

Annex to Resolution No

of the Supervisory Board of OEX S.A. dated 05 June 2017

Assessment of the Company's situation, taking into account the assessment of the internal control systems, the risk management, the compliance management, the way of discharging by OEX S.A. of information obligations concerning the corporate governance as well as the assessment of the rationality of the Company's policy concerning sponsoring, charitable or similar activities

I. Brief assessment of the situation of OEX S.A. in 2016

The Supervisory Board prepared the assessment of the Company on the basis of information it had access to in relation with the ongoing discharge of its duties, the ongoing review and analysis of the affairs of the OEX Group, discussions with the Company's Management Board and review of the financial statements for the first half and for the financial year 2016, as well as the quarterly financial statements for the first and third quarters of 2016.

The Supervisory Board positively assesses OEX S.A.'s achievements of 2016, the financial and the activities undertaken by the Management Board with a view to increasing the value of the OEX Group. In 2016, the OEX S.A. Group once again closed the financial year with the highest consolidated results in its history. The revenues from the sale in 2016 amounted to PLN 399.8 million and were higher by 16% than in 2015. The operating profit was PLN 21.0 million and was 18% higher than the one achieved in 2015. EBITDA amounted to PLN 26.3 million and was higher by 20% than in 2015, and the net profit attributable to the shareholders of the parent company amounted to P:N 11.8 million and grew by 6% when compared to 2015.

The results achieved by the Group were the effect of both the organic growth, including the growth from consolidation and further development of the companies taken over by OEX S.A. in 2015 (Cursor S.A. and Divante Sp. z o.o.), as well as further acquisitions. In the third quarter of 2016, OEX S.A. took over Mer Service Sp. z o.o. significantly increasing the Sale Support segment, and the subsidiary Europhone Sp. z o.o. took over the rights to 31 store locations with the T-Mobile authorisation, consolidating once again the Group's position in the retail sale network management segment. In 2016, OEX S.A. also prepared subsequent to significant acquisitions (finalised in January 2017 r.): takeover of ArchiDoc S.A., one of Poland's leading companies on the document scanning and archiving market and back office process servicing, and a takeover of Voice Contact Center Sp. z o.o., offering support of selected client service processes. These to latest transactions allowed the Group to add in 2017 another operational segment to the three already existing ones. This will contribute to an effective pursuit of the significant element of the Group's

strategy, i.e. business diversification, reinforcing at the same time the Group's position on the market of modern business services that remain a common denominator for all the Group companies.

In relation with the necessity to provide financing to the acquisition policy pursued, OEX S.A. took a decision to acquire the funds on the corporate bond market. In December 2016, the first programme of the Company's bond issue was adopted in the total amount of PLN 56 million and the first issue of three-year series A bonds in the value of PLN 20 million was successfully placed in January 2017.

Last year was the first year when the Group operated its changed organizational structure. As of the end of January 2016, OEX S.A. made an in-kind contribution of an organised part of business consisting in the network of sale outlets for Orange Polska S.A. into its subsidiary and, in consequence, the business profile of OEX S.A. changed. Now, it is responsible for the formulation of the Group's development strategy and supervision over its implementation, the acquisition policy and for the support given to subsidiaries in such areas as finance, controlling or HR management.

The Supervisory Board also gave its positive opinion on the reinforcement of the Company's management bodies which occurred in May 2016 r. – the composition of the Management Board expanded to include Mr Jerzy Motz as President of the Management Board. In September 2016, the Management Board in its new composition presented to investors and the media the information on the lines of development and the long-term business objectives of OEX S.A. and its Group.

In the assessment of the Supervisory Board, the Company's situation is good and non-threatened, considering its permanent profitability. The business prospects resulting from the 2016 activities seem highly positive, considering the further organic growth and the expected effect of the recognition in the financial statements of results of Companies taken over in 2016 and in the beginning of 2017. At the same time, despite the increase in the scale of interest-type liabilities resulting from the financing provided to support the Group's growth, the Group's net debt level can be deemed safe (the ratio of the net interest debt to EBITDA, on the basis of consolidated financial statements of the Group for 2016 amounted to 1.0).

II. Assessment of the internal control, risk management and compliance in the OEX Group

The Supervisory Board in cooperation with the Management Board of the Company analyses on an ongoing basis the market environment and the (financial and non-financial) risk factors the OEX Group is exposed to.

After the business diversification carried out by the Company and the separation of strategic operating segments of the OEX Group, the Management Board of the Company and the

management staff pursue a permanent and multi-level supervision over particular business segments. Furthermore, the assessment of risk factors related to particular business objectives resulting from the Management Board-adopted strategy is carried out on an ongoing basis. In response to the risks identified, the Management Board and the management make ongoing changes to the procedures in place.

The main elements of the internal control and risk management system make up part of the OEX Group's business processes and comprise, without limitation:

- procedures and regulations concerning, without limitation: delegation of powers and authorisations concerning decisions, assessment of business projects,
- result reporting and control processes related to particular business areas,
- control of the IT systems supporting the business processes and monitoring the operation of the systems themselves.

The internal control system of OEX S.A. is a process pursued in response to identified risks in order to ensure the performance of tasks in an effective way and in accordance with the generally applicable provisions of law and other regulations.

The Company identifies, monitors and manages on an ongoing basis the risks related to the business of the entire OEX Group.

The OEX Group's financial risk management is coordinated by the Parent Company – OEX S.A. – in close cooperation with the Management Boards of subsidiaries. In the risk management process, the following objectives are of the highest importance:

- performance of the financial forecasts by the performance of budgetary assumptions;
- hedging of short-term and mid-term cash flows;
- achievement of the rate of return on long-term investments and obtaining optimal sources of finance for the investing activities.

The main element of risk control and management as regards the financial reporting is the verification of the separate statements and consolidated statements by an independent external auditor. The annual and interim financial statements are reviewed and audited by a chartered statutory auditor who prepares an audit report and opinion or, respectively after a review, a review report and opinion.

Irrespective of the above, along with the changes in the organisation of the OEX Group, the Management Board of the Company decided to develop and implement a *compliance* function, the purpose of which would be to manage the compliance risk of the OEX Group both as regards the legal regulations and the internal procedures and standards. The system-based compliance risk management within the organisation makes part of the responsibilities of the Legal and Compliance Department of OEX (DPC), which is in charge of the coordination and formal pursuit of compliance tasks within the OEX Group. The ongoing management of the compliance risk, i.e. the observance of standards and

procedures, constitutes the basic responsibilities of each employee as part of their daily tasks.

In relation with the significant change of regulations governing the operation of public companies¹, to

the main tasks of the Legal and Compliance Department include the supervision over the discharge of information obligations by OEX S.A. and the coordination of activities related thereto within the Group, initiation of changes and development of drafts of appropriate internal regulations concerning the flow of stock exchange information. The procedures prepared by the Legal and Compliance Department determine the basic principles for the classification of given information as confidential, introduce clear principles of handling all such information within the OEX Group and lay down the principles of cooperation between all companies of the OEX Group as regards the stock exchange information obligations.

As part of its duties, the Legal and Compliance Department puts considerable emphasis on advisory and educational activities aimed at building and increasing the compliance awareness within the organisation. During the training courses and workshops (case studies), the Legal and Compliance Department explains in detail and imparts the knowledge on how to deal with confidential information within the OEX Group and discharge the information obligations. At the same time, the task of the Legal and Compliance Department is to signal within the organisation the changes in the regulatory and legal environment that are significant from the perspective of the OEX Group and the business activities of the OEX Group companies as well as to provide support related to the management of risks related to such changes.

Additionally, the Legal and Compliance Department coordinated the legal and compliance-related activities connected with organisational changes and capital transactions that are significant from the perspective of the OEX Group in the corporate area by, among other things, assistance in the preparation and adoption of resolutions of statutory governing bodies, organization of general meetings of shareholders, registration of amendments with the National Court Register.

The Legal and Compliance Department is also authorised to carry out controls related to the scope as determined in cooperation with the Management Board, which constitutes an additional control mechanism within the internal control system (institutional control).

The Supervisory Board of OEX S.A. as a permanent supervisory body, positively assesses the internal control as well as the risk and compliance management system in place in the Company as adequate to the size and business profile of the Company. The said systems

¹ On 3 July 2017, Regulation of the European Parliament and of the Council (EU) No 596/2014 of 16 April 2014 on market abuse – MAR came into force, which had the following effects, without limitation: introduced changes to the communication process of the public company with the market, reinforced the confidential information protection principles as well as imposed additional obligations on the securities issuers and on person discharging managerial responsibilities in the governing bodies of such issuers.

support the management activities and contribute to safety growth as well as higher effectiveness of business processes within the OEX Group.

At the same time, in the assessment of the Supervisory Board, the Company does need a separated internal audit function as an independent organisational unit, which is related to the size and scope of activities pursued by the Company. The tasks of the internal audit are pursued by a number of specifically appointed persons with appropriate qualifications in selected organisational units of the Company and in the structures of subsidiaries making up the OEX Group.

III. Assessment of the discharge by OEX S.A. of information obligation concerning the corporate governance principles

The information obligations concerning the application of the corporate governance rules are defined in the Regulations of Warsaw Stock Exchange and in the Regulation of the Minister of Finance of 19 February 2009 on current and periodical information to be disclosed by security issuers and on conditions of recognition of information required by the laws of a state that is not a member-state (consolidated text in *Journal of Laws* Dz.U.2014.133: Regulation on ongoing and periodical information). The principles of provision of ongoing reports concerning the application of detailed corporate governance rules are defined in the Resolution of the Management Board of the Warsaw Stock Exchange No. 1309/2015 dated 17 December 2015.

The Warsaw Stock Exchange Regulations stipulate that when a given corporate governance rule is not applied on a permanent basis or is incidentally breached, the issuer is obliged to publish a report on this matter. The report should be published at the issuer's official website and in the way analogous to that applied to submission of current reports.

Pursuant to the Resolution of the Management Board of the Warsaw Stock Exchange No. 1309/2015 reports concerning the application of detailed corporate governance rules are submitted via the Electronic Information Base (EBI).

The Regulation of the Minister of Finance of 19 February 2009 clarified what information should be included in the statement on the application of corporate governance constituting a separate part of the report on activities of the issuer in the Annual Report of the Company.

Additionally, it must be stated that on 1 January 2016, a new set of corporate governance principles came into force under the title 'Code of Good Practices of the WSE Listed Companies 2016'. The Code was adopted by a Resolution of the Supervisory Board of the Warsaw Stock Exchange No. 26/1413/2015 dated 13 October 2015. The text of the 2016 Code of Best Practice for WSE Listed Companies is publicly available at the website of the WSE.

The Supervisory Board familiarised with the statement on the application of the corporate

governance attached to the Annual Report of OEX S.A. and the Annual Report of the OEX Group. The statement describes in detail the corporate governance-related matters and contains information laid down in the Regulation on current and periodical information.

Furthermore, OEX S.A. pursuant to item I.Z.1.13. of the 'Code of Good Practices of the WSE Listed Companies 2016' publishes on its website the information on the application by the Company of rules and recommendations included in the above-mentioned document.

The Supervisory Board is of the opinion that OEX S.A. correctly discharges its information obligations related to the application of the corporate governance rules. The information published by OEX S.A. is compliant with the requirements and reliably present the state of affairs as it concerns the application of the corporate governance rules.

IV. Assessment of the rationality of the Company's policy concerning sponsoring, charitable or similar activities

Pursuant to rule II.Z.10.4. contained in the Code of Good Practices of the WSE Listed Companies 2016, the Supervisory Board presents its assessment of the rationality of the Company's policy as mentioned in recommendation I.R.2. of the Code of Good Practices of the WSE Listed Companies 2016, i.e. in the scope related to its sponsoring, charitable or similar activities.

Activities related to the corporate social responsibility are conducted, without limitation, in the following areas: responsible employer, employee voluntary work, education and ecology.

OEX S.A. is engaged in actions whereby assistance is provided to children and young people in difficult situations as well as in activities related to the environment protection and healthy lifestyle promotion. Since 2006, the Company has cooperated with the Poznan Lions Club, actively supporting charitable and cultural actions, the proceeds from which is used to, without limitation, purchase rehabilitation equipment, school aids and therapeutic centre facilities.

The OEX Group companies carry out activities aimed at increasing the awareness of significant social problems and encouraging the involvement of all employees in the pursuit of social responsibility area projects. Employee volunteering plays an important role in these activities. The employees of OEX S.A. and of the OEX Group companies receive the support of the organisation in the actions they engage in or they help *pro bono* by providing work or services in their areas of competence.

Selected actions the OEX Group companies supported in 2016.

- ST. CLAUS'S QURIER – we actively supported the action organised by the Friend's Foundation which helps children from God forsaken corners of Poland to make their dreams come true;
- Noble Present Box – flag project of the SPRING Association - giving assistance to families in most need of help;
- Support the charitable causes for the benefit of the charges of Poznan Lions Club;
- Support of the orphanage in Pęchery – educational activities and organisation of practices for the children in care, assistance in painting the rooms.

The Company publishes information about its charity-related activities on its website www.oex.pl in section 'Social Responsibility'.

The Supervisory Board of OEX S.A. states that, despite the fact that currently the Company has no policy in place concerning its sponsoring and charitable activities prepared in the form of a document, considering the marginal character of such activity, the Company's activities in this area are reasonable and adequate to the financial possibilities and human resources held.