

Annual Report of the Supervisory Board of Asseco Business Solutions S.A. for the Financial Year 2023 ("Annual Report")

This Annual Report of the Supervisory Board ("SB") includes:

1. The Supervisory Board's Report on Operations in 2023 drawn up pursuant to Article 382§3<sup>1</sup> of the Code of Commercial Companies and Partnerships ("CCCP") and on the basis of Principle 2.11 of the Code of Best Practice for WSE Listed Companies 2021 ("Best Practice 2021") containing:

1. information on the composition of the Supervisory Board and its committees, in accordance with Principle 2.11.1 Best Practice 2021;
2. an overview of the operations of the Supervisory Board and its committees, in accordance with Principle 2.11.2 Best Practice 2021;
3. consolidated assessment of the Company's position, including the assessment of internal control and risk management systems, compliance and internal audit function, in accordance with Principle 2.11.3 Best Practice 2021 and Article 382§3<sup>1</sup> CCCP;
4. assessment of the Company's corporate governance and of the fulfilment of disclosure obligations, in accordance with Principle 2.11.4 Best Practice 2021;
5. assessment of the legitimacy of expenses referred to in Principle 15 Best Practice 2021, in accordance with Principle 2.11.5 Best Practice 2021;
6. information on the implementation of the diversity policy in relation to the Management Board and the Supervisory Board, in accordance with Rule Principle 2.11.6 Best Practice 2021;
7. assessment of the meeting by the Management Board of the obligations referred to in Article 380<sup>1</sup> CCCP;
8. assessment of the method adopted by the Management Board for the preparation and submission of information, documents, reports or explanations to the Supervisory Board, requested as provided in Article 382§4 CCCP;
9. information on the total remuneration payable by the Company for all audits commissioned by the Supervisory Board during the financial year as provided in Article 382<sup>1</sup> CCCP.

2. A Report on the Assessment of the Report of the Management Board on the Operations of Asseco Business Solutions S.A. in the Financial Year 2023 and on the Assessment of the Company's Financial Statements for the Year Ended 2023 and on the assessment of the Proposal of the Management Board regarding the Distribution of Profit for the Financial Year 2023 to be submitted to the General Meeting, in accordance with Article 382§3 CCCP.

The Supervisory Board's Report on Operations in 2023 prepared on the basis of Principle 2.11 Best Practice 2021.

*1. Information on the composition of the Supervisory Board and its committees, along with indication which Members of the Supervisory Board meet the independence criteria within the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight, and which of them do not have actual and significant links with a shareholder holding at least 5% of the total number of votes in the Company, as well as information on the composition of the Supervisory Board in terms of diversity;*

In the period from 1 January 2023 to 31 December 2023, the Supervisory Board of Asseco Business Solutions S.A. was composed of the following persons:

Rafał Kozłowski	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;
Marcin Murawski	Member of the Supervisory Board;
Artur Osuchowski	Member of the Supervisory Board.

Among the persons sitting on the Supervisory Board, Mr Marcin Murawski, Mr Romuald Rutkowski, and Mr Artur Osuchowski met the independence criteria in the aforesaid period.

Until the date of this Report, the composition of the Supervisory Board has not changed.

In 2023 the Audit Committee of Asseco Business Solutions S.A. consisted of:

Marcin Murawski	Chairman of the Audit Committee;
Rafał Kozłowski	Member of the Audit Committee;
Romuald Rutkowski	Member of the Audit Committee.

The Supervisory Board, acting pursuant to Article 129 of the Act on Statutory Auditors, Audit Firms and Public Oversight as well as §14 of the Rules of Procedure of the Supervisory Board, assessed the compliance of the Audit Committee with the said requirements as follows:

- 1) Mr Romuald Rutkowski and Mr Marcin Murawski meet the independence criteria;
- 2) Mr Marcin Murawski and Mr Rafał Kozłowski have skills and competence in the field of accounting or auditing of financial statements. Mr Marcin Murawski obtained his qualification at the Faculty of Management of the University of Warsaw (Financial Management); he passed the ACCA exam and is a member of ACCA; he holds the ACCA Practising Certificate (UK chartered accountant) and

the KIBR (Polish Statutory Auditor No. 90053) and is qualified as Certified Internal Auditor; Mr Rafał Kozłowski graduated from the Faculty of Organization and Management of the University of Warsaw; he completed a Project Management Programme at the PMI; he completed the International Accounting Standards Programme organized by Ernst&Young Academy of Business and the Emerging CFO: Strategic Financial Leadership Programme; he also has a long professional experience in the area of finance gained at Delta Software, Veraudyt, Softbank, and companies of the Asseco Poland Group;

- 3) Mr Rafał Kozłowski and Mr Romuald Rutkowski have extensive knowledge of the Company's industry gathered during their long professional career in the companies of the Asseco Poland Group.

Until the date of this report, the composition of the Audit Committee has not changed.

The Company has not drawn up a diversity policy for the members of its corporate bodies.

## *2. An overview of the activities of the Supervisory Board and its committees;*

### *Supervisory Board*

In 2023 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.

The main focus of the Supervisory Board in 2023 was to assess the current performance of the Company and budget execution by the Management Board and to review the Company's strategy and actions across its business activity. The Management Board regularly advised the Supervisory Board of the feasibility of meeting 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 also obtained detailed information and explanation about the status and prospects of the Company's operations. The Supervisory Board examined the information under Article 382<sup>1</sup> CCCP. In addition, the Supervisory Board was regularly updated by the Audit Committee, in particular about the auditing of accounts (both annual and interim) in the Company and the committee's role in this process, as well as receiving information obtained by the Audit Committee from the audit firm during the meetings of the two and during direct exchange with the audit firm.

The Supervisory Board finds that the Management Board's strategy and the current activities of the Company in 2023 led to the occurrence of many significant development factors resulting in the strengthening of the Company's position. The Supervisory Board confirms that the cooperation with the Management Board of Asseco Business Solutions S.A. is invariably effective.

### *Audit Committee*

In 2023 the Audit Committee met six times. During the meetings, the committee performed the tasks specified in Article 130 of the Act on Statutory Auditors, Audit Firms and Public Supervision. Moreover,

following the adoption by the Audit Committee of the Work Plan for 2023, which contained detailed matters to be discussed during the meetings, the Audit Committee also followed the plan.

The Audit Committee verified the following:

- the process of preparing financial statements and the effectiveness of the key procedures ensuring that the financial statements and management and financial reports are drawn up properly and contain reliable data,
- Company's exposure to specific risks, methods of identification and monitoring of risks and the operation of the Management Board aimed to mitigate their impact on the Company's operations.

As part of its verification effort, the Audit Committee held meetings with the auditing company PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k. prior to the publication of the financial results for 2022. During these meetings, the committee was presented the Company's financial results and the relevant reports of the audit firm on the audit of accounts. Having read the complete documentation regarding the audit of accounts by the audit firm, including the auditor's obligatory representations regarding independence, the members of the Audit Committee confirmed that the audit had been performed properly and effectively, in accordance with the applicable legal requirements, and had covered the full scope provided for in the relevant laws with regard to the audit of the annual financial statements. In addition, the Audit Committee examined the process applied at PricewaterhouseCoopers Polska Sp. z o. o. Audyt Sp. k. and aimed to ensure independence of the audit firm, the key statutory auditor, and the personnel performing the audit. The Audit Committee assessed both the audit firm and the audit process as independent. The statutory auditor met the conditions of an impartial and independent opinion on the audit, in accordance with the relevant EU and national laws and professional standards, with regard to the audit of the 2022 annual financial statements.

The Audit Committee made a positive assessment of the Financial Statements of Asseco Business Solutions S.A. for the Year Ended 2022 and of the Report on Operations of Asseco Business Solutions S.A. in 2022 and recommended the Supervisory Board to approve these documents and submit the approval to the General Meeting.

Following the audit firm selection procedure in late 2022 and early 2023 carried out in accordance with the Company's Audit Firm Selection Policy and the Audit Firm Selection Procedure, in 2023 the Audit Committee made a recommendation to the Supervisory Board concerning the selection of a new auditor for the upcoming reporting periods in 2023 and 2024. Following the recommendation of the Audit Committee, on 1 March 2023, the Supervisory Board of the Company appointed Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. komandytowa, having its registered office in Warsaw (entered by the Polish Chamber of Statutory Auditors in the list of entities authorised to audit financial statements under no. 130), to review the semi-annual condensed financial statements of Asseco Business Solutions S. A. for the period of six months ending 30 June 2023 and 30 June 2024, as well as for auditing the annual financial statements of Asseco Business Solutions S.A. for the years ending 31 December 2023 and 31 December 2024.

The Audit Committee met with the newly appointed audit firm prior to the publication of the financial results for the first six months of 2023, at which it reviewed the presentation of the Company's financial results for 1H2023 and the audit firm's report on the review of the interim condensed financial statements for 1H2023. The Audit Committee reviewed the process in place at Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. komandytowa, seated in Warsaw, to ensure the independence of the audit firm, the key statutory auditor, and the personnel performing the audit and review. Also in this case, the Audit Committee assessed both the audit firm and the audit process as independent. The statutory auditor met the conditions of an impartial and independent opinion on the audit, in accordance with the relevant EU and national laws and professional standards.

In 2023, the Audit Committee, in accordance with the Policy for the Provision of Additional Services adopted by the Company, consented that an audit company render an authorized service, other than the audit of the 2023 financial statements, of examining the Report on the Remuneration of Members of the Management Board and Supervisory Board of Asseco Business Solutions S.A., drawn up under the Remuneration Policy for the Management Board and Supervisory Board of Asseco Business Solutions S.A. The consent concerned the Report on Remuneration for 2023. Having discussed the procedure for consenting to the performance of authorized services by an audit firm, the Audit Committee found that the procedure corresponded to the events occurring in the Company and did not require adjustments.

In addition, as part of its activities in 2023, the Audit Committee assessed the internal control systems in place at the Company. The Audit Committee was kept up to date with the internal audit activities (including on an annual basis) in accordance with the Audit Plan adopted for 2023. The Audit Committee was also regularly updated on risk management activities (including compliance).

No other committees were active in the Supervisory Board.

*3. Assessment of the Company's situation on a consolidated basis, including the assessment of internal control systems, risk management, compliance, and internal audit function, along with information on steps taken by the Supervisory Board to perform this assessment; the assessment covers all important control mechanisms, in particular relating to reporting and operations;*

In order to properly assess the Company's situation in 2023, the Supervisory Board reviewed and analysed the following parameters referring to the core business areas of Asseco Business Solutions S.A.:

- operating income, which in 2023 amounted to PLN 380,540 thousand,
- operating profit, which amounted to PLN 109,437 thousand, with a margin of 28.8%,
- EBITDA, which amounted to PLN 145,070 thousand, with a margin of 38.1%,
- total assets, which amounted to PLN 95,030 thousand, with a margin of 25.0%,
- total assets, which amounted to PLN 493,219 thousand,
- pre-tax cash flows from operating activities, which amounted to PLN 145,881 thousand.

The Supervisory Board was positive in its assessment of the Company's operations, in particular:

- increase in sales, especially in the Company's core business segment: ERP (an increase of 13.2% y/y);
- fair profitability indicators at all operational levels (in particular EBITDA 38.1%, EBIT 28.8%) and a remarkable level of net profitability ratio at almost 25.0%.

Moreover, the Supervisory Board ranks very high the Company's business model based on the consistent building up of fixed revenues and a high backlog, which, at the beginning of 2024, accounted for 735% of sales in 2023.

The Supervisory Board also draws special attention to the Company's long-term dividend policy. The Company has regularly (for more than 10 years) paid a dividend of the considerable share of the net profit for the previous year while maintaining the top level of liquidity.

Excellent results in 2023 are a strong basis for ensuring a Company's safe position in the following year.

Having reviewed the financial statements and results of Asseco Business Solutions S.A. in 2023 thoroughly, the Supervisory Board is positive about the Company's financial standing and future prospects.

The Supervisory Board assessed the internal control systems on an ongoing basis, including the management of risk significant for the Company, compliance, and the internal audit function.

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) are automated and 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.

Two organisational units ensure compliance in the Company: the Financial Department (compliance with laws and regulations regarding taxes, reporting, etc., as well as with internal regulations regarding the same) and the Legal Department (compliance with general regulations regarding the operation of the Company as well as with the internal regulations regarding the same and corporate rules adopted by the Company). The Company monitors changes to the law and external regulations governing the requirements for joint-stock companies, as well as improving the compliance system by introducing/updating any internal rules and procedures that set specific standards of conduct.

In order to strengthen the internal control system, in 2022 the Company maintained a separate organizational unit (single-person position) responsible for risk management (Risk Manager). The risk manager assessed risk in areas that are significant for the Company's operations. Besides, the person took action to identify risks in the Company's individual areas of operation, manage them, and determine their acceptable level; on top of that, the risk manager designed action plans to minimize risks.

In 2023, the Company had a separate Internal Audit organisational unit (one-person function). It was run in accordance with the Internal Audit Policy establishing/confirming the internal legal and organisational framework for its operation and a set of basic operation principles. The internal audit pursued its objectives in accordance with the Internal Audit Plan for 2023 prepared by the Internal Auditor and adopted by the Audit Committee. The Audit Committee monitored the activities of the internal audit throughout the year. When meeting the internal auditor during successive meetings, the Audit Committee was updated on the progress status of the 2022 Audit Plan and the current and planned activities of the internal audit. The Audit Committee positively assessed the work of the internal audit in 2023 and found its activities effective. No grounds were identified for changes to the audit team composition, nor were there any requests for other organizational changes..

Having read the report of the internal auditor and the Management Board on the internal control systems in the Company (risk management, internal audit, compliance), the Audit Committee issued a positive opinion on their operation.

Having completed its assessment, the Audit Committee recognized the risk management method and the internal control systems in place at the Company as effective and adequate to the scale and extent of the Company's business and occurring events and circumstances.

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.

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

With the above in mind, the Supervisory Board expresses its appreciation to the Management Board and employees of Asseco Business Solutions S.A. for yet another year of dedicated and effective work. The Supervisory Board appreciates the efforts of the Management Board aimed at achieving a high position in the IT sector in Poland and striving to strengthen the recognition of the Asseco Business Solutions S.A. brand on the domestic market and abroad.

*4. Assessment of the Company's application of the principles of corporate governance and of the fulfilment of disclosure obligations regarding that application, as specified in the Warsaw Stock Exchange Rules and the provisions on current and periodic information provided by issuers of securities, along with information on action taken by the supervisory board to perform this assessment;*

In 2023 the Company published the following documents on its website: the Code of Best Practice of WSE Listed Companies 2021 adopted by Resolution No. 13/1834/2021 of the Supervisory Board of the

Warsaw Stock Exchange dated 29 March 2021 and the Code of Best Practice of WSE Listed Companies 2016 adopted by Resolution No. 26/1413/2015 of the Supervisory Board of the Warsaw Stock Exchange dated 13 October 2015.

Pursuant to § 29(3) of the Warsaw Stock Exchange Rules, on 30 July 2021, Asseco Business Solutions S.A. made public a report containing information on the status of application by Asseco Business Solutions S.A. of the principles contained in the Code of Best Practice of WSE Listed Companies 2021; Information on the status of compliance by the Company with the principles contained in the Code of Best Practice for WSE Listed Companies 2021 is available on the Company's website. The information published as indicated above is consistent with the facts.

The Supervisory Board issues a position opinion on the fulfilment of disclosure obligations concerning the application of the principles of corporate governance, as specified in the Warsaw Stock Exchange Rules and relevant regulations on current and periodic reports published by issuers of securities.

*5. Assessment of the legitimacy of expenses referred to in Rule 1.5 Best Practice 2021;*

The Company incurs minor expenses for purposes other than its basic activity, such as: supporting charity, cultural, sports, and social organizations, or other similar aims. The Company's charitable activity is mainly the co-financing (through donations) of civil society/charity organisations aiding people in need and the supporting of disadvantaged individuals and families. In 2023 the Company allocated a total of PLN 38,500.06 for the above aims (for 5 institutions selected by the Management Board). In addition, the Company donated PLN 33,809.06 to support six families as part of the Noble Parcel charity campaign. Besides, in 2023 the Company additionally earmarked the sum of PLN 22,545.00 to enable its 145 employees to participate in the Poland Business Run charity initiative (to support persons with physical disabilities and mastectomy patients).

As a sponsor, in 2023 the Company supported two institutions: the Lublinianka Association of Basketball Supporters and the Polish Factoring Association, with the total donated amount of PLN 11,000.00.

The Supervisory Board has no objections to the legitimacy of the above-mentioned Company's expenses and has a positive opinion on the Company's limited charitable activity.

*6. Information on the extent of implementation of the diversity policy in relation to the Management Board and the Supervisory Board, including the achievement of the objectives referred to in Principle 2.1. Best Practice.*

Due to the non-application of Principle 2.1. and the absence of diversity policy in the Company, the Annual Report of the Supervisory Board does not contain any information on this topic.

*7. Assessment of the meeting by the Management Board of the obligations referred to in Article 380<sup>1</sup> CCCP.*

The Management Board notifies the Supervisory Board as provided in Article 380<sup>1</sup> CCCP as agreed with the Supervisory Board; therefore, the Supervisory Board agrees that the Management Board performs the obligations indicated in the above-mentioned article properly.

*Assessment of the method adopted by the Management Board for the preparation and submission of information, documents, reports or explanations to the Supervisory Board, requested as provided in Article 382§4 CCCP;*

In 2023, the Supervisory Board did not request the Company to provide additional information, documents, or data. The Supervisory Board find the information, documents, and data provided by the Company as sufficient to assess the Company's situation properly.

*9. Information on the total remuneration payable by the Company for all audits commissioned by the Supervisory Board during the financial year as provided in Article 382<sup>1</sup> CCCP.*

In 2023, the Supervisory Board of the Company did not appoint an advisor to the Supervisory Board.

II. Report of the Supervisory Board on the Assessment of the Report of the Management Board on the Company's Operations in the Financial Year 2023 and on the Assessment of Company's Financial Statements for the Year Ended 2023 and the Proposal of the Management Board regarding the Distribution of Profit to be submitted to the General Meeting.

The Supervisory Board of Asseco Business Solutions S.A., acting pursuant to Article 382§3 CCCP of 15 September 2000 (Journal of Laws of 2017, item 1577) and Article 13(10)(1-3) of the Articles of Association of the Company, performed an assessment of: the Financial Statements of Asseco Business Solutions S.A. for the Year Ended 2023 together with the Independent Auditor's Report and the Report of the Management Board on the Operations of Asseco Business Solutions S.A. in the Financial Year 2023.

The assessment and examination covered:

1. the financial statements of Asseco Business Solutions S.A., seated in Lublin, for the year ended 31 December 2023, including, in particular:
  - 1) balance sheet as at 31 December 2023, with total assets and liabilities amounting to PLN 493,219 thousand,
  - 2) statement of comprehensive income for the period from 1 January 2023 to 31 December 2023 showing a net profit of PLN 95,030 thousand,
  - 3) cash flow statement for the period from 1 January 2023 to 31 December 2023, showing an increase in net cash by PLN 4,717 thousand and
  - 4) additional notes and information.
2. Report of the Management Board on the Operations of Asseco Business Solutions S.A. in 2023.

During the assessment, the Supervisory Board relied upon the report of the independent statutory auditor, Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. komandytowa, seated in Warsaw, on the auditing of the financial statements of the Company for the financial year 2023 and an additional report by E&Y drawn up in accordance with Article 131 of the Act on Statutory Auditors, Audit Firms and Public Oversight. Additionally, the Supervisory Board took account of the information of the Audit Committee on the audit of the financial statements in the Company and the role of the committee in the process of auditing the financial statements, as well as information obtained from E&Y during the meetings of the Audit Committee and during direct exchange with the audit firm. The Supervisory Board held an additional examination and sought additional information from the Management Board of the Company and the audit firm.

After careful analysis, the Supervisory Board finds that the Report of the Management Board on the Operations of Asseco Business Solutions S.A. in the Financial Year 2023 and the Financial Statements of Asseco Business Solutions S.A. for the Year Ended 2023 are consistent with the accounts and documents as well as with the facts. The Supervisory Board recommends that the General Meeting approve them.

The Supervisory Board also assessed the Management Board's proposal of 29 February 2024 concerning the distribution of net profit in the amount of PLN 95,030,198.22 (ninety five million thirty thousand one hundred and ninety eight 22/100) as follows:

- 1) part of the net profit earned by the Company in the financial year 2023 in the amount of PLN 86,887,301.80 (eighty six million eight hundred and eighty seven thousand three hundred and one zlotys 80/100) to be distributed among the Company's shareholders as a dividend in the amount of PLN 2.60 (two zlotys 60/100) per share;
- 2) the remainder of the net profit for the financial year 2023 in the amount of PLN 8,142,896.42 (eight million one hundred and forty two thousand eight hundred and ninety six zlotys 42/100) be allocated to supplementary capital.

The Supervisory Board also issues a positive opinion on the Management Board's proposal for distribution of net profit raised by the Company in 2023.

The Supervisory Board recommends to the General Meeting that the President of the Management Board, Mr Wojciech Barczentewicz, the Vice-president, Mr Piotr Masłowski, as well as the Members of the Management Board, Mr Mariusz Lizon, Mr Jacek Lisowski, Ms Renata Łukasik, and Mr Rafał Mroz be granted a vote of approval for the discharge of their duties in the financial year 2023 (for the respective periods of duty).

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Rafał Kozłowski

Chairman of the Supervisory Board