No. of votes	Share in votes
Asseco Enterprise Solutions	15,528,570	46.47%	15,528,570	46.47%
Metlife Otworthy Fundusz Emerytalny	4,500,000	13.47%	4,500,000	13.47%
Aviva Otworthy Fundusz Emerytalny Aviva BZ WBK	3,492,000	10.45%	3,492,000	10.45%
Other shareholders	9,897,623	29.61%	9,897,623	29.61%

5. Indication of holders of any securities with special control powers, along with the description of those powers.

There are no securities conferring special control powers with respect to the Company.

6. Indication of any restrictions with respect to the exercise of voting rights

The Company's shares do not impose any restrictions on the exercise of voting rights. Pursuant to Article 7(3) of the Articles of Association of Asseco Business Solutions S.A., each share is entitled to one vote at the General Meeting.

7. Indication of any restrictions on the transfer of ownership of the Company's securities

The Company's shares do not impose any restrictions on the transfer of ownership. Pursuant to Article 8 of the Articles of Association of Asseco Business Solutions S.A., shares are transferable and may be encumbered with limited material rights.

8. Description of the rules governing the appointment and dismissal of executives and their rights.

According to the Articles of Association of the Company and Section II of the Rules of Procedure of the Management Board of Asseco Business Solutions SA, the Management Board consists of 1 to 7 members, including the President, Vice-Presidents and members of the Management Board. They are appointed for a joint term of 4 years. According to Article 13(10)(8) of the Articles of Association of Asseco Business Solutions S.A., the Management Board is appointed and dismissed by the Supervisory Board by secret ballot; the Supervisory Board also defines the Board's roles. Each Member of the Management Board may be elected for another term. Mandates of the Members of the Board expire no later than on the date of the General Meeting approving the financial statements of the Company for the last full financial year when the Management Board Members performed their functions.

In accordance with the Company's Articles of Association and Section III(6) of the Rules of Procedure of the Management Board of Asseco Business Solutions S.A., the Management Board manages the activities of the Company, manages its assets and represents the Company externally in all matters falling outside the competence of the Supervisory Board and the General Meeting. The Members of the Management Board perform their duties in person. Guided by the interests of the Company, the Management Board determines the strategy and the main objectives the Company and submits them to the Supervisory Board, assuming the responsibility for their implementation and performance. The Management Board ensures the transparency and efficiency of the Company management system and the managing of its affairs in accordance with the law and best practice.

The Rules of Procedure of the Management Board of Asseco Business Solutions S.A. Are available on the website: www.assecobs.pl in the Investor Relations tab.

The executives have no right to decide on the issue or repurchase of shares.

9. The rules of amending the Articles of Association

The amendment of the Articles of Association, including the adoption of resolutions on the increase and decrease of the share capital, falls within the competence of the General Assembly as provided in Article 430 et seqq of the Code of Commercial Companies and Partnerships with regard to the provisions of the Act on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, the Act on trading in financial instruments and the Act on capital market supervision.

The General Meeting's resolution on the amendment of the Articles of Association concerning the relocation of the registered seat requires the approval of the shareholder Maciej Maniecki in order to be valid. The personal entitlement referred to in the preceding sentence should be exercised through a declaration submitted by the shareholder to the minutes of the General Meeting immediately before the adoption

of the resolution on the matter.

10. Description of the activity of the General Meeting and its main powers and of the rights of shareholders and their exercise

The General Meeting is the supreme body of the Company. It operates lawfully and according to the rules laid down in the Articles of Association of Asseco Business Solutions SA, and in accordance with the Rules of Procedure for the General Meeting of Asseco Business Solutions S.A., which govern the organization and course of these Meetings. General Meetings are held at the Company's headquarters or in Warsaw and may be ordinary or extraordinary. An Ordinary General Meeting is convened by the Management Board no later than on 30 June of each consecutive calendar year. An Extraordinary General Meeting is convened by the Management Board on its own initiative or at the written request of the entitled, referred to the provisions of Article 400 of the Code of Commercial Companies and Partnerships. The Supervisory Board may convene an Ordinary General Meeting, if the Management Board does not convene the same in a timely manner, and an Extraordinary General Meeting, if the convening of that it deems advisable. The meeting is convened as required by law by a notice on the Company's website and in the manner prescribed for the disclosure of the Company's current information in accordance with the provisions of the Act on public offering, conditions governing the introduction of financial instruments to organised trading and on public companies. The Management Board publishes the announcement at least twenty six days before the date of the General Meeting.

Persons eligible to participate in the General Meeting are:

- persons who are shareholders of the Company sixteen days before the General Meeting (the date of registering for the General Meeting),
- holders of bearer shares in the form of a document - if the share documents have been deposited with the Company no later than on the date of registering for the General Meeting and will not be collected before the end of that day. Instead of shares, relevant certificates may be submitted as proof of depositing the shares with a notary or a bank or an investment entity having its registered seat or a branch in the European Union or being a state-party to the Agreement on the European Economic Area, and indicated in the notice convening the General Meeting.
- Members of the Management Board and the Supervisory Board.

The Management Board or the Supervisory Board may invite other persons, whose participation is justified, such as the representatives of the certified auditor or the representatives of legal and financial advisers if the debated matters are of complicated legal and economic nature.

The list of shareholders entitled to participate in a General Meeting signed by the Management Board and including the personal names and company names of the entitled to vote, their place of residence (headquarters), quantity, type and number of shares as well as the number of votes is available in the Company's seat and in the Office of the Management Board for three business days before the date of a General Meeting.

Shareholders may participate in the General Meeting and exercise their right of vote in person or by proxy, subject to the condition that appropriate proxies should be given in writing or in electronic form. Proxy in an electronic form does not need the electronic signature verified by a valid and qualified certificate. A public company takes appropriate action to identify the shareholder and the proxy in order to verify the validity of the proxy granted in an electronic form.

The General Meeting is opened by the Chairperson of the Supervisory Board or his or her delegate, and if these persons are absent, by the President of the Management Board or a person designated by the Management Board; the Chairperson of the General Meeting is elected from among the persons entitled to vote. After the election of the Chairperson, the attendance list is opened containing the list of participants in the General Meeting together with their number of shares and votes. The Chairperson of the General Meeting chairs the meeting in line with the agenda contained in the notice convening the General Meeting.

The agenda of the General Meeting is drawn up by the Management Board of Asseco Business Solutions S.A., while the Supervisory Board and other authorized persons may, in accordance with the provisions of Article 401 of the Code of Commercial Companies and Partnerships, request that certain issues be added to the agenda of the next General Meeting. Such a request should be submitted to the Management Board in writing or electronically at least twenty one days prior to the proposed date of the General Meeting.

Resolutions of the General Meeting are adopted by an absolute majority of votes, unless other provisions of the Articles of Association or the Code of Commercial Companies and Partnerships provide otherwise and irrespective of the number of represented shares.

The General Meeting, in addition to the matters specified in the Code of Commercial Companies and Partnerships, are entitled to:

- a) appoint and dismiss the Supervisory Board. The Members of the Supervisory Board shall be appointed for a five-year joint term of office. Each Member of the Supervisory Board may be re-elected to perform this function.
- b) establish and revise the rules of remuneration or level of remuneration for the Members of the Supervisory Board,
- c) purchase or sell property, usufruct rights or interests in real property.

The shareholders have the following rights related to their membership in the Company:

- a) The right to participate in the General Meeting (Article 412 of CCCP) and the right to vote at the General Meeting (Article 411(1) of CCCP). According to the Articles of Association, one share carries one vote at the General Meeting.
- b) A shareholder or shareholders representing at least one-twentieth of the share capital may demand that a general meeting be summoned, likewise that certain issues be put on the agenda of the next General Meeting (Article 400(1) of CCCP). A request to convene an Extraordinary General Meeting must be submitted to the Management Board in writing or in electronic form. Where an Extraordinary General Meeting has not been summoned within two weeks from submission of the request to the Management Board, the registration court may authorize the shareholders who made the request to summon such a meeting. The court appoints a presiding person of this meeting (Article 410(1) of CCCP).
- c) The right to challenge the resolutions of the General Meeting before the court in line with Articles 422-427 of CCCP.
- d) The right to demand the election of the Supervisory Board in separate groups; in accordance with Article 385(3) of CCCP, at the request of shareholders who represent no less than one-fifth of the share capital, the Supervisory Board should be elected by the next General Meeting by a vote held in separate groups.
- e) The right to obtain information about the Company in the scope and manner provided for in the relevant regulations, in particular in Article 428 of CCCP; in the course of a General Meeting, the Management Board is obliged, at a shareholder's request, to furnish information concerning the Company if warranted for the assessment of a matter put on the agenda; a shareholder who is refused the requested information during the General Meeting, and who registers an objection included in the minutes, may apply to the registration court demanding that the Management Board furnish the information (Article 429 of CCCP).
- f) The right to a named certificate of participation in the meeting.

- g) The right to demand the copies of the Management Board report on the Company's operations and of the financial statements, together with a copy of the Supervisory Board's report and certified auditor's opinion no later than fifteen days before the General Meeting (Article 395(4) of CCCP).
- h) The right to review in the premises of the Management Board the list of shareholders entitled to participate in the General Meeting and request a copy of the list against refund of costs of its preparation (Article 407(1) of CCCP). The shareholders may request to be sent the list of shareholders free of charge by e-mail, having first provided the address to which the list should be delivered (Article 407(1) of CCCP).
- i) The right to be issued copies of motions on matters included in the agenda one week before the General Meeting (Article 407(2) of CCCP).
- j) The right to request the verification of the attendance list by a specially selected commission composed of at least three persons. The request may be filed by the shareholders holding one tenth of the share capital represented at the General Meeting. The shareholders submitting the motion have the right to elect one member of the commission (Article 410(2) of CCCP).
- k) The right to inspect the book of minutes and to be issued copies of resolutions certified by the Management Board (Article 421(3) of CCCP).
- l) The right to file a complaint for making good on the damage done to the Company under the provisions of Article 486 and 487 of CCCP, if the Company has failed to bring action for relief within one year from the disclosure of the injurious act.
- m) The right to inspect documents and require to be provided with gratuitous copies of such documents on the Company's premises, as referred to in Article 505(1) of CCCP (in the case of a merger), in Article 540(1) of CCCP (in the case of division of the Company), and Article 561(1) of CCCP (in the case of transformation of the Company).
- n) The right to demand that the commercial company being a shareholder in this Company provide information as to whether it is in a relationship of dominance or dependency with a specified commercial company or cooperative being a shareholder of the Company, or whether such a relationship has ceased. The shareholder may also demand that they be informed about the number of shares or votes that the commercial company holds, also in the capacity of a pledgee or usufructuary, or under agreements with other persons. The request for information and the answers must be made in writing (Article 6(4) and (6) of CCCP).
- o) The right to participate in the profit shown in the financial statements examined by a certified auditor and assigned by the General Meeting to be paid to the shareholders (Article 347 of CCCP).
- p) The right of priority to subscribe to new shares in proportion to the number of shares held (subscription warrants).

- q) The right to participate in the Company's assets remaining after satisfaction of or securing the creditors in the event of liquidation. In accordance with Article 474(2) of CCCP, the assets referred to above are distributed among shareholders in proportion to their payments towards the share capital.
- r) The right to transfer and encumber with limited material rights of the shares held, including the right to create a pledge or usufruct on them. Throughout the period when the shares admitted to public trading on which pledge or usufruct has been created are shown on securities accounts of a brokerage house or of a bank operating securities accounts, the voting right in these shares remains with the shareholder (Article 340(3) of CCCP).

A detailed procedure of the General Meeting of Asseco Business Solutions SA is laid down in the Rules of Procedure of the General Meeting available on the website of Asseco Business Solutions S.A. at: www.assecobs.pl in the Investor Relations tab.

11. Composition, changes and a description of the mode of operation of the Company's management and supervisory bodies

Management Board

The Management Board operates under the provisions of the Code of Commercial Companies and Partnerships, the provisions of the Articles of Association and the Rules adopted by the Management Board. The Management Board is an executive body, overseeing the Company's affairs and representing the Company outside. The Management Board is competent to make decisions that are outside the remit of other bodies within the Company. In the case of a large number of members, two members of the Management Board acting jointly, or one member of the Management Board acting with a proxy, are entitled to make representations and sign documents on behalf of the Company.

The meetings of the Management Board shall be convened by the President of the Management Board or, in his or her absence, by the Vice-President of the Management Board. The convening person notifies the members of the Management Board of the meeting in writing or by electronic mail at least three days before the date of the meeting. In urgent cases, the President of the Management Board or, in his or her absence, the Vice-President of the Management Board may determine a different manner and time of notifying the members of the Management Board on the date of the meeting.

Resolutions of the Management Board are adopted by a simple majority of votes. The Management Board is considered capable of making resolutions if each member of the Management Board has been effectively informed of the scheduled meeting in the time enabling him or her to participate in the meeting, and at least half of the total number of members are present at the meeting. The meetings of the Management Board are held in the Company's seat or in other location determined by the convening person.

The Members of the Management Board may participate in the process of adopting the resolutions of the Management Board by casting their vote in writing through another member, or by means of remote communications, or in writing.

The Rules of Procedure of the Management Board set out in detail the procedure for convening the meetings of the Management Board, the manner of adopting resolutions, including their voting and minuting, and the scope of matters that can be subject to resolutions. In accordance with the Rules of Procedure, the Management Board is obliged, within a period permitting their examination, to prepare and submit to the Supervisory Board the Company's financial statements and report on operations for the ended financial year. The Rules of Procedure of the Management Board of Asseco Business Solutions S.A. Are available on the website: www.assecobs.pl in the Investor Relations tab.

Composition of the Management Board in 2018:

Wojciech Barcentewicz - President of the Management Board,
Piotr Masłowski - Vice-President of the Management Board,
Andreas Enders - Vice-President of the Management Board,
Mariusz Lizon - Member of the Management Board.

On the date of publication of these financial statements, i.e. 27 February 2019, the composition of the Management Board remained fixed and consisted of:

Wojciech Barcentewicz - President of the Management Board,
Piotr Masłowski - Vice-President of the Management Board,
Andreas Enders - Vice-President of the Management Board,
Mariusz Lizon - Member of the Management Board.

Supervisory Board

The Supervisory Board operates under the provisions of the Code of Commercial Companies and Partnerships, the provisions of the Articles of Association and the Rules adopted by the Supervisory Board. The Supervisory Board exercises a general supervision over the Company's operation. The Supervisory Board consists of five members, including the Chairperson. The Supervisory Board shall be appointed and dismissed by the General Meeting. The Members of the Supervisory Board are appointed for a five-year joint term of office. Each Member of the Supervisory Board may be re-elected to perform this function.

Resolutions of the Supervisory Board, in addition to matters provided for in the Code of Commercial Companies and Partnerships, are mandatory in the following matters:

- a) to assess the Management Board's report on the Company's operation and the Company's financial statements for compliance with the accounts and documents as well as with the state of affairs,
- b) to assess the recommendations of the Management Board concerning the distribution of profit or coverage of loss, and concerning the issue of bonds,
- c) to submit an annual written report on the results of the aforesaid assessments,
- d) to represent the Company in its contracts with the members of the Board and in disputes with the Management Board or with its members,
- e) to determine the remuneration of the Members of the Management Board,
- f) to select a certified auditor reviewing the Company's financial statements,
- g) to appoint, dismiss or suspend members of the Management Board,
- h) to approve the budget for each financial year and approve development programmes for individual areas of the Company's activity.

The Supervisory Board meetings are convened by the Chairman; the meetings should not be held at least every three months. The Chairman should convene a meeting at the request of the Management Board or a member of the Supervisory Board. In such a case, the Chairman shall convene a meeting of the Supervisory Board within two weeks of receiving the request.

The resolutions of the Supervisory Board are adopted by simple majority of votes cast, unless the law provides for stricter conditions with regard to adopting resolutions. If the voting is undecided, the vote of the Chairperson of the Supervisory Board shall be decisive, and in their absence, the vote of the Chairperson of the meeting.

The resolutions of the Supervisory Board may be adopted if all its members were informed in writing of the date and venue of the meeting, at least one week before the meeting, and at least half of them are present at the meeting. The members of the Supervisory Board may participate in the process of adopting the resolutions of the Board by casting their vote in writing through another Member of the Supervisory Board, or by means of remote communications, or in writing. Special powers of the Supervisory Board, as well as its organization, the manner of fulfilling its responsibilities, the method of convening meetings and the procedure of adopting resolutions are laid down in the Rules of Procedure of the Supervisory Board.

In accordance with the Rules of Procedure of the Supervisory Board, the specific powers of the Supervisory Board are, among others:

- a) to give opinions on matters submitted by the Management Board to the General Meeting,
- b) to approve the Company's development strategy,
to approve the rules of employment and remuneration of the Management Board members, including the level of remuneration,
- c) to approve the recommendations of the Management Board concerning the establishment of commercial

- companies and foundations by the Company, and concerning matters of entering into existing entities,
- d) to give consent to the incurring by the Company of loans and credits or to the granting of guarantees or sureties in an amount exceeding PLN 5,000,000.00 (five million) upon performing this activity, except:
- a) when they were provided for in the Company's budget or in the Company's development policy approved by the Supervisory Board,
 - b) guarantees and sureties granted in contracts entered into in connection with the Company's operations, with contractors, co-performers, subcontractors in tendering procedures, and
 - c) granted to a shareholder of the Company, its subsidiaries or affiliates in accordance with the Accounting Act.

The Supervisory Board is also empowered to express opinions on all matters related to the Company's operations and to submit motions and proposals and to the Management Board; the latter is obliged to inform the former on how they have been used. The work of the Supervisory Board is overseen by the Chairman who convenes and chairs the meetings, and represents the Supervisory Board before other bodies of the Company and other individuals. The Chairperson is elected from among the Supervisory Board members at the first meeting in a new term. The members of the Supervisory Board are compelled to keep the information obtained in connection with the exercise of their rights and duties confidential.

The Rules of Procedure of the Supervisory Board of Asseco Business Solutions S.A. are available on the website: www.assecobs.pl in the Investor Relations tab.

Composition of the Supervisory Board in 2018:

Jozef Klein – Chairman of the Supervisory Board

Adam Góral – Vice-Chairman of the Supervisory Board

Romuald Rutkowski – Member of the Supervisory Board

Zbigniew Pomianek – Member of the Supervisory Board

Piotr Stępiak – Member of the Supervisory Board

On the date of publication of these financial statements, i.e. 27 February 2019, the Supervisory Board of the Company consisted of:

Jozef Klein – President of the Supervisory Board

Adam Góral – Vice-Chairman of the Supervisory Board

Romuald Rutkowski – Member of the Supervisory Board

Zbigniew Pomianek – Member of the Supervisory Board

Piotr Stępniaak – Member of the Supervisory Board

The Audit Committee

The Audit Committee was established by a resolution of the Supervisory Board dated 10 March 2010. The Supervisory Board consists of the minimum number of members required by the law; therefore, from 1 October 2017, the Audit Committee's tasks were performed by the Supervisory Board.

Due to the requirement of appointing the Audit Committee at Asseco Business Solutions S.A., in accordance with the provisions of the Act of 11 May 2017 on statutory auditors, audit firms and public oversight, the Supervisory Board of the Company adopted, on 2 October 2017, Resolution No. 2 on the appointment of the Audit Committee composed of:

- Piotr Stępniaak – Chairman of the Audit Committee;
- Romuald Rutkowski – Member of the Audit Committee;
- Adam Góral – Member of the Audit Committee.

The Members of the Audit Committee of the Supervisory Board of Asseco Business Solutions S.A. meet the criteria set out in the Act of 11 May 2017 on statutory auditors, audit firms and public oversight.

Romuald Rutkowski and Piotr Stępniaak meet the independence criteria, the latter also having knowledge and competence in auditing financial statements, All Members of the Supervisory Board have the knowledge of the industry in which the Company operates.

The Audit Committee is authorized to perform the auditing of the Company's finances, in particular:

- a) to monitor the financial reporting process;
- b) to monitor the effectiveness of internal control systems, internal audit and risk management;
- c) to monitor the performance of financial audit activities;
- d) to monitor the remuneration of a certified auditor or entity authorized to audit financial statements.
- e) to inform the Supervisory Board of audit results and explain how the audit has contributed to the reliability of financial reporting in the Company, and of the role of the Audit Committee in the audit process;

- f) to assess certified auditor's independence and consent to the provision by the certified auditor of permitted, non-audit services to the Company;
- g) to draw up a policy of selecting an audit firm to perform audits;
- h) to design a policy of provision of permitted, non-audit services by an audit firm performing the audit, by entities related to the audit firm and by a member of the audit firm's network;
- i) to determine a procedure for the selection of an audit firm by the Company;
- j) to submit recommendations to the Supervisory Board regarding the selection of audit firms;
- k) to submit recommendations aimed to ensure the reliability of the financial reporting process in the Company.

Management Board of Asseco Business Solutions S.A.:

Signature Not Verified
 Document signed by Wojciech
 Juliusz Barczentewicz Date:
 2019.02.26 16:48:10 CET

Signature Not Verified
 Document signed by Piotr Jerzy
 Maslowski
 Date: 2019.02.26 16:55:54 CET

Wojciech Barczentewicz
 President of the Board

Piotr Maslowski
 VP of the Board

Signature Not Verified
 Document signed by Mariusz Paweł
 Lizon
 Date: 2019.02.27 09:38:20 CET

Mariusz Lizon
 Member of the Board

Signature Not Verified
 Digitally signed by Andreas
 Enders
 Date: 2019.02.26 17:21:46 CET

Andreas Enders
 VP of the Board