Minutes of the Meeting of the Supervisory Board of Asseco Business Solutions S.A.

of 14 March 2017

Appendix to Resolution No. 3 of the Supervisory Board of Asseco Business Solutions S.A.

of 14 March 2017

Report of the Supervisory Board of Asseco Business Solutions S.A. for 2016 covering the assessment of: Company's position, the internal control systems, risk management, compliance, Company’s fulfilment of the obligation to inform about the application of corporate governance.

I. Assessment of the Company's position, including the assessment of the internal control systems, risk management, compliance and internal audit functions

The Supervisory Board is positive about the system of internal control employed in the Company and the system of management of risks significant for the Company.

The Company is aware of the risks related to its business. Therefore, it implemented a consistent system of risk factor control. The system relied on a set of internal procedures and guidelines covering the key areas of the Company's operation. They enable efficient information flow between the organizational units of the Company, as well as ensuring an appropriate level of alert in the event of significant risks. Most processes (as part of the system) have been automated and are supported by the in-house, integrated ERP management system. Additionally, the system provides an ongoing functional control, handled by both every employee and their immediate supervisor. Moreover, in order to improve the control and information flow in the Company, regular meetings are held with the representatives of the key organizational units. During these meetings, the analysis of new or non-standard factors (problems, threats) is performed, surfacing in the various areas of Company's operations.

Supervision over the process of internal control and the risk management system is exercised by the department directors. Besides, they are responsible for the ongoing evaluation of execution procedures and reporting to the management on the effectiveness of the risk management systems put in place.

In the opinion of the Supervisory Board, the existing system of internal control is effective, and the implemented solutions enable the detection of risks that are significant for the Company's business, their management and the establishment of their acceptable level.

There are no separate internal audit capabilities and compliance services in the Company's structure as the size of the Company does not require so. In the opinion of the Supervisory Board, there is no need to isolate the internal audit function within the organization. Compliance is ensured by the Legal Department.

In the opinion of the Supervisory Board, the Management Board of the Company has properly identified the types of risk significant for the Company and has managed them effectively in the volatile business environment.

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**II.** Report of the Activities of the Supervisory Board of Asseco Business Solutions S.A. in the financial year 2016

1. The organisation of the Supervisory Board

In 2016 the Supervisory Board of Asseco Business Solutions S.A. consisted of:

|  |  |
| --- | --- |
| Supervisory Board | Term |
| Romuald Rutkowski | 1 Jan 2016 – 31 Dec 2016 |
| Adam Góral | 1 Jan 2016 – 31 Dec 2016 |
| Zbigniew Pomianek | 1 Jan 2016 – 31 Dec 2016 |
| Adam Pawłowicz | 1 Jan 2016 – 31 Dec 2016 |
| Grzegorz Ogonowski | 1 Jan 2016 – 31 Dec 2016 |

The Audit Committee

The Supervisory Board also performed the responsibilities of the Audit Committee referred to in Article 86(7) in conjunction with Article 86(3) of the Act on certified auditors and their self-government, entities authorized to audit financial statements and on public supervision (Journal of Laws of 22 May 2009, No. 77, item 649). For this purpose, the Supervisory Board held two meetings prior to the publication of the Company's financial results for 2015 and for the first six months of 2016.

Two Members of the Supervisory Board, Grzegorz Ogonowski and Adam Pawłowicz, meet the criteria of independence set out in Annex II to Commission Recommendation 2005/162/EC of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board.

Performance of statutory duties

In 2016 the Supervisory Board exercised a continuous supervision over the Company's current operations; in the exercise of its supervisory powers, the Supervisory Board held five meetings.

Most of the meetings were attended by all members of the Supervisory Board; any absences were justified by the Chairperson.

The main focus of ​​the Supervisory Board in 2016 was to assess the current performance of the Company, budget execution by the Management Board and to review the Company's strategy in all its provinces of activity. The Management Board advised the Supervisory Board regularly of the viability of the planned strategic objectives of the Company as well as of the Company's financial results. The Company's specific objectives and strategic plans were reported and discussed during the meetings of the members of the Supervisory Board and the Management Board of the Company and obtained the Supervisory Board's approval.

The Supervisory Board resolves that the Management Board's strategy and the current activities of the Company in 2016 led to the occurrence of many positive and significant development factors resulting in the strengthening of the Company's position.

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III. The 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.

The Supervisory Board is positive about 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 the Company.

IV. Assessment of the efficiency of the Company’s policy as referred to in Recommendation I.R.2 of the Code of Best Practices for WSE Listed Companies 2016

The Supervisory Board is positive about the extent of charitable initiatives carried out by the Company. The Company’s charitable activity is mainly the sponsoring of community organisations aiding people in need and supporting disadvantaged individuals and families. In addition, the Company co-finances socially useful charitable initiatives contributing to the promotion of culture, sports, and education.

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| --- | --- |
|  |  |
| Romuald Rutkowski |  |
| Chairman of the Supervisory Board |  |
| Adam Góral |  |
| Vice-Chairman of the Supervisory Board |  |
| Zbigniew Pomianek |  |
| Member of the Supervisory Board |  |
| Adam Pawłowicz |  |
| Member of the Supervisory Board |  |
| Grzegorz Ogonowski |  |

 Member of the Supervisory Board

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Appendix to Resolution No. 4 of the Supervisory Board of Asseco Business Solutions SA

of 14 March 2017

Report of the Supervisory Board

on the assessment of the Management Board's Report on the Operations of Asseco Business Solutions S.A. in the Financial Year 2016 and on the assessment of the Management Board's proposal regarding the distribution of net profit for the financial year 2016 to be submitted to the General Meeting.

Assessment and auditing of the financial statements by the Supervisory Board

The Supervisory Board of Asseco Business Solutions S.A., acting pursuant to Article 382(3) of the Commercial Companies Code of 15 September 2000 (Journal of Laws of 2000, No. 94, item 1037 as amended) and Article 13(10)(1-3) of the Articles of Association of the Company performed an assessment of: the Company's financial statements, the certified auditor's opinion for the financial year 2016 and the Management Board's report on operations for the financial year 2016.

The assessment covered:

1. The financial statements of Asseco Business Solutions S.A. seated in Lublin for the year ended 31 December 2016, including in particular:
* balance sheet as at 31 December 2016, with total assets and liabilities amounting to **PLN** **301,682 thousand**,
* profit and loss account for the period from 1 January 2016 to 31 December 2016 with the net profit of **PLN** **42,446 thousand**,
* statement of changes in equity for the period from 1 January 2016 to 31 December 2016, showing an increase in equity by **PLN 9,113 thousand**,
* cash flow statement for the period from 1 January 2016 to 31 December 2016, showing an increase in net cash by **PLN** **29,797 thousand** and

- additional notes and information.

* 1. Management Board's Report on the Company's Operations in the Financial Year 2016.

When performing the assessment, the Supervisory Board relied, in particular, upon the certified auditor's opinion and a supplementary report to this opinion. The Supervisory Board held an additional examination and sought additional information from the Management Board of the Company and the auditor.

After an in-depth analysis, the Supervisory Board states that the financial statements of the Company for the financial year 2016 and the Management Board's Report on the Company's Operations in the Financial Year 2016 are in conformity with the accounts, documents, and facts.

The Supervisory Board recommends that the General Meeting approve them.

The Supervisory Board also assessed a proposal of the Management Board of Asseco Business Solutions S.A. of 8 March 2017 concerning the distribution of the net profit of Asseco Business Solutions S.A. from operations in the period from 1 January 2016 to 31 December 2016 amounting to **PLN** **42,446,198.45** (forty two million four hundred and forty six thousand one hundred and ninety eight 45/100) as follows:

1) part of the net profit for the financial year 2016 of **PLN 42,441,105.11** (forty two million four hundred and forty one thousand one hundred and five 11/100) to be distributed among

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the Shareholders of the Company, that is, to be paid out as dividend at PLN 1.27 per share.

2) the remainder of the net profit for the financial year 2016 in the amount of **PLN 5,093.34** (five thousand and ninety three 34/100) to be assigned to supplementary capital.

The Supervisory Board also issues a positive opinion on the Management Board's proposal pertaining to the distribution of net profit generated by the Company in 2016.

The Supervisory Board recommends the General Meeting to give the President of the Management Board, Wojciech Barczentewicz, the Vice-Presidents of the Management Board, Piotr Masłowski and Andreas Enders, and the Member of the Management Board, Mariusz Lizon, a vote of approval for the discharge of their duties in 2016.