

ANNUAL REPORT

2017

COMARCH
25 years

COMARCH

25 years

ANNUAL REPORT

2017

Consolidated financial
results of Comarch Capital Group
as of 31 December, 2017.

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1. A Letter from Comarch CEO to Shareholders

Krakow, 27th of April, 2018.

Dear Shareholders,

On behalf of the Management Board of Comarch I am pleased to present the report on the activities of Comarch Group. The Group has achieved development and financial goals established for the year 2017, despite difficult market conditions and increasing operating costs. In the past year, the revenues from sales remained at the similar level to that achieved in 2016 and amounted to PLN 1,102.5 million. Operating profit amounted to PLN 35.8 million, while net profit was PLN 42 million. The Group's EBIT margin amounted to 3.2% and the net margin to 3.8%.

In 2017, the Comarch Group's expansion in the development of new and improvement of existing IT products increased. Expenditure on research and development has now exceeded 16.3% of sales revenue, which has been financed mostly from Comarch's own resources. The Comarch Group intensively developed a new generation of loyalty systems and ERP systems, solutions related to the Smart City. The Group also continued R&D works in the field of IT solutions for the healthcare industry (telemedicine, including the "City of Health" project and HIS systems) and related to the development of proprietary solutions in the fields of hardware and services based thereon (Internet of Things). The Group also continued to improve the other products offered. In 2017, the Group focused on the development of service-oriented IT solutions – Comarch is one of the market leaders in this field. In 2017, a private, unified and flexible computing cloud with the highest security standards of Comarch Enterprise Cloud Platform (IaaS and PaaS) was launched based on the Comarch Data Center infrastructure. Thanks to this solution, Comarch clients will be able to benefit from sharing IT infrastructure costs, increase efficiency, maintain full control over their resources, optimize the reliability of access to corporate data and maximize the flexibility of their IT solutions. In connection with this project, the Group expanded its infrastructure, and during the last year the investment in modern Comarch Data Center in Lille, France, was completed.

Investment in human capital is an essential element for the further development of the Group. By the end of 2017, the Comarch Group employed 5 541 people worldwide, and it is currently the largest employer among IT companies in Poland. The annual student internship program has brought particularly positive results, thanks to which the Comarch Group is perceived as one of the first choice employers on the domestic labor market in the IT industry. Thanks to the completion of subsequent infrastructural investments such as the construction of office buildings in Kraków and Łódź, the Group could significantly increase the quality of offered workplaces in the past year.

With a wide and comprehensive range of modern IT solutions and high quality services, Comarch is now regarded as one of the top software producers on the international markets. The Group is able to win and implement the largest IT contracts, an example of which is the choice in the past year of Comarch as the contractor to provide support services, operation and maintenance of the Comprehensive Information System ZUS, the Polish social insurance institution. In 2017, the Group successfully continued its growth strategy based on the diversification of its operations between various industry segments, development of its own products and their sale on the global market. The Management Board of Comarch emphasizes that the Group has been incurring significant expenditures in the development and maintenance of the global sales network (Global Business Center) for several years, thanks to which international brand recognition and Comarch's offer are growing, which effectively supports offering the Group's solutions in new markets. In the previous year, the Group established new subsidiaries: Comarch Japan KK with its registered office in Tokyo, Comarch Saudi Arabia Co. with its registered office in Riyadh, as well as the acquired company Geopolis sp. z o.o., producer of GIS systems with its registered office in Toruń. Further equity investments are planned for 2018 both on the domestic and foreign markets.

The Group's Management Board shall make every effort to successfully implement the mission of selling Polish engineers' innovative technological ideas around the world. In addition to its core business, Comarch pursues a policy of corporate social responsibility and engages in activities for the protection and reconstruction of national heritage, actively supports non-governmental organizations and charity activities, and is a patron of culture, art and sport. In 2017, Comarch became a co-funder of new organs and a project to revitalize the musical space at St. Mary's Church in Krakow.

Comarch S.A. is perfectly placed to strengthen its market position as a global provider of IT solutions in the coming years, and thus to achieve an increase in value for shareholders, customers, employees and the entire socio-economic environment.



A handwritten signature in black ink, appearing to read 'J. Filipiak'.

Professor Janusz Filipiak
President of the Management Board Comarch S.A.

3.



Comarch
Activity

Founding
year

1993



Over

5 500

Employees



Headquarters

**KRAKÓW,
POLAND**



Comarch
onset

1991

ADDED VALUE

Comarch is a software house which sells its own software products to large corporations and provides implementation and managed services



CAPITALIZATION
USD 330
mln

1999

Comarch
on the Warsaw
Stock Exchange

Global Presence



**Thousands of successfully
completed projects on**

6

Continents
in about



60

Countries



Recognized by
Gartner, Forrester
Research, IDC
and more



93%

of revenues from
sale of own software
and solutions



Subsidiaries

52

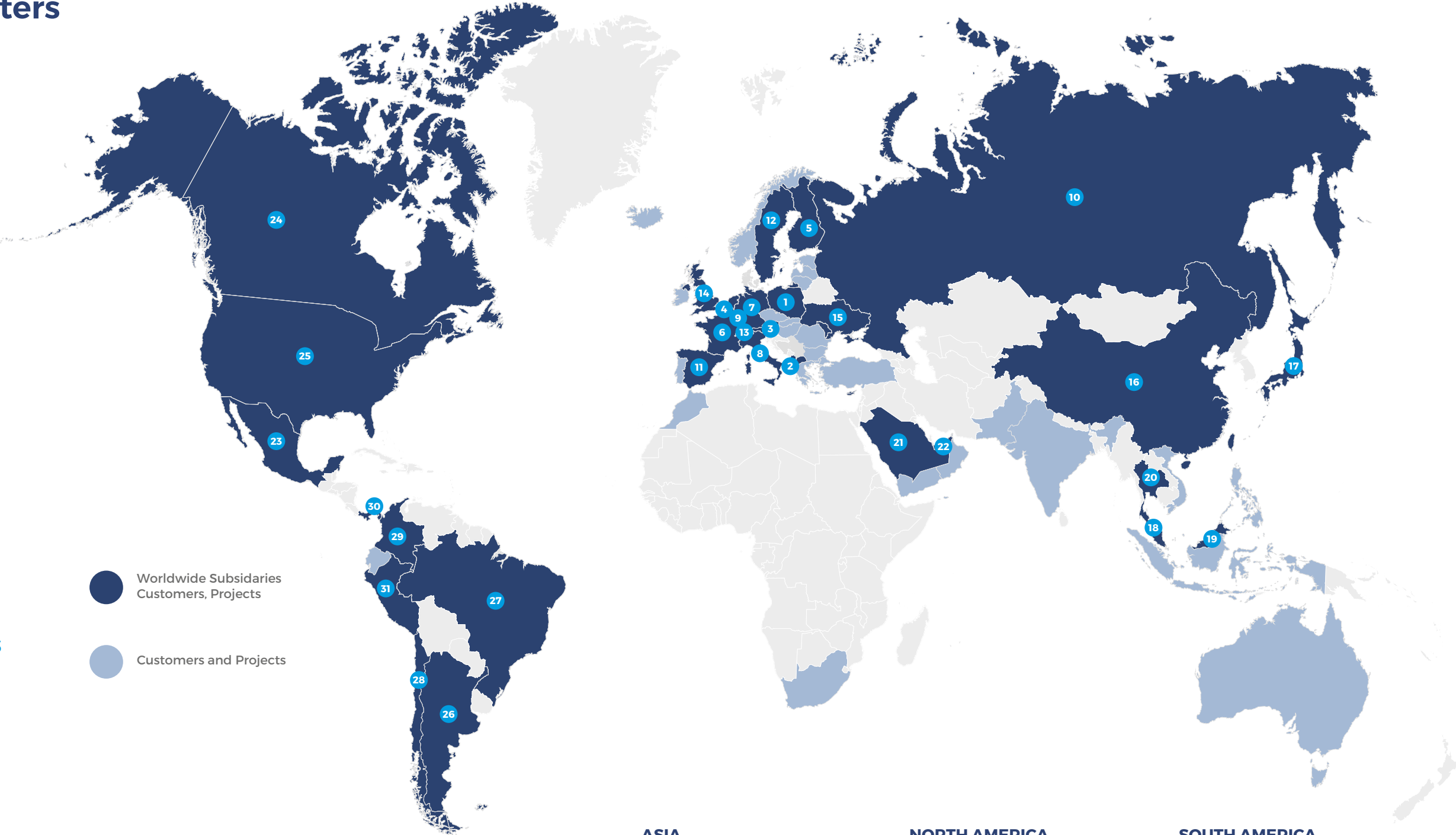


Comarch – worldwide customers, projects, companies, data centers

52 subsidiaries

88 offices in 31 countries

in 61 cities on 4 continents



- EUROPE**

 - 1 **Poland**
Białystok, Bielsko-Biała, Częstochowa, Gdańsk, Gliwice, Katowice, Kielce, **Kraków HQ**, Lublin, Łódź, Poznań, Rzeszów, Tarnów, Toruń, **Warszawa**, Wrocław
 - 2 **Albania**
Tirana
 - 3 **Austria**
Innsbruck, Vienna
 - 4 **Belgium**
Brussels
 - 5 **Finland**
Espoo
 - 6 **France**
Montbonnot Saint Martin, **Lille**
 - 7 **Germany**
Berlin, Bremen, **Dresden**, Düsseldorf, Hamburg, Hannover, Munich, Münster
 - 8 **Italy**
Milan
 - 9 **Luxembourg**
Luxembourg City
 - 10 **Russia**
Moscow
 - 11 **Spain**
Madrid
 - 12 **Sweden**
Stockholm
 - 13 **Switzerland**
Arbon, Lucerna
 - 14 **UK**
London
 - 15 **Ukraine**
Kyiv, Lviv
- ASIA**

 - 16 **China**
Shanghai
 - 17 **Japan**
Tokyo
 - 18 **Malaysia**
Kuala Lumpur
 - 19 **Singapore**
Singapore
 - 20 **Thailand**
Bangkok
 - 21 **Saudi Arabia**
Riyadh
 - 22 **United Arab Emirates**
Dubai
- NORTH AMERICA**

 - 23 **Mexico**
Mexico City
 - 24 **Canada**
Saint John, **Montreal**, **Toronto**
 - 25 **USA**
Atlanta, New York, Rosemont, **Chicago**, **Columbus**, Tyrone
- SOUTH AMERICA**

 - 26 **Argentina**
Buenos Aires
 - 27 **Brazil**
Sao Paulo
 - 28 **Chile**
Santiago
 - 29 **Colombia**
Bogota
 - 30 **Panama**
Panamá City
 - 31 **Peru**
Lima
- Comarch offices and data centers

Comarch offices

data centers

Comarch Activity

The Comarch Capital Group is a producer of innovative IT systems for key sectors of the economy both in Poland and abroad. Comarch's main strategy is to provide customers with complete IT solutions based on its own products, including in the service model. Thanks to its high-class specialists and professional infrastructure, Comarch is able to provide IT products, services for their implementation, maintenance and hosting, as well as advisory and integration services for clients all over the world. In this way, recipients of products and services offered by Comarch can take full advantage of the opportunities offered by modern IT systems and optimize their business processes.

The wide range of Comarch's offer includes ERP-class systems, financial and accounting systems, CRM systems, loyalty software, sales support and electronic document exchange systems, electronic banking systems, ICT network management systems, billing systems, business intelligence software, security management services and data protection, and many other solutions. Comarch provides solutions for the public administration, banking, accountancy, FMCG, airline, automotive, medical, manufacturing, utilities, capital market, telecommunications, insurance, higher education, commercial, service, transport, fuel supply, brokerage, e-commerce and factoring sectors. A detailed description of the products and services provided is included in point 3 of the Report of Comarch S.A.'s Management Board regarding the activities in 2017 and Report of Comarch S.A.'s Management Board regarding the activities of the Capital Group in 2017.

When planning its development strategy, Comarch takes into account social and environmental aspects, consciously limiting the impact of its operations on the natural environment, minimizing the consumption of natural resources and limiting the amount of waste generated.

Comarch is a member of important organizations in the field of IT, such as, ETIS, PIKOM and TeleManagement Forum, thus has continuous access to the latest standards emerging in these areas (e.g. standards on TAP/RAP). Comarch also belongs to international commercial and economic chambers, including the Polish-German Chamber of Commerce and Industry and the French-Polish Chamber of Commerce. It is also a member of Związek Maklerów i Doradców (ZMiD - the Association of Brokers and Advisors), an organization associating holders of

licenses to engage in securities brokerage, investment advice and commodity exchange brokerage. In Spain, Comarch is a member of the Confederación de Empresarios de Málaga (CEM), the Confederation of Employers of Malaga. CEM is a confederate, inter-sectoral organization of entrepreneurs with a provincial range. In Japan, Comarch is part of the 21c Club, a business club under ECG Japan. The 21c Club supports companies in creating new B2B entities companies and is a platform for exchanging knowledge and experience. Comarch is also a member of the LF Networking Fund, a newly established initiative of the The Linux Foundation, which strengthens cooperation between partners and increases operational efficiency in network development projects.

COMARCH OFFICES AND DATA CENTERS

As of the date of publication of this report, Comarch S.A. had 14 branches in Poland and one in Albania, the Comarch Group consists of 52 companies located on four continents, in 31 countries, in 88 locations around the world. Last year, the Group successfully continued its growth strategy based on the diversification of its operations between various industry segments, the development of its own products and their sale on the global market. For many years, one of Comarch's main strategic goals has been the development of sales of more and more products on foreign markets, in particular in Western Europe, both Americas and Asia. In the previous year, the Comarch Group established new subsidiaries - Comarch Japan KK with its registered office in Tokyo and Comarch Saudi Arabia Co. with its registered office in Riyadh. Further equity investments are planned on the domestic and foreign markets in 2018. Detailed information on changes in the organizational structure can be found in point 1 of the Consolidated Financial Statements for 2017

PROSPECTS OF DEVELOPMENT IN THE GROUP AND ANTICIPATED FINANCIAL SITUATION IN 2018

In 2017, the demand for IT services and IT products remained stable, with changes in its structure. The company observed an increase in demand for solutions for the SME and financial-banking sector as well as a drop in demand for IT solutions for clients from the public and telecommunications sectors. The Company's order backlog now ensures full use of its production capacity in several subsequent periods. The economic and political situation in Poland and

abroad, as well as the situation on the labor market, will still have a detrimental impact on situation on the financial results achieved by the Comarch Group in 2018. Thanks to consistently executed strategy of positioning itself on the market as a technological and product-based Company, Comarch's offer is very well diversified. Its customer base is constantly expanding, and international companies constitute a considerable proportion, which allows the continued development of the Company. Comarch's dynamically developing activity in international markets additionally increases sales volume and enhances the Company's image among international corporations, thus strengthening its competitive position of Comarch. This also means the need to make numerous capital investments outside Poland (principally through the establishment of foreign subsidiaries). The execution of Comarch's strategy largely depends on macroeconomic conditions, beyond the control of the Group, especially on the level of IT investments by medium-size and large companies in Poland and abroad, and on the fact that competition in the IT sector and labor market is becoming more and more fierce. At the same time, effective management of operational risks is the necessary condition for execution of the strategy. Comarch's high innovation and the growing demand for delivery of IT solutions in the service model are opportunities for the Group. Thanks to the wide range of its own products, its owned infrastructure and its human and capital resources, the Comarch Group can adapt flexibly to business models expected by customers.

The most important risks related to the Group's operations are:

- Risks related to R&D work (developing proprietary software products)
- Risks related to implementation of long-term contracts
- Risks related to failure to meet contract terms and conditions, and contractors taking advantage of the provided performance guarantees
- Risks of foreign legal and political environment related to execution of export contracts
- Risks related to credit for sales with deferred payment, and the often long period of contract execution
- Risk of employee rotation, the potential inability to hire the appropriate number of qualified employees, and increased labor costs

FACTORS ESSENTIAL FOR DEVELOPMENT OF THE COMARCH GROUP

Internal Factors

- Steady increase in export sales and significance of foreign sales
- Position and reputation of the Comarch Group affecting the nature of clients acquired
- Commercial operations of the Comarch Group in the special economic zone in Krakow
- Significant share of standard (repetitive) products offered for sale, which means:
 - lower costs, especially variable costs related to a single contract
 - the possibility of significant increase in profitability of a single contract with simultaneous reduction in charges for clients (license fees)
 - broader and more diversified circle of clients, which means a broader scale of activities
- Attractive training policy and work conditions for employees of the Company
- Increasing awareness of the Comarch brand among prospective clients by promotion managed through marketing campaigns, including sports marketing (MKS Cracovia SSA)
- Necessity of continuous investment in human resources to maintain the Company's competitive edge in the coming years
- High levels of investment expenditure designated for research and development activity and the development of new products and IT services
- High level of investment expenditure designated for the development of production sources in Poland (material investment) and for expansion on foreign markets (capital investment)

External Factors

- Enhanced requirements from clients for IT systems. There is an increase in demand for large complex IT systems dedicated for specific users. This gives an advantage to large IT companies such as Comarch S.A., which offer a number of different technologies and products and which are able to provide technologically advanced solutions
- Increased significance of mobile technologies broadly used in IT solutions for all groups of customers



In 2017, Comarch opened a new office in Łódź.



In 2017, Comarch has taken a strategic decision to reinforce its presence in Asian countries and opened a company in Tokyo, Japan.

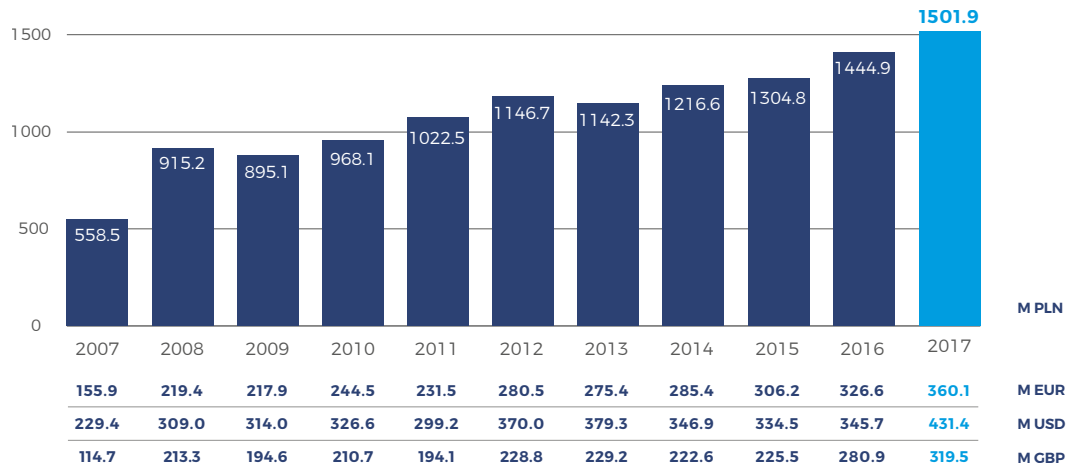


Comarch headquarters in Kraków

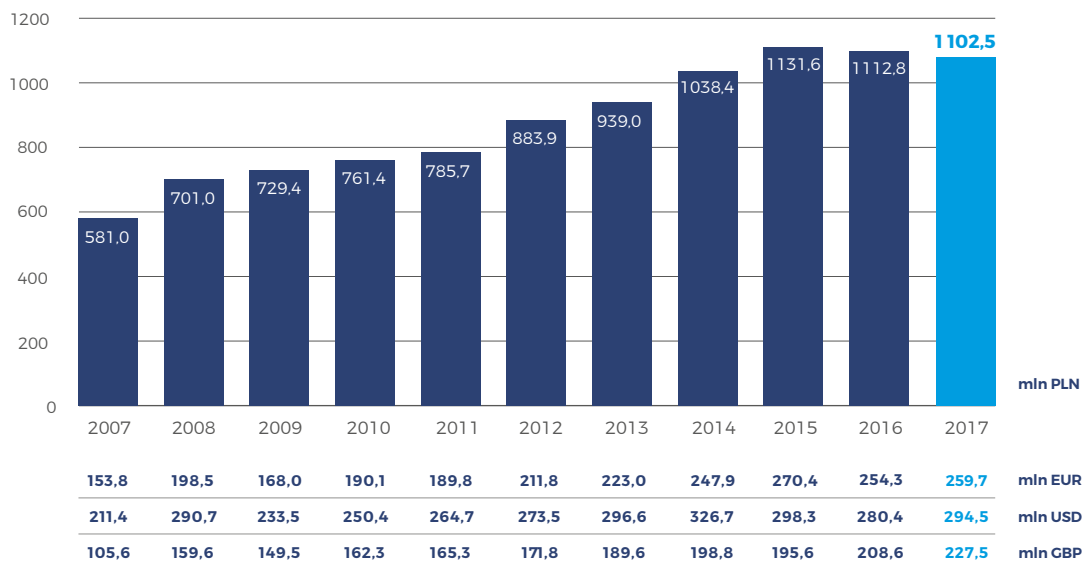
In 2018, Comarch celebrates its 25th anniversary.

COMARCH
25 years

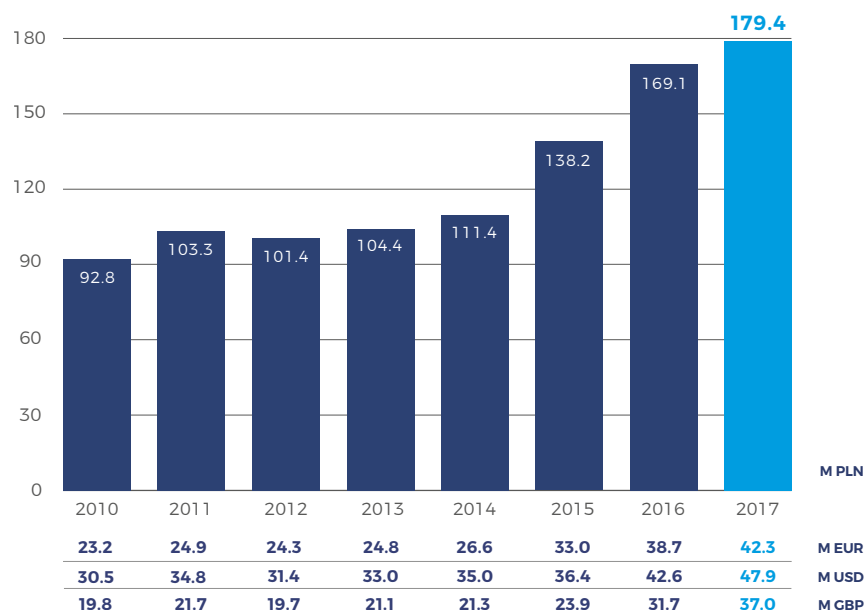
Balance sheet total



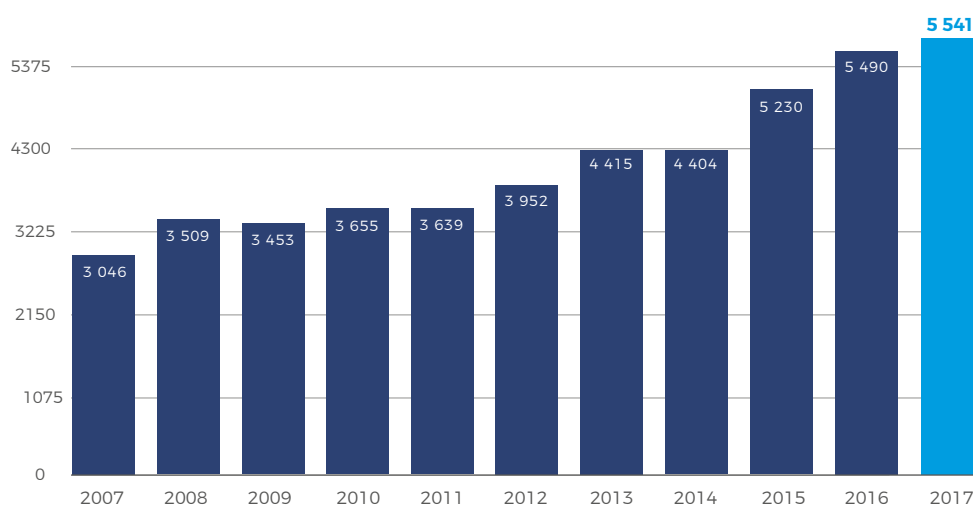
Sales revenue



Research and development expenditure



Employment



History of Comarch



1991

- Creation of Computer and Communications Consultants Ltd. Sp. z o.o. (9/05/1991). Incorporation of CCC Ltd. with Companies House on 16/05/1991

1993

- As a result of the merger of EJ Filipiak with CCC Ltd. (28/10/1993), Comarch Sp. z o.o. is established in room 415.. building B5 of the University of Science and Technology AGH in Kraków

1994

- Comarch's first contract (5/10/1994) with its first client Telekomunikacja Polska SA – Comarch. implemented the SEZtel system

1998

- Comarch becomes the first Polish partner of Oracle

1999

- Stock Exchange debut in Warsaw
- Entering the USA market
- Comarch and RMF FM establish Interia.pl portal

2000

- Comarch recognized by the World Economic Forum in Davos as the "Technology Pioneer"
- Establishment of the first German company office – Comarch Software AG with its headquarters in Frankfurt am Main

2001

- Start-up of a company in the Special Economic Zone in Kraków
- Company shares included in the WIG20 index

2002

- Beginning of a business development in Central America – contract signed with Enitel, a national operator in Nicaragua
- Contract signed with British Petroleum

2003

- MKS Cracovia SSA becomes part of Comarch Capital Group
- Contract signed with the Department of Telecommunications & IT of the State of Washington
- Opening of branches in Moscow and Wrocław
- Acquisition of CDN – Software House of ERP

2004

- Start-up of a company in Dubai Internet City
- Start-up of Comarch Panama Inc. in Panama City

2005

- Establishment of Comarch Data Center in Kraków
- Start-up of Comarch AG in Brussels

2006

- Contracts with T-Mobile Germany (currently Telekom Deutschland) and T-Mobile Austria to provide the Network & Service Inventory System
- Contract signed with Auchan

2007

- Sale of Interia.pl



2008

- Acquisition of German MSP Software House with operations in Austria, Germany and Switzerland – SoftM Software und Beratung AG Company listed on the Frankfurt am Main Stock Exchange
- Start-up of the first company under Comarch Corporate Finance FIZ dedicated to iMed24 SA telemedicine
- Introduction of loyalty programs on the American market

2009

- Opening of the Training & Conference Center and the Administration Division of Comarch in SSE4 in Kraków
- Signing a framework agreement with ING Bank Śląski.
- Starting cooperation with Alior Bank

2010

- In the 2010/2011 season, Comarch is the main sponsor of the TSV 1860 Bavarian football team
- Contract signed with Diageo
- Comarch chosen by E-Plus to be the supplier of the Next Generation Network Planning solution
- Launch of Wszystko.pl – a virtual shopping center (first B2C project in the ERP Division)

2012

- Opening of iMed24 Medical Center
- Comarch logo on shirts of the French AC Nancy football team
- Acquisition of Swiss A-MEA Informatik AG company
- Start-up of a company in London
- Acquisition of ESAProjekt – a medical software house
- Contract signed with the Italian UniCredit

2013

- 5 000 network devices and 2 000 servers operating for 100 clients in 17 countries under the supervision of Comarch Network Operations Center
- 20th anniversary of Comarch
- Contract signed for Podlaski e-Zdrowie IT System
- Start-up of a company in Santiago, Chile
- Contract signed with Siminn, a leading Icelandic operator
- Contract signed with Hortex Group in Russia
- Investing in SSE6 in Kraków
- Professor Filipiak as a guest of Gartner Mastermind Interview

2014

- Lunch of Comarch ERP Society, the first platform for B2B knowledge exchange in Poland
- Contract signed with Air Austral
- Comarch with "Black Shirts" of Polonia Warszawa
- Further expansion of Comarch in the Middle East
- Contract with TVCable from Ecuador
- Contract with BGK Bank (Bank Gospodarstwa Krajowego)
- Start-up of a company in Spain
- E&Y: Cracovia excels in terms of the most stable financial situation among all other football clubs in Poland's top flight football league

2015

- Launch of Comarch Beacon
- Start-up of companies in Argentina, Brazil, Canada, Malaysia, Sweden, Turkey and Italy
- Contract signed with Thomas Cook
- Acquisition of Shares in Thanks Again LLC
- Creation of the new entity Comarch Healthcare S.A.
- Comarch as the main sponsor a Swiss football club Zug 94
- Business development in Scandinavia: SAS and Norwegian sign contract with Comarch
- BP chooses Comarch Loyalty Management to enrich loyalty program in Spain
- Comarch ERP iFaktury24 enters the French and German markets
- Opening of the SSE6 office building in the Kraków Special Economic Zone
- Cracovia ice hockey team wins the Polish Cup
- Investment in office building in Łódź

2016

- Technology partnership with Nokia
- Investment in the SSE7 office building in the Kraków Special Economic Zone
- The rugby team Esquela de Arquitectura from Madrid play wearing shirts bearing the Comarch logo
- Investment in Comarch Data Center in Lille
- Comarch Cracovia wins the Polish ice hockey league 2015/2016
- Comarch develops the "Pilgrim" application for mobile devices to support the pilgrims in Kraków for the World Youth Days 2016
- Specialists from Comarch take second place in the NATO Hackathon competition
- Comarch presents the prototype of a mobile management application using virtual reality technology, during the Finovate Europe conference in California
- Investment in Comarch Data Center in Lille

2017

- Opening of a modern laboratory-production hall "IoT Lab" at Comarch campus in the Special Economic Zone in Czyżyny
- During the Finovate Europe conference in London, Comarch presents prototype of a virtual investor assistant which uses elements of artificial intelligence for wealth management
- Opening of the office building in Łódź
- Acquisition of the Polish company Geopolis
- Comarch Cracovia ice hockey team wins the Polish ice hockey league 2016/2017
- Opening of a new subsidiary in Saudi Arabia and Japan
- Comarch supports the Polish Museum in Switzerland's Rapperswil

2018

- Comarch inaugurates its first Data Center
- New Comarch Office Building in Kraków Special Economic Zone



4.



Financial analysis

Basic Economics and Financial Values

Selected Financial Data

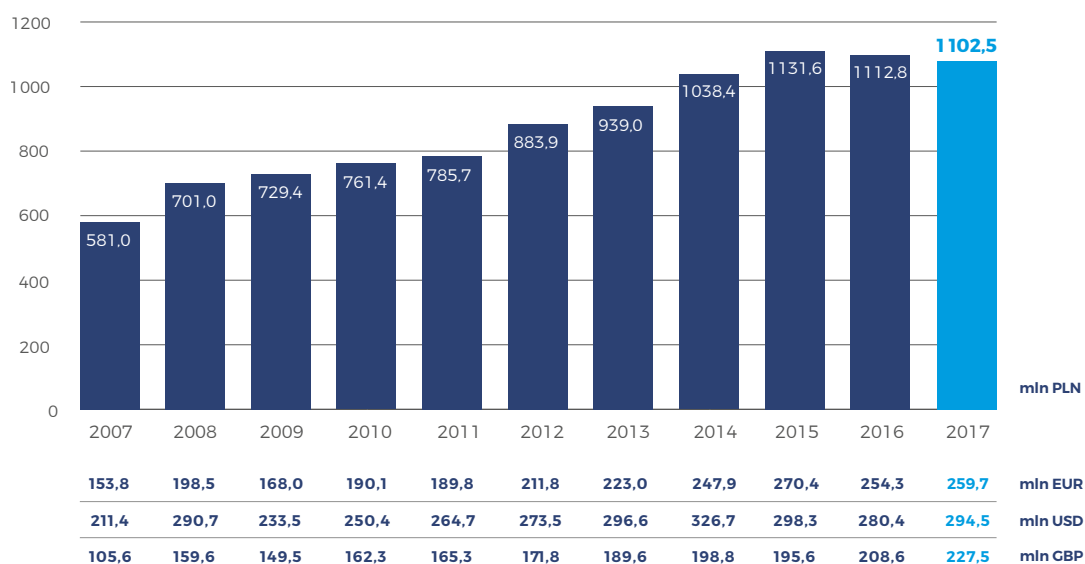
	2017	2016	2015	2014	2013
Revenues from sales	1,102,520	1,112,813	1,131,580	1,038,351	938,976
Revenues from sales of proprietary IT solutions	1,024,804	1,041,133	994,152	910,216	763,928
Operating profit	35,774	116,893	113,028	98,529	34,446
EBITDA*	100,083	179,901	166,511	152,909	98,941
Profit before income tax	64,559	104,777	108,129	92,577	36,724
Net profit attributable to the Parent Company's shareholders	42,036	73,034	79,651	67,894	25,077
Profit per share	5.17	8.98	9.80	8.37	3.11
Assets	1,501,915	1,444,875	1,304,828	1,216,555	1,142,301
Equity	879,032	862,064	780,581	700,693	637,711

*Operating profit + Depreciation

In 2017, Comarch Group's sales revenue was lower by PLN 10.3 million i.e. 0.9% compared to the previous year. Operating profit amounted to PLN 35.8 million and decreased by 69.4% compared to that achieved

in 2016, while net profit attributable to the Parent Company's shareholders in 2017 was lower by 42.4% and reached the value of PLN 42.0 million.

Sales revenue



EBIT margin reached 3.2% (compared to 10.5% in the previous year), net margin reached 3.8% (6.6% in 2016).

As at the end of 2017, the value of Comarch Group's assets increased by PLN 57.0 million, i.e. 3.9% compared

to the previous year. Equity grew by PLN 17.0 million over 2017 and in large measure due to the net profit gained in 2016.

Sales structure

REVENUES FROM SALES – GEOGRAPHICAL STRUCTURE (IN THOUSANDS OF PLN)

	2017	%	2016	%	2015	%
Domestic	465,076	42.2	451,680	40.6	554,058	49.0
Export	637,444	57.8	661,133	59.4	577,522	51.0
Total	1,102,520	100.0	1,112,813	100.0	1,131,580	100.0

In 2017, the Group's export sales decreased by PLN 23.7 million PLN, i.e. 3.6%. Domestic sales increased by PLN 13.4 million PLN, i.e. by 3.0%.

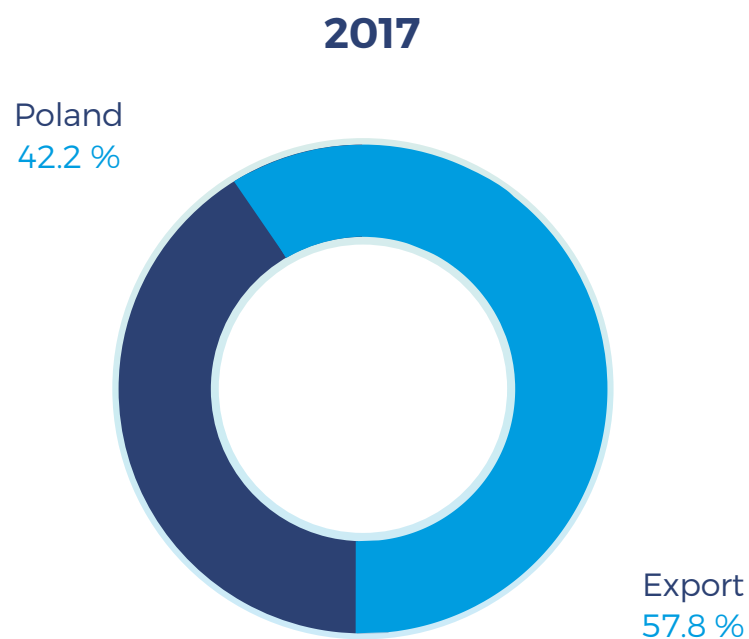
REVENUES FROM SALES – MARKET STRUCTURE (IN THOUSANDS OF PLN)

	2017	%	2016	%	2015	%
Telecommunication, Media, IT	258,201	23.4	276,620	24.9	313,284	27.7
Finance and Banking	186,284	16.9	163,811	14.7	151,122	13.4
Trade and Services	174,321	15.8	183,314	16.5	159,032	14.0
Industry & Utilities	141,872	12.9	146,100	13.1	112,805	10.0
Public Sector	63,330	5.7	72,856	6.5	114,240	10.1
Small and Medium Enterprises – Poland	136,024	12.4	116,566	10.5	106,600	9.4
Small and Medium Enterprises – DACH	99,771	9.0	111,223	10.0	102,547	9.1
Medical Sector	16,018	1.5	13,184	1.2	49,940	4.4
Others	26,699	2.4	29,139	2.6	22,010	1.9
Total	1,102,520	100.0	1,112,813	100.0	1,131,580	100.0

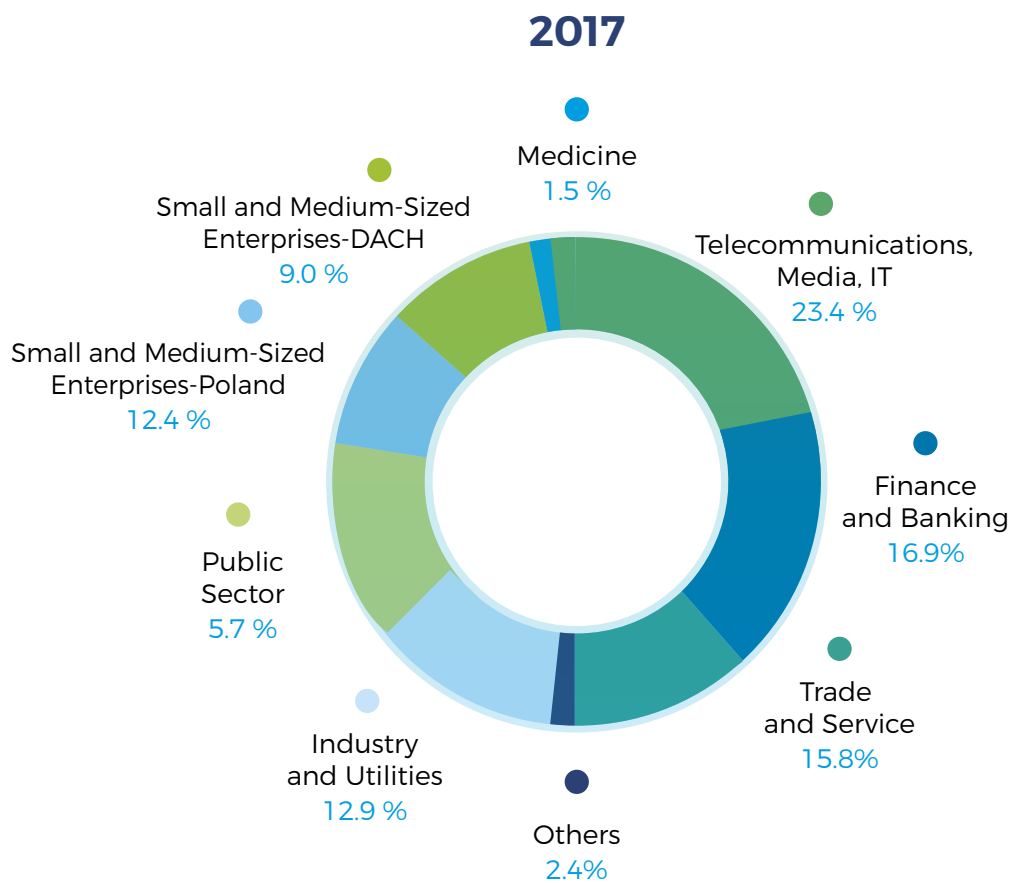
In 2017, there was a significant increase in sales to customers from the Polish SME sector (by PLN 19.5 million, i.e. 16.7%). In the case of SME customers in the DACH region, the revenues decreased by PLN 11.5 million, i.e. 10.3% in relation to the level of the previous year, mainly as a result of a strengthening of PLN against EUR. There was a dynamic increase in revenue from sales to customers from the finance and banking sector, who bought products and services with a value higher by PLN 22.5 million (i.e. 13.7%) than achieved in the corresponding period of the previous year. The share of this sector in total revenues amounted to 16.9%. A drop in revenue was recorded among customers from the trade and services sector in total revenues decreased to 15.8%, and among customers in the industry and utilities sector, for which revenues decreased by PLN 4.2 million, i.e. 2.9% and accounted

for 12.9% of the total sales. Revenues from sales of the Comarch Group to customers in the TMT sector amounted to PLN 258.2 million, which represents a decrease of PLN 18.4 million (i.e. 6.7%) due to a decrease in export sales. Their share in total sales was 23.4%, therefore the TMT sector remains the largest sector in terms of sales revenue. In 2017, there was a further drop of sales to customers from the public sector, of PLN 9.5 million, i.e. 13.1%, which is associated with a reduction of purchases by customers in this sector. The public sector was responsible for 5.7% of the Group's revenues in the reporting period. The value of sales to customers in the medical sector during 2017 amounted to PLN 16.0 million, which means an increase of PLN 2.8 million, i.e. 21.5%. A decrease in other sales (of PLN 2.4 million, i.e. 8.4%) is the result of the decreased sales revenue from sports activities.

GEOGRAPHICAL STRUCTURE



REVENUES FROM SALES - MARKET STRUCTURE

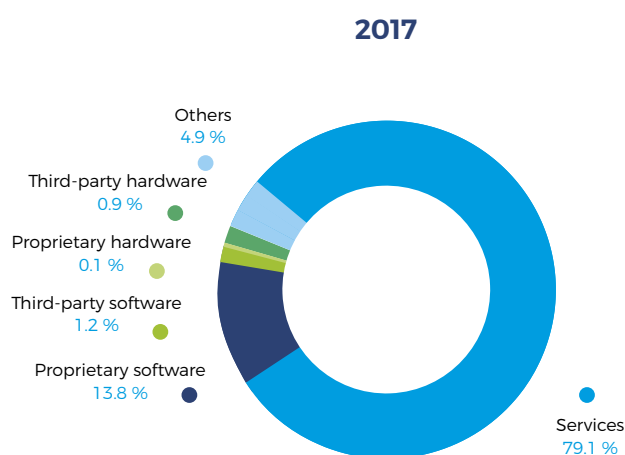


REVENUES FROM SALES – PRODUCTS STRUCTURE (IN THOUSANDS OF PLN)

	2017	%	2016	%	2015	%
Services	871,415	79.1	859,367	77.2	800,062	70.7
Proprietary Software	152,585	13.8	178,092	16.0	182,286	16.1
Third party Software	13,475	1.2	21,086	1.9	64,989	5.7
Finished goods	804	0.1	3,674	0.4	11,804	1.1
Hardware	10,096	0.9	9,038	0.8	39,723	3.5
Others	54,145	4.9	41,556	3.7	32,716	2.9
Total	1,102,520	100.0	1,112,813	100.0	1,131,580	100.0

In 2017, the Group's total sales of services and proprietary software diminished by PLN 13 million, i.e. 1.3%. This is primarily a consequence of a decrease in sales of proprietary software (a decrease of PLN 25.5 million, i.e. 14.3%). Sales of services increased by PLN 12.5 million, i.e. 1.5%. Total share of sales of services and proprietary software in total sales amounted to 92.9%. Total sales of third-party software and computer hardware decreased by PLN 6.6 million, i.e. 21.8%, and they amounted to PLN 23.6 million, which constitutes 2.1% in total sales. This is the result of the reduced deliveries of hardware and third-party software to customers in the domestic market. In 2017, sales of finished goods decreased by PLN 3.1 million, i.e. 79.4% compared to the same period in 2016, due to the significant reduction of supplies of proprietary goods to customers in the public sector. Other sales grew by PLN 12.6 million, i.e. 30.3%, due to the increased revenues from medical activities, among others. In 2017, the product sales structure

was characterized by a continuous increase in sales of services. This is related to the ongoing transformation into the business model of services in sales of IT solutions, among others.



According to the independent auditor's opinion, the annual consolidated financial statements:

- Present a reliable and clear picture of the property and financial situation of the Group as at 31st of December, 2017, and its financial result for the financial year from 1st of January to 31st of December, 2017, in accordance with International Accounting Standards, International Financial Reporting Standards and related interpretations announced in the form of regulations of the European Commission and the adopted accounting principles (policy),
- Agree with the form and content requirements of the Regulation of the Minister of Finance of 19th of February, 2009, on current and periodic information provided by issuers of securities and conditions for recognizing information required by law of a non-member country as equivalent ("Regulation" – Journal of Laws from 2014, pos. 133, with subsequent changes) and other applicable laws and provisions of the Company's Articles of Association.



The formal opening of the SSE7 office building in Kraków (above) and Comarch Data Center in Lille (photo below) at the beginning of 2018. The Comarch Group completed an intensive program of infrastructure investments from 2016-2017.



5.



Company
Bodies

Management Board

PROFESSOR JANUSZ FILIPIAK

Founder, President of the Management Board
Chief Executive Officer of Comarch SA

MARCIN DĄBROWSKI

Vice President of
the Management Board
Director of Telecommunications
Division

PAWEŁ PROKOP

Vice President of
the Management Board
Director of Public Sector Division

ANDRZEJ PRZEWIĘŻLIKOWSKI

Vice President of
the Management Board
Director of Financial Services Division

ZBIGNIEW RYMARCZYK

Vice President of
the Management Board
Director of ERP Division

KONRAD TARAŃSKI

Vice President of
the Management Board
Chief Financial Officer

MARCIN WARWAS

Vice President of
the Management Board
Director of Services Division

Supervisory Board

ELŻBIETA FILIPIAK

Chair of the Supervisory Board

MACIEJ BRZEZIŃSKI

Deputy Chair of
the Supervisory Board

ROBERT BEDNARSKI

Member of the Supervisory Board

DANUTA DROBNIAK

Member of the Supervisory Board

WOJCIECH KUCHARZYK

Member of the Supervisory Board

ANNA ŁAWRYNOWICZ

Member of the Supervisory Board

ANNA PRUSKA

Member of the Supervisory Board

Audit Committee

DANUTA DROBNIAK

Chair of the Audit Committee

ELŻBIETA FILIPIAK

Member of the Audit Committee

ROBERT BEDNARSKI

Member of the Audit Committee

Organizational and competence structure of Comarch capital group
Comarch SA (Kraków, Poland)

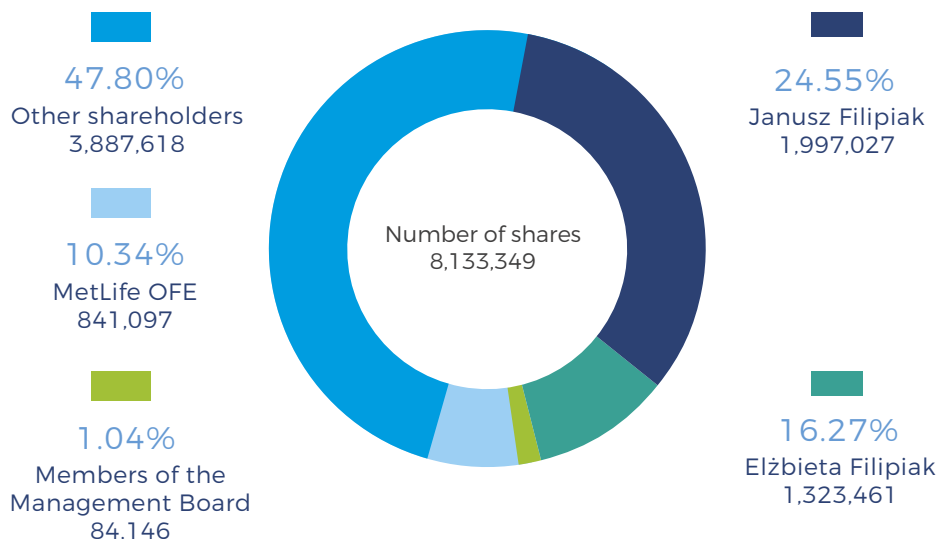


DIVISIONS

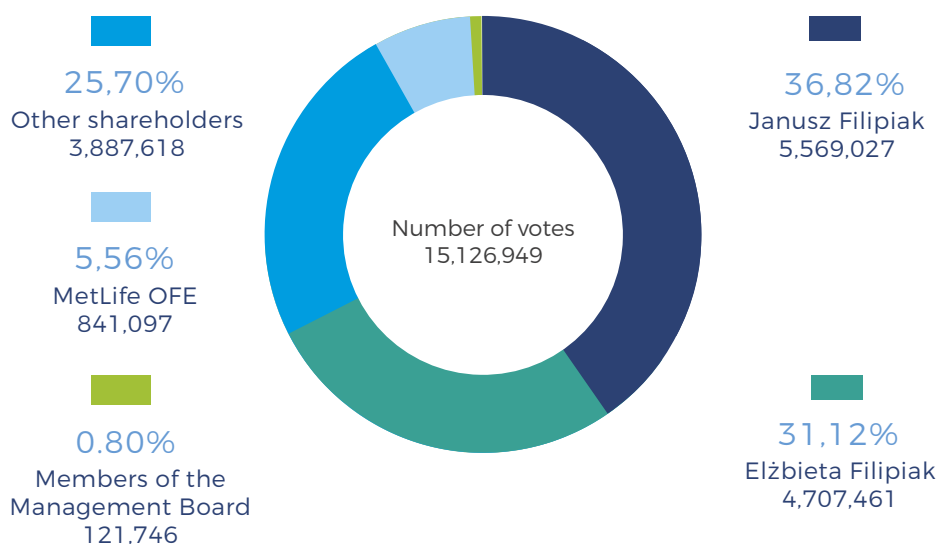
Shareholders

Comarch S.A.'s share capital consists of 8,133,349 shares at total nominal value of PLN 8,133,349. According to the information possessed by Comarch S.A.,

as at 31st of December, 2017, shareholders holding at least 5% of votes at the Company's AGM are Janusz Filipiak, Elżbieta Filipiak and MetLife OFE.



Shareholding Structure. Number of shares. 27.04.2018



Shareholding Structure. Number of votes. 27.04.2018

Organizational structure of Comarch capital group

POLAND

- Comarch S.A.
- Comarch Technologies sp. z o.o.
- CA Consulting S.A.
- Comarch Management sp. z o.o.
- Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty
- Comarch Management sp. z o.o. SK-A "Bonus MANAGEMENT spółka z ograniczoną odpowiedzialnością" Cracovia Park SK-A Bonus Management sp. z o.o. SK-A Bonus Development sp. z o.o. SK-A Bonus Management sp. z o.o. II Activia SK-A Bonus Development sp. z o.o. II Koncept SK-A Comarch Healthcare S.A.
- Comarch Polska S.A.
- Comarch Pointshub S.A.
- Comarch Infrastruktura S.A.
- iComarch24 S.A.
- CASA Management and Consulting sp. z o.o. SK-A Geopolis Sp. z o.o.
- Opso sp. z o.o.
- MKS Cracovia SSA

EUROPE

- Comarch Software und Beratung AG - Germany
- Comarch Swiss AG - Switzerland
- Comarch Solutions GmbH - Austria
- Comarch AG - Germany
- CAMS AG - Switzerland
- Comarch Luxembourg S.à r.l. - Luxembourg.
- Comarch S.A.S. - France
- Comarch R&D S.à r.l. - France

- Comarch UK Ltd. - United Kingdom
- Comarch LLC - Ukraine
- Comarch OOO - Russia
- Comarch Yazilim A.S. - Turkey
- Comarch Technologies OY - Finland
- Comarch s.r.o - Slovakia
- Comarch Software Spain S.L.U. - Spain
- Comarch S.R.L. - Italy
- Comarch AB - Sweden

NORTH AMERICA

- Comarch, Inc. - USA
- Comarch Pointshub, Inc. - USA
- Comarch Canada Corp. - Canada
- Comarch Espace Connecté Inc. - Canada

CENTRAL & SOUTH AMERICA

- Comarch Panama, Inc. - Panama
- Comarch Sistemas LTDA - Brazil
- Comarch Chile SpA - Chile
- Comarch Colombia S.A.S. - Columbia
- Comarch Argentina S.A. - Argentina
- Comarch Peru S.A.C. - Republic of Peru

ASIA

- Comarch Software (Shanghai) Co. Ltd - China
- COMARCH MALAYSIA SDN. BHD. - Malaysia
- Comarch Japan KK - Japan

MIDDLE EAST

- Comarch Middle East FZ LLC - United Arab Emirates
- Comarch Saudi Arabia Co. - Saudi Arabia

Changes in Ownership and Organizational Structure in 2017

- On the 19th of March, 2017, the company Comarch Saudi Arabia Co. headquartered in Riyadh, was registered. The share capital of the company amounts to SAR 1 million and consists of 1,000 shares with a nominal value of SAR 1,000 each. Comarch S.A. owns a 95% of shares, while Comarch Infrastruktura S.A. owns 5% of shares of Comarch Saudi Arabia Co.
 - On the 27th of March, 2017, the Extraordinary General Meeting of Comarch Healthcare S.A. adopted a resolution about the increase in the share capital by PLN 2,000 thousand, i.e. from PLN 8,114,806 thousand to PLN 10,114,806 thousand. Comarch Software und Beratung AG acquired in its entirety a new share issue, i.e. 2 million shares with a nominal value of PLN 1.00 and an issue price of PLN 10.00 per share. On the 24th of July, 2017, the mentioned share capital increase was registered in the National Court.
 - On the 3rd of April, 2017 Comarch S.A. acquired 100% of shares of Geopolis sp. z o.o., acquired the whole copyrights to the ERGO software which belongs to the Geopolis sp. z o.o. and committed itself to recapitalization of Geopolis sp. z o.o. by PLN 4 million, what took place in April. The total value of the transactions amounted to PLN 8.05 million. Geopolis sp. z o.o. supports informatization in public administration units by creating and implementing integrated registers and records of a spatial nature, systems for managing the state surveying and cartographic resource database as well as geoportals. The acquisition of Geopolis sp. z o.o. will allow the Comarch Group to expand the product portfolio dedicated to the public sector. On the 10th of April, 2017, the Extraordinary General Shareholders Meeting of Geopolis Sp. z o.o. adopted a resolution on the increase of share capital from PLN 50,000 to PLN 450,000 through the issue of 800 new interests with a nominal value of PLN 500 each.
- New interests were acquired in full by Comarch S.A., the only shareholder of Geopolis Sp. z o.o. On the 31st of August, 2017, the capital increase was registered. The share capital consists of 900 shares and is worth PLN 450,000.
- On the 5th of July, 2017, Comarch S.A. paid EUR 600,000 by way of an increase in the share capital in Comarch Software Spain S.L.U.
 - On the 7th of July, 2017, the company Comarch Japan KK headquartered in Tokyo was registered. The share capital of the company amounts to JPY 5 million and consists of 100 shares with a nominal value of JPY 50,000 each. Comarch UK owns a 100% of shares and votes.
 - On the 10th of October, 2017, a share capital increase of Comarch Argentina S.A. from the amount to ARS 100,000 to ARS 3,298,195 was registered.
 - On the 18th of October, 2017, the Extraordinary General Shareholders Meeting of Comarch Management Sp. z o.o. adopted a resolution on the increase of share capital from PLN 300,000 to PLN 400,000 through the issue of 1,000 new interests with a nominal value of PLN 100 each. New interests were acquired and paid in full by Comarch S.A. The capital increase had not been registered by the date of publication of this report.
 - On the 27th of October, 2017, Comarch SRL adopted a resolution about the increase of the share capital to the amount of EUR 900,000. The increase of share capital in amount of EUR 200,000 was paid by Comarch S.A., the only shareholder of the company. The surplus of shares sold above their nominal value in the amount of EUR 853,386.50 was allocated to covering the losses of Comarch SRL for the previous years.

5.



Research and Development Work

Research and development work

Globalization of the world economy and the liberalization of trade, result in disappearance of barriers for companies and their products. The IT market becomes an open and global market in which the prices and quality of available products are continuously compared against each other. Along with the increase in the presence of foreign capital in Poland, even IT companies conducting operations solely in the Polish market must offer competitive products from the global perspective. Comarch, since the very beginning of its operations, has had a reputation as a technological company successfully developing and selling competitive products internationally. Therefore, Comarch's main strategic objectives are still the development of new, competitive products to enable further growth and, as a result, to increase the company's value. Maintaining dynamics of sales requires expenditures for development of products

as well as their proper promotion and marketing. This applies to both modifications of already existing products and technologies as well as developing new products.

In 2017, the Group increased the investment rate in new and existing IT products. Expenditures for research and development works amounted to nearly PLN 180 million and exceeded 16% of sales revenues, being financed mainly from internal funds. The Group was intensively developing the new generation of loyalty systems and ERP systems, Smart City solutions, and continued R&D works on the field of IT solutions for healthcare (telemedicine solutions, the City of Health project, and HIS) and in the field of proprietary hardware solutions and services based on Internet of Things.

Subsidizing projects

COMARCH SA

In 2017, as part of Measure 1.1 of the **Intelligent Development Operational Program 2014-2020** co-financed by the European Regional Development Fund, a contract was signed for co-financing the project "Production of Technology" IoT Mesh and "Supporting Tools".

Under the **Operational Program Intelligent Development** Measure 1.1 "R&D Projects of Enterprises", Sub-measure 1.1.2 "R&D Works for the Production of Pilot/Demonstration Plant", the "City of Health" project was implemented.

Under the Support for Investment of R&D Infrastructure and Enterprises Measure 2.1, the project entitled "Research and Development Facility for the Internet of Things" was implemented.



UNIA EUROPEJSKA
EUROPEJSKI FUNDUSZ
ROZWOJU REGIONALNEGO



COMARCH HEALTHCARE SA

In 2017, within the strategic program of scientific research and development "Prevention and Treatment of Civilization Diseases" - STRATEGMED II, an agreement was signed for subsidizing the project "Non-invasive Monitoring for the Early Detection of Atrial Fibrillation" - NOMED-AF.



Within the program of applied research, the project "Research into Spatial Navigation Methods in Endoscopic Diagnosis of Peripheral Lung Nodule", of which Comarch Healthcare S.A. is a partner, was continued.



R&D activities in the Telecommunications Division

BUSINESS SUPPORT SYSTEMS

In BSS (Business Support Systems), used to support the business operations run by telecommunications service providers in their direct interaction with end customers, the largest sums have been invested to develop our own proprietary solutions in the following areas:

- Further development of the capabilities of direct sales channels (i.e. the Digital Sales website, the iOS and Android dedicated mobile applications (in line with the Mobile First approach), as well as social media – in an orchestrated manner consistent with the omnichannel concept
- New presentation of digital invoices (Digital Invoice), complete with a quick cost analysis functionality, accessible via all channels; system configuration templates allowing a client to quickly and repeatedly initiate a specific solution in line with best practice (for new clients)
- New modules for solution and process management, dedicated to back-office teams, made available from the web browser level
- Further development of an API in accordance with market standards (e.g. an Open API) to shorten implementation times and make Comarch solutions better able to integrate with third-party software components
- Improving the efficiency and flexibility of external incident handling by the IoT Connect platform, to

enable the feeding of embedded analytics, including with any data from Internet of Things devices, recording this information, analyzing it in real time, and responding both reactively and proactively (thanks to built-in artificial intelligence) to specific incidents

- Broadening the IoT service range to support new business models
- Expanding the IoT Connect capabilities to manage any devices, monitor their position (Asset Tracking) and service quality (QoS), and to manage their embedded software (Device Management)
- Supporting the latest technologies and market standards with respect to service provision, including extensions of VoLTE, 5G standard, customer package sharing (SME/Household Closed User Group (CUG) service)

At the same time, we have been working on major architecture changes to further improve the efficiency and scalability of various solutions, with a view to preparing for service provision within certain new business models (including through various subscription models dedicated to smaller operators), necessary from the point of view of technologies used along the way to transfer such solutions to the Comarch cloud.

INTEGRATED ASSURANCE & ANALYTICS

With respect to Assurance & Analytics category systems, which ensure the highest possible quality of service through automated management within the network, Comarch is also planning to work on developing some functionalities of key importance for its market.

One of them would consist in the use of machine learning algorithms in system failure detection,

through the creation of so-called “situations”, i.e. groupings of alerts that show certain similarities as to the time of alert generation, its location or scope of vocabulary describing an incident, as well as evaluation of the criticality of a generated situation based on historical data concerning the operators’ past response to such alerts. The scenario simulation would be carried out using real-time data processing technologies such as Spark Streaming and HBase.

OPERATIONS SUPPORT SYSTEMS (OSS)

The objective of our research and development work in networking systems is to transform OSS into a comprehensive tool that can manage a hybrid network, with a growing role for the NFV/SDN domain (software-controlled virtualized network management). The purpose is to show the benefits

of maximum automation of network management, including cost reduction and the possibility of offering new types of services to the operator’s end customers, as well as shortening the implementation times for new services and technologies.

An enhanced OSS system would be capable of managing a virtualized and non-virtualized network (or a hybrid network combining both types) based on similar rules with respect to network planning, passporting, configuration and quality assurance. Comarch's OSS would also be helpful in service creation and orchestration, as well as efficient allocation of hardware resources.

Another important project is the Comarch Smart SON (Self-Organizing Network) solution. Comarch has been investing in the project for the past three

years, as a result of which the Comarch OSS Suite is now capable of supporting self-organizing networks as all OSS products have been integrated into a single Head software version. Our objective here is to have our own product (without the need to rely on any suppliers) for radio neighbor and parameter optimization. The SON solution, open to future improvements (i.e. new networking functions, 5G, etc.), would provide short-term benefits to communication service providers (CSPs), allowing them to transfer repetitive operations performed by network engineers to the Comarch SON tool.

FIELD SERVICE MANAGEMENT SYSTEM

Comarch is planning to develop its field service management system by adding a functionality based on available augmented reality solutions. To this end, a demo version of the Microsoft HoloLens application is being developed, designed to support technical staff in their work by allowing them to interact with instructions and information available in the form of holograms.

With this solution, Comarch would be able to offer its clients a tool to expedite work on their customers' premises thanks to easily accessible digital content. The input information would support the process of task execution, allowing them to assign tasks to less experienced staff and increasing the chances of a successful repair job on the first visit (first-time fix rates).

Currently, Work to adapt the system to operation in the cloud environment is also currently underway. This would enable us to increase the implementation rate. Another project we have been pursuing to broaden the range of possible Comarch FSM applications aims at developing a predictive maintenance module that would rely on machine learning technology to predict equipment issues, enabling customers to avoid costly future repairs.

We have also been engaged in work on an additional customer portal module via which end users would be able to monitor their order execution statuses and communicate with service providers. This solution would enable our FSM software users to offer improved service quality to their customers.

R&D activities in the Financial Services Division

The R&D Department's projects are mostly related to AI, specifically deep learning - the use of neural networks for making decisions.

Some concept applications of AI for finance, being explored by the department, include underwriting (automatic data collection, usually carried out by an insurance company employee in order to calculate the premium), claims adjustment (teaching a neural network to carry out the automatic evaluation of a

given auto insurance claim based on a salvage picture of the vehicle sent by the driver), and cash flow management (allowing a company to estimate the amount of cash it will have to hand at any given time).

The department's flagship prototype is Devra, a virtual, voice-based cloud assistant, whose job is to answer various financial questions - asked via any device: phone, Alexa, car, or Messenger - to name a few. Devra is kind of a digital equivalent of a financial advisor.

R&D activities in the Services Division

CRM&MARKETING

The most important activity of the CRM&MARKETING research and development department was to implement GDPR-related changes, adapting the system to the new EU regulation on personal data protection. The next priority is to improve performance and change the system architecture (based on micro-services). An important element is launching and expanding a distributed architecture, based on central integration and local system instances. We also want to enable customers to run several loyalty programs on a single system instance while reducing costs and enabling sales of the service in

the SaaS model. That is why our engineers broaden the possibilities of multi-program support and redesign the Contact Center, Member Portal and mobile application interfaces.

Equally important was the creation of the Comarch Location-based Services innovative technological platform, which is integrated with beacons produced by Comarch. These beacons use Bluetooth to enable user micro-localization.

E-INVOICING

Three main projects are ongoing for the Comarch e-invoicing group of products. First of all, the integration of EDI and MDM-class solutions ensures significant improvement of transaction data quality (e.g. orders or invoices) and logistics. Another task is to create a global solution for mass e-invoice projects, compliant with local laws and with the support of dedicated customer processes, including invoice acceptance within enterprises. Finally, systematization of an integrated portfolio to handle all processes in the supply chain with central reporting - from the multi-channel sales process, through exchanging product data, ordering, delivery and receipt of goods (also through logistics operators), to invoicing and payment processing.

Due to the inclusion of SFA products in the B2B network area, it is planned to develop integration of the selected systems integration in order to use the synergy of individual applications and gain a competitive advantage over other suppliers. The reporting module, e-commerce and TPM will mainly be developed as part of this integration. Analysis of the data reporting possibilities within the framework of integration with OSS2 and EDI Web will be carried out in terms of servicing new types of reports, such as "Top 5" products, aggregate sales, sales trends, abandoned carts, etc.

INFORMATION COMMUNICATION TECHNOLOGIES

Building and running the Comarch Enterprise Cloud Platform - a private cloud solution at the CDC in Kraków - have formed part of research and development activities in this sector in 2017. The functional scope of the solution can be divided into two parts: Infrastructure as a Service (IaaS) and Platform as a Service (PaaS). It also consists of three layers, which are the hardware (based on x86 servers), SDS (software-defined storage), an omnipath 100GbE network, the application

(for sharing available resources, based on software for building OpenStack cloud solutions - IaaS) and the container (for building applications based on micro-services, implemented by the OpenShift software - PaaS). The next steps will be the expansion of the platform to include new functionalities, and platform launches at data centers in Lille, Dresden and Chicago.

R&D activities in the Healthcare Division

Comarch Healthcare provides comprehensive solutions to the healthcare sector. It runs a number of research and development (R&D) projects, aimed at creating innovative technologies supporting, among other things, the management of medical facilities and the monitoring of both electronic medical records and patients (the latter by means of telemedicine solutions). This sector comprises the iMed24 Medical

Center, a natural environment for developing IT tools for healthcare.

Comarch Healthcare, as the leading provider of remote healthcare solutions in Poland, undertakes numerous initiatives aimed at popularizing telemedicine and increasing its availability.

“HEALTH CITY” PROJECT

Comarch’s specialists have developed an innovative solution for local authorities of different sizes. It enables the provision of healthcare and prevention services to residents. A component of the “Health City” project is the Analytical and Reporting Platform created by Comarch, which is used for analyzing data,

developing reports and recommending pro-health activities. Pilot projects under the “Health City” program are already underway in Łódź, Zabrze, Suwałki, Płock and Brzeg. More than 3 000 patients throughout Poland have used remote services within the pilot projects so far.

“NOMED-AF” PROJECT

The goal of the project is to develop a system enabling the detection of silent atrial fibrillation (AF) in patients of age 65+, and obtaining data about both its frequency and arrhythmia risk factors within the same age group. These activities aim to provide suitable data which can be used by research centers to develop new methods of AF treatment, and to productize and popularize the solution clinically. A clinical trial was performed in a group of 3 100 patients. The following

were created within the frameworks of the RnD works in this project:

- A unique vest for long-term ECG recording
- An ECG recorder, together with a transmission and docking station, plus software solutions
- The NOMED platform to handle the clinical trial and allow physicians to evaluate ECG records
- The Medical Analysis Platform (CMAP) has also been also extended.

E-CARE PLATFORM

One of the company’s solutions is Comarch e-Care, a telemedicine platform enabling continuous remote monitoring of patients’ health status. It is applied, among other areas, in cardiology, obstetrics and health services provided to senior citizens. R&D work on Comarch e-Care is focused on extending the platform from an alarm system to a service system facilitating short-term and long-term monitoring, examination management, reporting, process automation,

etc. We understand which services are worth offering, and know how to deliver them on the telemedicine market, which has resulted in work on the reconstruction of the graphic interface and the method of service management. The changes being introduced will enable the service to be provided to many more patients (as a result of scale and cost optimization). Algorithmic support will continue to be an additional factor allowing achievement of the desired effect.

MEDICAL ANALYSIS PLATFORM (CMAP)

An important element of the company’s telemedicine solutions ecosystem is Comarch Medical Analysis Platform, where remotely obtained ECG records are sent. The algorithms implemented in CMAP interpret these ECG records and conduct advanced analysis, automatically detecting significant disturbances and therefore making it possible to identify and react earlier to heart rhythm disturbances. This solution

significantly shortens the time taken for ECG analysis significantly, especially for long-term monitoring, and allows full verification of records without manual signal processing. The Comarch Medical Analysis Platform uses algorithms enabling the early detection of tachycardia, bradycardia, cardiac arrest and atrial fibrillation.

In 2017, algorithms based on machine learning (ML) developed rapidly. Now, ML algorithms are as good as classical methods of digital signal processing (DSP), allowing the effective recognition of disturbances and improving analysis of examination results.

With regard to the **algorithms**, research and development works include:

- Preparation of machine learning algorithms to recognize atrial fibrillation in the ECG signal
- Preparation of algorithms for evaluation of ECG signal quality
- Preparation of algorithms to classify kinds of morphological heartbeats in the ECG signal
- Application of ECG signal bases collected during the NOMED project in order to learn algorithms (semi-supervised and supervised learning)
- Development of machine learning algorithms to recognize distortions in the ECG signal, with special emphasis on cardiac rhythm disturbances such as atrial fibrillation, conduction blocks and tachycardia. The results of this work will be used in the system for analysing long-term ECG examination results obtained using Comarch CardioVest

- Creation of a network classifying dream phases or disturbances on the basis of ECG signals and verification of dream correlation with awakening
- Preparation of an expert system supporting predictions of potential patients' problems based on data collected in the Electronic Medical Records database

Within the scope of **Software**, RnD work includes, among other things:

- Preparation of the NOMED platform, used to analyze long-term ECG examinations with regard to atrial fibrillation
- Preparation of the CMAP platform, a uniform computation cluster using algorithms for ECG and CTG analysis
- Finalization of work on the Comarch Holter device
- Preparation of the proof of concept for the Comarch CardioVest solution
- Preparation of a uniform platform for remote monitoring based on services understood as sets of complementary examinations
- Preparation of the Comarch CardioVest system, used for analysis of long-term ECG examination results, and the system's certification as a medical product

DEVICES

With regard to medical devices, R&D activities focus on:

- Development of our own smart watch to monitor elderly non-independent persons
- Beginning work on:
 - A new version of PMA (Personal Medical Assistant), for the remote monitoring of patients with cardiovascular problems
 - A new device called mPMA (Mobile Personal Medical Assistant), enabling long-term cardiac and event-type monitoring
- Furthermore, a module for measuring pulse oximetry and temperature (Comarch Hospital Telemetry Assistant) is being developed within the Hospital Telemetry System (HTS), which is designed to help hospitals provide care for over patients requiring 24h observation.

R&D activities in the Technology Division

Comarch Technologies focuses on intense research and development (R&D) in the field of the Internet of Things (IoT). More than 50% of the 140-member team work on R&D projects. What distinguishes this Comarch sector is the development of both software and hardware solutions, not only for its own needs, but also for other units. The devices and technological solutions that are created enable the extension of other business units' product functionalities.

Comarch Technologies business unit creates its own communications modules and IoT devices, as well as medical devices. The strategy is to produce HW and SW blocks, which will enable the provision of IoT solutions. It is a kind of synergy of specialization and competencies, which results in innovative solutions.

Directions of development within the scope of IoT products – RnD programs:

- The **Comarch IoT Platform Project** is a cloud solution enabling implementations of diversified IoT applications. Within the project frameworks, elements facilitating such solutions as Comarch Smart Lighting and Comarch Smart Manufacturing are created and developed.
- **IoT devices** are also part of this project. R&D work concerns such products as Comarch IoT Hub – IoT Gateway, Comarch Beacon/Beacon Industrial, Comarch Communications modules (2.4 GHz MESH, BLE, 3G/4G, NB-IoT, LoRa, SigFox), Comarch Smart Lighting modules (smart lighting controllers) and Comarch Bracelet (BLE/NFC bracelets).
- The **IoT MESH Project** concerns the testing and development of comprehensive connectivity technology consisting not only of an effective communication module and a protocol based on the MESH technology, resistant to interference and optimized for applications in the IoT, but also of a set of tools to create and manage a smart IoT network. Research is performed with strong emphasis on optimization and cybersecurity.

- The **IOT PLANT Project** constitutes an IoT R&D laboratory, where R&D activities are carried out on a very wide scale, including the prototyping of EMS electronic devices (in the areas of industrial design, electronic design, software development, mechanical prototyping, vacuum casting with the application of 3D SLA laser printing technology, and CNC milling), from their production (selective application of protective coatings and environmental tests), assembly and post-production quality control.
- The **NB-IoT Project** focuses on applying the most recent NB-IoT telecom technology based on a modified 3GPP LTE (4G) specification for applications in the IoT, with particular regard to battery-powered devices.

Under the project, a communication module is being developed and tested, and the possibilities of applying and implementing it in IoT solutions are being examined on the basis of an operator's infrastructure.

The rate of standardization of this technology by 3GPP confirms the demand for its commercial implementation. That is why work is characterized by a wide range of applications, aimed at creating innovative IoT products long before 5G technology becomes a commercial reality.

In addition, research is being conducted into extending the catalog of Smart Hospital services, in order to make Comarch Healthcare services more attractive. Work is also underway on entering the new smart metering segment, by means of which utility consumption can be measured. Solutions of this kind enable the acquisition of more information than in case of a conventional meter, and data can be sent and received electronically. Research on system functionalities is aimed at enabling the reduction of operating expenditures, increasing efficiencies, and shortening the time taken to deliver new services to customers via the platforms.

R&D activities in the Public Division

The research and development projects of the APUS division mainly concern the development of products supporting the Smart City concept.

An example here may be the work on Intelligent Video Analytics (IVA), which are developed in principle in two key areas for cities: security and transport. The focus of this work includes, among other things, analytics for recognizing and categorizing objects, which may find application in traffic assessments such as identification of free parking places, automatic incident detection for security purposes, and facial recognition. The work has led to the creation of the Comarch Smart Parking Platform and Comarch Security Platform, both part of the Smart City solutions.

As part of the development program, investments were made to expand the functionality of the Comarch

ERGO software, which is an integrated IT platform for the spatial economy of self-governments. Unique in Poland, it is a system for the integrated management of more than 60 public spatial management registers. This system can work as an electronic platform for a shared service center of many public administration units. The main directions of R&D works were focused on the development of the Comarch ERGO platform in public cloud technology in the SaaS model, as well as in the private cloud model for public administration. Research and development work is also underway regarding the preparation of Comarch ERGO software modules in the hybrid cloud model, which will allow customers to integrate their functionalities flexibly. Both modules may be installed on customers' own equipment on their premises, or provided as part of cloud services.

R&D activities in the ERP Division

Comarch Business Intelligence system supports companies in developing data-driven strategies by providing in-depth analysis of large data sets, including big data, and provides a detailed picture of, among others, financial situation, purchase patterns, basket analysis, effectiveness of marketing campaigns and statistics related to the company's operating activities. With each new version, the solution provides more and more opportunities from the area of advanced analytics in the form of deep learning, machine learning and artificial intelligence, making the solution more proactive and able to suggest data-based activities as well as provide predictive analysis.

Process mining - Comarch Business Intelligence applies knowledge database discovery processes ("discovering knowledge in data") to optimize the interfaces of other Comarch systems based on the analysis of user behavior in applications. This helps us to understand clients and, consequently, to personalize the interfaces depending on user groups and their needs.

R&D work is also ongoing in relation to the implementation of machine learning in ERP systems. Examples include:

- Providing data sets logged in from the most common processes performed in the ERP application
- Attempting to make data-based inferences about user behavior
- Designing changes in the ERP system based on conclusions derived from research

In the machine learning field, R&D work also aims to increase system efficiency by fitting database indexing to the most common processes in an enterprise. The Comarch ERP system will be able to adapt itself to the way in which users of a given company use it and effectively adjust the database structure to achieve the best results.

Further work related to intelligent software operation relates to the creation of a number of functions in ERP systems to increase automation based on expert knowledge (application of expert intelligence to the application). The ERP solution has been equipped with an intelligent system of remembering and using printouts related to the contractor, as a result of which the system suggests the most suitable printout for a given document and contractor.

R&D work is also underway in the field of creating virtual assistants/chatbots, including:

- Helping clients to use the application
- Communication interfaces based on chatbots

As part of the R&D work, all products of the SME sector are being integrated with the free PostgreSQL database. Expanding cooperation with an open database engine will allow our clients to avoid additional costs.

Blockchain is another very important element of the R&D work being carried out. Work is currently underway to identify and find appropriate places within ERP systems that will be used to implement this technology. The idea of Blockchain is based on simplifying the flow of transactions between entities. In the field of

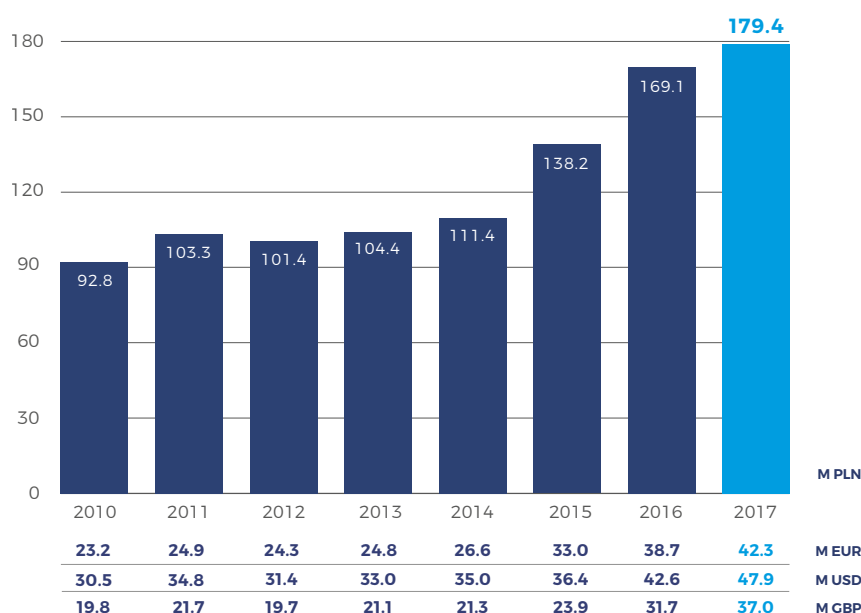
ERP systems, the possible application is to automate payments for commercial documents issued within the ERP system.

At the same time, work is underway to identify and apply microservice technologies in the production of ERP-class software. The use of microservices allowing the implementation of appropriate processes will allow easy and effective system scaling for the customer. The works will be based on Comarch Xaas.

Work on system-generated recommendations, based on the history of production orders, is also underway. For example, in a situation where the last 10 production orders always consume 4, not 6 kg of product, or the operation lasts 2 and not 3 hours, the system will propose a change of technological standards. The recommended changes will be able to be accepted by the operator, which will result in updating or creating a new version of the technology.

The R&D department additionally studies the possibility of using smartwatches to display the most sensitive information arising from, for example, the DMS system. In this case, a smartwatch could be used to approve the next steps occurring in the document flow.

Research and development expenditure of Comarch Capital Group



6.



Comarch
Products

PRODUCTS AND SERVICES OFFERED BY COMARCH IN 2017

Comarch is a producer of innovative IT systems for key sectors of the economy, such as telecommunications, finance and banking, public administration, as well as large, small and medium-sized companies. A wide range of the Comarch offer includes ERP-class and financial and accounting systems, CRM systems and loyalty software, sales support, electronic document exchange, electronic banking, BSS/OSS systems for

telecoms, M2M/IoT solutions, business intelligence, security and protection of data and many other solutions. Apart from providing innovative IT solutions to its customers, Comarch is focused on professional customer service and on providing consulting, advisory and integration services as a uniform package, with which our customers can take full advantage of the possibilities offered by modern IT systems.



MORE THAN
50
TELECOM COMPANIES WORLDWIDE
ARE USING COMARCH BSS/OSS



500GB
(2.5 MILLION FILES) STATISTICS PROCESSED DAILY
IN THE NG PERFORMANCE MANAGEMENT SYSTEM



ALMOST
2 000 REPORTS
COUNTED DAILY BY NG PERFORMANCE MANAGEMENT,
IN LESS THAN ONE MINUTE (ON AVERAGE)



67 000 000 000
CDR RECORDS PROCESSED BY COMARCH BSS ANNUALLY

Telecommunications Division

Since 1993, Comarch has operated a specialist telecoms unit providing IT solutions to some of the biggest telecoms brands in the world, including Telefónica, Deutsche Telekom, Vodafone, KPN and Orange. It builds technology solutions to meet the key requirements of telecoms companies, namely to increase revenue, grow business efficiency, simplify systems, cut costs, enhance the customer experience, build new services and shorten their time to market. Comarch's OSS and BSS solutions have been consistently listed in Gartner's Magic Quadrant report. The company has also been recognized by other analysts, including Forrester, Informa and Frost & Sullivan.

IOT ECOSYSTEM

Comarch IoT Connectivity Management

enables mobile operators to provide managed connectivity in multi-national, multi-level and multi-operator environments. The system is an M2M/IoT connectivity management platform that helps launch IoT offers for vertical industries.

Comarch IoT Analytics Platform module focuses on delivering measurable business value, using intelligent big data processing and real-time data

analytics for M2M/IoT business purposes. It provides information about the way in which customers are using your IoT products. Additionally, it handles some issues related to quality of service (QoS).

Comarch IoT Billing is tailored to the needs of your IoT operations. It enables you to charge not only for connectivity, but also for IoT devices, vertical applications and bundled services.

SALES & CUSTOMER MANAGEMENT

Comarch Customer Management helps communication service providers sell more services, get closer to their customers and significantly reduce customer churn. This solution enables telecoms companies to benefit from a single customer view and gain a deeper understanding of their customer base.

Comarch Self Care is a web self-service tool enabling communications service providers to provide their end customers with a convenient online

self-management portal, where they can access and edit their profile data and service subscription information, without any help from a call center agent.

Comarch Sales Channel Management optimizes service providers sales force efforts. Three integrated modules enable optimization of sales force compensation plans, examination of customer data from any location at any time, and the verification, control and automation of replenishment of stock levels for selling points.

BILLING & CHARGING

Comarch Convergent Billing System is a key module within the Comarch BSS suite. Comarch CBS allows real-time charging for any service type and facilitates the development of new business models in cooperation with partners.

Comarch InterPartner Billing allows service and content providers to exchange billing data and

invoices, and to share revenue or cost information with partners. The system facilitates the management of relations with domestic and international business partners, and supports various business models which include revenue sharing, wholesale and roaming services.

BSS TAILORED TO YOUR NEEDS

Comarch Smart BSS is an all in one, compact BSS solution perfectly tailored to the needs of tier-2 and tier-3 telecoms companies, thanks to fast deployment and low costs. The highly customizable

system allows the management of all payment types, and the smooth creation of new product offers and specifications, all of which directly reduce time to market.

Comarch B2B Solution focuses on critical problems related to B2B relationships, such as providing distinct selling strategies to companies of varied sizes delivering and supporting large numbers of customized products and services, managing service level agreements (SLA's) and handling complex fulfillment processes.

FUTURE-PROOF OPERATIONS

Comarch NFV/SDN Solution leads to network virtualization, reduces OPEX/CAPEX, and unleashes innovation in the service and application domain, resulting in better network monetization.

Comarch Self-Organizing Network (SON) solution enables the automation of network failure management and optimization of network processes, thus operators may not only reduce OPEX, but also shorten the time to market for new technologies and network services.

INTEGRATED ASSURANCE

Comarch Customer Experience Management provides information on service quality by providing an insight into customer perception of services. The system has the ability to monitor the network and predict the impact of network faults on customer services.

Comarch Service Quality Management (SQM) transforms traditional network-centric performance management into customer-centric telco service quality management. The insight into customers' perceptions of service quality enables the prioritization of network performance management based on the forecast influence on customer experience.

RESOURCE PLANNING & INVENTORY

Comarch Network Inventory Management stores complete information about network resource management and presents live, historical and planning states of telecommunications/IT networks. It facilitates network resource management for multi-vendor, multi-domain networks including RAN, transmission, core, fixed network domains and IT infrastructure.

Comarch MVNO & MVNE Solutions are tailored to MVNO (Mobile Virtual Network Operators) and MVNE (Mobile Virtual Service Enablers) business models. Comarch solutions help organizations to manage their relations with customers and business partners, as well as their portfolio of services and revenues.

Comarch SON Integration Box - is a solution responsible mainly for integrating centralized SON (self-organizing network) tools with the existing OSS environment. As a central hub for the exchange of various types of data, it aggregates SON plans and dispatches them to different tools.

Comarch Customer-Centric OSS enables the transformation of an OSS environment so that it reflects true customer needs. It thus enables switching the telecom operator's perspective from network resources to customer experience.

Comarch Service Assurance transforms traditional network-centric fault management into an assurance solution focused on customer service. The system allows the early detection of network problems and the ability to predict and calculate customer service impact.

Comarch OSS/BSS Data Analytics processes data gathered from the telecommunications network in real time, combines them with information from external systems and aggregates them. By correlating data from all these sources, Comarch OSS/BSS Data Analytics can produce a comprehensive real-time analysis, providing an invaluable insight into the customers' perception of the services.

Comarch Network Planning enables the operator to manage telecom network planning, design and optimization processes comprehensively and efficiently. Process orchestrated planning is a future-proof way of making network investments.

Comarch Network Auto-discovery & Reconciliation - provides a complete, comprehensive and up to date insight into the multi-vendor, multi-domain network, enabling effective network

management. The system supports reconciliation of RAN, transport, core, access and IT domains, and provides one, comprehensive and integrated view of the live state of the network.

Comarch Configuration Management enables service providers to automate network provisioning for all network domains, such as RAN,

transmission, core and access. It is fully integrated with Inventory Planning & Design.

Comarch Network Consolidation for M&A helps telecoms efficiently organize and streamline network planning and consolidation processes in merger and acquisition (M&A) projects. The solution is built of various components from Comarch's next generation OSS portfolio.

SERVICE DESIGN & FULFILLMENT

Comarch Product Catalog is a single platform for managing telecom product catalogs and life cycles, thus simplifying the IT architecture and accelerating the launch of new products. It ensures rapid new product and offer deployment, additionally accelerating the publication of content in sales channels without extra configuration of IT systems.

Comarch Omnichannel Order Management is a fully automated, end to end fulfillment solution operating from customer order capture through service, network provisioning and activation to customer billing. This fully catalog-driven tool allows the introduction of new offers or bundles in a matter of days instead of months.

Comarch Service Fulfillment supports the complete telecom service fulfillment process, by

creating the customer's service, modeling it and then orchestrating network operations helps CSPs to automate telecom service fulfillment and delivery, and reduce time to market thanks to the catalog-driven fulfillment concept.

Comarch Field Service Management (FSM) is a comprehensive Workforce Management solution for scheduling, staffing, managing, and supporting the workforce in the field, which results in significantly increased efficiency of operations.

Comarch Service Inventory enables management of the network from the service perspective. The system can be pre-integrated with Comarch Service Catalog to describe the services according to the TMF SID model (Customer Facing Services (CFS) and Resource Facing Services (RFS)).

PROFESSIONAL SERVICES

Business Consulting is a service that helps telecoms optimize and automate their business processes and increase their efficiency in OSS and BSS areas, by eliminating multi-vendor and cross-organization redundancy and by rethinking IT architectures and configurations.

Managed Services offer telecom operators the opportunity to outsource system and/or process management, enabling them to optimize the delivery of services to customers and increase their availability, while decreasing the workload and business costs without compromising process quality or business/technology independence.

BSS/OSS Transformations – as a software vendor and a business partner for global telecoms companies we understand the nature and complexity of telecom transformation projects. Based on our experience we have developed a complete offer of products and services to support local and multi-country transformation projects in OSS and BSS domains.

End to End Project Delivery adds extra value on top of delivering a system to a customer, and encompasses the following services: requirement analysis and solution design, training, implementation and integration, as well as maintenance and support.



MORE THAN
5 MILLION
SWIFT MESSAGES PROCESSED ANNUALLY



MORE THAN
2.5 MILLION
OPERATIONS ON SECURITIES ANNUALLY



MORE THAN
50
ENTITIES MANAGING ASSETS ALL AROUND THE WORLD



MORE THAN
2 MILLION
NEW INSURANCE POLICIES PROCESSED MONTHLY

Financial Division

Comarch Financial Services specializes in developing sophisticated software and IT systems for major financial institutions in the banking, insurance and capital market sectors. We help enterprises and institutions increase customer satisfaction by creating and implementing state-of-the-art IT solutions and services encapsulating over 20 years of experience. Our portfolio of satisfied clients includes financial institutions in more than 30 countries, among others: Raiffeisen, ING, TMB Bank, Alior Bank, Pekao, AXA, Allianz, UniCredit.

PRODUCTS

Comarch Corporate Banking is an omnichannel platform designed for the specific needs of large and medium-sized companies, and offered to banks providing services to such companies. It's a transactional banking system, a financial management tool, and a solution to facilitate handling bulk payments – all rolled up into one. It also supports corporations in managing accounts of different types, buying currencies, making local and international payments, and consolidating balances across the world.

Comarch Wealth Management is an integrated, multi-module platform dedicated to retail, affluent and private banking client segments. The system supports different recipients: relationship managers - in advisory and financial planning processes, end-clients - in self-driven robo-advisory processes and bank-client communication with the use of newest technologies, wealth managers - in discretionary portfolio management in line with regulations and investment mandates, and analysts - in running performance and risk calculations to assess client portfolio efficiency.

Comarch Loan Origination enables more efficient control of credit risk and allows a significant shortening of the time needed to grant a loan. The system automates the work of client advisors managing the credit-granting process at every stage. It allows banks to optimize the most vital elements of credit management: loan simulation, application verification, analysis of customer financial situation (including database checks), decision-making and fund disbursement.

Comarch Digital Insurance is, on one hand, a system dedicated to insurance agents, brokers and intermediaries. It helps to give advice on and sell insurance products, and to provide post-sales support, manage their tasks and monitor their own business performance. On the other hand, Comarch Digital Insurance allows individual customers to purchase a policy smoothly online and manage their insurance product portfolio.

Comarch Identity and Access Management (IAM) is a solution that allows full control over access to a company's applications, VPNs and workstations. It comes with world-class methods for identity lifecycle, authentication, authorization and accountability. Its modular architecture makes it easy to adapt to specific types of organizations across hierarchies and geographies.

Comarch tPro ECC is an innovative USB token for digital signature. The token is driverless, OS-agnostic and browser-independent thanks to a connectivity mechanism that is unique in the market. Furthermore, the presence of a built-in button that the user has to press and release in order to authorize transactions makes tPro ECC an extremely effective device in countering remote attacks.

Comarch tPro Mobile is a mobile solution for strong customer authentication and transaction authorization based on two factors: what the user has – a mobile phone with an app; and what the user knows – a PIN or pattern. The application also supports biometry on mobile devices with a fingerprint scanner.

R&D department's projects are mostly related to AI, more specifically to deep learning, i. e. the use of neural networks for making decisions.

Some of the concept applications of AI in finance currently being explored by the department include underwriting (the automatic collection of data, usually carried out by an insurance company employee in order to calculate the premium), claims adjustment (teaching a neural network to make an automatic evaluation of an auto insurance claim based on a salvage image sent by the driver) and cash flow management (allowing a company to estimate the amount of cash at hand at any given moment).

The department's flagship prototype is Devra, a virtual, voice-based cloud assistant, whose job is to answer various financial questions – asked via any device: phone, Alexa, car, or Messenger – to name a few. Devra is kind of a digital equivalent of a financial advisor.



27

SUBMITTED AND REGISTERED
WORLDWIDE TRADEMARKS

PATENT

3 PATENT

APPLICATIONS



OVER

2 MILLION

SUBMITTED PKI CERTIFICATE
REQUESTS PER HOUR



OVER

1 MILLION

AUTHORIZED USERS IN COMARCH IDENTITY
AND ACCESS MANAGER DRACO PER DAY



OVER

1 MILLION

COMARCH SMARTCARDS
ON THE MARKET



OVER

10 THOUSAND

USERS OF FSM PER DAY

Technology Division

Comarch Technologies provides comprehensive solutions combining hardware and software compliant with top industry standards, ensuring security and protection, and undertaking projects in the fields of IT, electronics and advanced technologies. As regards the Internet of Things (IoT), we offer services in the area of consumer electronics and R&D in the automotive sector, including the design of electronics, hardware prototyping and production, certification, analysis of user experience, focusing on communication and data interchangeability.

INTERNET OF THINGS

Comarch IoT Platform is a comprehensive cloud solution for monitoring and managing devices constituting the Internet of Things. It enables mutual communication between different kinds of equipment furnished with wireless communications modules. It operates as their aggregator and configurator, and is suitable for integration with systems such as Comarch ERP, Comarch LBS and Comarch FSM, as well as third-party systems. Benefits include automation and control over processes taking place in an enterprise, such as the reduction of electricity costs due to smart lighting solutions. It is well adapted to collect and analyze big data from devices connected to the Comarch IoT Platform. It offers our clients continuous growth of the efficiency of logistics processes, along with better management of equipment and materials.

Comarch Beacon is a device connecting the real and the virtual worlds. It uses Bluetooth Low Energy, thanks to which the device is simple and inexpensive yet offers huge possibilities. When it is installed it becomes a virtual lighthouse, enabling mobile applications to trigger a given action when a user enters a specific area. Such actions include sending contextual messages,

establishing communication with a consultant, indicating the user's location in a building, and many others.

Comarch IoT Smart Lighting is an ecosystem based on the Comarch IoT Platform, which enables fast configuration and management of smart lighting in cities, public utility buildings and industrial premises. This solution employs the Comarch Smart Lighting module, which makes it possible to convert existing lighting infrastructure into smart systems.

Comarch IoT Hub is a mediator between the cloud and IoT devices equipped with wireless connectivity without direct access to the Internet. It enables the use of all popular communications standards, such as BLE and WiFi. Owing to its advanced structure, it facilitates limited remote control over connected devices, even if connection to the Internet is lost.

Comarch Connected Car Solutions is an ecosystem of services connecting cars with advanced technologies at the layer of communication between mobile devices and the car head unit.

MOBILITY

Application development is a service offering the design of mobile applications tailored for individual customers, using Comarch's expertise and experience in different areas such connectivity, infotainment systems or network security with great stress on user experience (UX).

Quality control and tests describes the comprehensive planning and management of the SW and mobile application testing process.

Certifying tools created in Comarch for the largest certification organizations in the automotive, communications and energy sectors (Car Connectivity Consortium, Open Connectivity Foundation and AirFuel Alliance) enables the effective management of the certification process relating to devices and applications. In addition, the process makes it possible to verify compliance with defined standards, and to issue certificates automatically.

IOT PLANT – MODERN LABORATORY AND PRODUCTION HALL

Comarch IoT Plant offers high quality services for the fast prototyping and assembly of electronic devices (EMS). We provide our clients with comprehensive support at each stage of the manufacturing process, including design, mechanical prototyping, assembly and post-production quality control.

Our long-term experience, acquired within the frameworks of R&D activities and the manufacture of electronic devices, combined with the high professionalism of our engineers, allows us to deliver products and EMS services, and to design services of the highest quality, compliant with applicable standards and trends.



8 MILLION

APPLICANTS HANDLED BY THE QUEUE MANAGEMENT
SYSTEM OF THE SOCIAL INSURANCE SYSTEM (ZUS)



475 000

TRIALS



MORE THAN
600 000

OWN CRYPTOGRAPHIC CARDS SOLD ON THE POLISH MARKET



MORE THAN
12 000

OWN MICROSD CRYPTOGRAPHIC CARDS DELIVERED
TO THE GENERAL POLICE HEADQUARTERS OF POLAND



6.6 MILLION

OBJECTS MANAGED WITHIN ONE PROJECT
BY COMARCH FAULT MANAGEMENT

Public Division

Comarch ERGO – system supporting realization of public tasks connected with land management. It enables more than 60 registers and records to be run in the areas of geodesy, cartography, real estate management, spatial planning, road infrastructure management, construction, environmental protection, agricultural and forest land protection, protection of historical monuments and geo-portals. The system has modular construction enables the exchange of information between local government units and cooperating parties, their faculties and employees. Comarch ERGO is a comprehensive solution allowing the launch of the Spatial Economy SSC electronic platform.

Comarch EZD – it supports the electronic (and paper) flow of documents in companies and institutions (industry-specific versions have been developed for particular entities).

Comarch e-Office – is a platform of online public services with a set of modules that allow local public administration bodies to execute tasks set by the legislator. Intuitive tools allow independent management of the application, and ensure support for content creation and publication. Comarch e-Office includes the following modules, among others: Digital Office, Public Information Newsletter, Information Portal, and Internet.

Comarch ERP Egeria – this ERP-class integrated IT system supports organization management and decision-making processes. It features a high configuration capacity and flexibility, which allows it to be adjusted to the individual needs of each client. The system is offered to different types of companies and institutions (government and local level administration, utilities, healthcare, etc.).

Comarch Security Platform – is a solution merging elements of both physical security management system supporting the security of buildings and protected areas. Our solution integrates multiple security systems such as anti-theft alarms, CCTV, fire alarms and access control, allowing users to manage all the security measures throughout one central security system. Additional components regarding image analysis, data correlation and predefined action procedures

allows work to be automated, increasing the security of a protected area or building. Information analysis modules analysis modules allow the protection of physical threats (terrorism and demonstrations) and cyberattacks (hackers and botnets).

Comarch Smart City Platform – is a comprehensive solution dedicated to cities and urban matters. Comarch Smart City Engine, the heart of the platform, combines all platform elements with the existing municipal systems and infrastructure (including the Internet of Things). The platform is composed of: Comarch Partners Market, mobile applications, dedicated Comarch City Portal, Comarch Developers Platform and Comarch Smart City Console.

Comarch Smart Parking – is a comprehensive solution for the management of car parking areas. Our system provides car park operators and managers with tools such as real-time parking space detection using intelligent video analytics or a sensor network, support for indoor and outdoor parking, park and ride systems and municipal and private parking, and the generation of operational and managerial reports and statistics on the occupancy of car parks.

Comarch eRecording – is a comprehensive and coherent solution, which combines the convenience of classic audio/video recorders with sound systems and a dedicated application to control the process of audio/video registration. The system allows meetings and public appearances to be recorded, together with related metadata and comments, which guarantees efficient search for a recording during playback.

Comarch Video Terminal – is a client of video conference that supports popular connection standards and audio-visual transmission. It is also a suitable complement for Comarch eRecording, as it provides point-to-point connection, and compiles multi-party calls based on the standards and infrastructure of video conferencing bridges of leading suppliers.



290 MILLION

MEMBERS OF LOYALTY PROGRAMS IMPLEMENTED
BY COMARCH



8.1 BILLION

PROCESSED LOYALTY TRANSACTIONS



600 MILLION

DOCUMENTS PROCESSED BY COMARCH'S EDI SYSTEM IN 2015



15 BILLION

DOCUMENTS STORED IN THE IMPLEMENTED COMARCH ECM
SOLUTIONS



20 MILLION

GENERATED DELIVERY ORDERS IN THE COMARCH SFA
SYSTEM



12 DATA CENTERS

AROUND THE WORLD

Services Division

Comarch's Services Sector designs, implements and integrates modern IT solutions to support loyalty programs, manage marketing campaigns, handle employee motivation, electronic data exchange and business information, deal with the flow of documents within the company and organize sales processes using support systems and mobile applications. The offer also includes a comprehensive range of IT infrastructure management services for enterprises.

The Services Sector currently employs around 900 specialists and implements projects on five continents in 35 countries. Our customer portfolio includes, amongst others, BP, Global, Carlsberg, Heathrow Airport, Accor Hotels, JetBlue Airways, Metro Group, OMV, Diageo (producer of Johnnie Walker, Smirnoff and Baileys), Red Bull, Leroy Merlin, Unilever, BIC, Nivea and Tesco.

Comarch CRM&Marketing

The offer is addressed to large enterprises. It involves a comprehensive set of IT services that helps build and manage loyalty programs, create customer relations, automate marketing processes and increase profits. Furthermore, we develop tools for big data analysis and gamification-based systems for building engagement, increasing profits and strengthening the relationships between clients, partners and the brand.

AVAILABLE SOLUTIONS:

Comarch Loyalty Management for Retail – a loyalty program management system that supports B2C and B2B operators enabling the launch of multiple programs on a single platform and support for all areas (customer registration, profile management, promotions based on different currencies, communication with users, rewarding with gifts and special offers).

Comarch Loyalty Management Travel Edition – a platform dedicated for transport and tourist companies, (especially airlines) and supporting loyalty programs for all carrier types, both for individual customers (Frequent Flyer Programs) and in the B2B model. The system supports the creation of rules for calculating points and defining rewards and privileges.

Comarch Campaign Management – simplifies the integration and automation of marketing activities in order to accelerate campaign launches and increase revenues. The tool enables multi-channel communication with clients, gives better insight into costs and marketing budget, and allows campaign results to be measured via reports.

Comarch Customer Engagement – a solution that manages the engagement and loyalty of clients, and enables the definition of diverse tasks (educational, social and entertainment) for which users are awarded with badges, higher level or ranking position.

Comarch Business Intelligence – supports companies that want to build loyalty strategies through in-depth analysis of a large amount of collected data and provide a detailed picture of purchase patterns, shopping cart values, campaign effectiveness and statistics related to the program.

Comarch Social Mining – an application extending the scope of the loyalty program for social media: based on defined criteria and data sources, it allows social media to be monitored, additional behavioral data based on users' profiles to be obtained, personalized communication to be defined and customers to be rewarded.

Loyalty Consulting – services that create comprehensive, innovative programs, attract clients, increase profits and build a stronger bond between the client and the brand (developing the strategy and program concepts, rewarding methods, marketing communication, developing procedures and analysis of IT requirements).

Management Services – creative services based on measurable strategies, advanced solutions and unconventional thinking: engagement strategies, engaging mechanisms, unique graphic designs (mobile applications, www, TV spots, leaflets and posters), managing the engagement program.

Customer Analytics – collecting, cleaning and auditing customer data, improving and maintaining data quality and analysis, creating customer segmentation models, analyzing migrations and customer activation strategies, forecasting and scoring models, analyzing database marketing and customer satisfaction.

Comarch Enterprise Engagement Platform – a solution for managing motivation, involvement of employees and business partners. The system allows the definition of engaging tasks (in social media, education, sales and entertainment), for which program members are awarded with badges, a higher level or better ranking position.

Comarch Location-based Services – innovative technological platform that enables a highly personalized marketing communication directed through mobile application channels towards people, clients, inhabitants or passengers at certain locations. The solution uses geo-localization and micro-localization, and sends notifications through native iOS or Android applications. The platform contains a navigational module which enables the user to find their way in a building, which is helpful in large facilities such as shopping malls, hospitals and government offices. The platform is integrated with beacons produced by Comarch and the micro-localization is defined by Bluetooth.

Comarch e-Invoicing

The Comarch e-Invoicing portfolio enables automation of sales processes and the supply chain. A comprehensive approach to communication with global partners, covering the electronic exchange of product, retail, logistic and financial data, brings business benefits. In addition, the solutions allow more efficient document management and automation of business processes within the company. Apart from EDI (Electronic Data Interchange) and ECM (Electronic Content Management) solutions, we offer SFA mobile and web solutions (Sales Force Automation) designed to support and optimize sales-related processes.

WE OFFER THE FOLLOWING E-INVOICING SOLUTIONS:

B2B Network – a platform for secure and fast exchange of electronic documents between companies from around the world, regardless of the industry in which they operate. In addition, integration with mobile sales solutions and comprehensive reporting tools guarantees rapid access to reliable business data.

Master Data Management – a central product catalog that allows you to manage product data with multiple clients using a single solution. Comarch Master Data Management is a certified GDSN catalog that ensures rapid synchronization of product data with partners around the world.

e-Invoicing – a solution that ensures automation of the invoicing process in accordance with legal regulations. Multi-channel support allows the processing

and validation of data in various formats, as well as archiving (for both sales and cost invoices).

AP/AR Automation – an innovative solution that provides full control over the entire invoice management process (Accounts Payable/Accounts Receivable). It allows you to reduce the workload associated with manual data processing, speed up the document acceptance process and ensure rapid access to data at every stage of the process.

Procure-to-Pay – a solution that comprehensively supports choosing a supplier of goods/services, contract management, placing orders, e-invoicing and managing and settling transactions within the company. It provides effective cooperation with suppliers and between individual departments in the organization.

Comarch ICT

Comarch ICT solutions allow control of the IT infrastructure of enterprises in telecommunications, outsourcing and data center sectors, based on global standards and technology partnerships with IT market leaders' data security.

COMARCH DATA CENTER SOLUTIONS

Comarch Data Center - advanced technological centers with high availability and Tier III and Tier IV architecture. They are an alternative to clients having to possess their own IT infrastructure resources. Comarch S.A. owns four Data Centers and partners with 11 others around the world. Services are provided in the following models:

IaaS (Infrastructure as a Service) - renting IT infrastructure (specific number of servers, computing power or disk space) depending on the company's current needs.

PaaS (Platform as a Service) - a full hardware and system platform with a complete set of accompanying services necessary to support the client's application along with management, administration and 24/7 monitoring.

SaaS (Software as a Service) - the most comprehensive solution, including the delivery of Comarch applications along with the necessary server infrastructure, PaaS hosting and additional services.

Comarch Enterprise Cloud Platform - a unified and flexible cloud infrastructure with the highest security standards. The platform contains a wide range of tools supporting applications, built on the basis of micro-services. The cloud solution provided by Comarch was created to help solve problems associated with the lack of computing power, allowing capacity to be adjusted to meet the real level of demand for IT resources. The solution allows clients to reap all the benefits of the cloud, such as lower IT costs, increased efficiency and full control over existing IT resources, while optimizing the reliability of corporate data and maximizing flexibility. All this in a secure IT environment located in the Comarch Data Center.

Disaster Recovery Center - an optional service complementing all the above-mentioned solutions. It includes a backup data processing center for critical systems. The service is offered in PaaS or SaaS models, ensuring data replication between two centers and the activation of the backup environment in the event of failure of the primary location.

IT SERVICES SOLUTIONS

Due to dynamic changes in the IT infrastructure market, an experienced technology partner is important for business growth. Placing your company's IT environment in the hands of Comarch's engineers and analysts guarantees required system availability and the continuity of services customized to your needs.

Comarch IT Services - continuous and comprehensive IT services ranging from full support for the end user (service desk and job support), through LAN/WAN network administration, server and security infrastructure, to IT process management, according to good practices of the ITIL library.

Comarch IT Integration - services that adapt the client's IT environment to new business and technical requirements. We support clients from the analysis and design stage of the new IT platform, through the supply of appropriate devices and software, to the implementation phase.

Comarch Business Continuity - services that ensure a high level of system availability, minimize the effects of failures and disasters and guarantee a quick

return to the "before failure" state. In addition, we offer audits in various IT areas.

Comarch Network Managed Services - solutions designed to create and maintain data transmission networks (including WAN/LAN/WLAN). CNMS is a comprehensive product for the construction or modernization of existing transmission networks, the management and administration of these networks, and their security.

Comarch Network Operations Center - a single contact point, providing technical support in IT infrastructure and business applications for all types of enterprises and institutions. Clients gain knowledge about the current availability and performance of individual components of their IT infrastructure, operating systems, or operating platform.

IT RISK & SECURITY MANAGEMENT SOLUTIONS

Managed IT Security Services – an effective and high-quality solution addressed to companies seeking strategic partners who undertake comprehensive IT security management as part of outsourcing. Monitoring and analysis of security events, penetration tests and sensitivity scans are just a few examples of managed services. Comarch adapts the services it provides to meet business and operational demands, and helps clients to comply with IT management procedures and regulatory requirements in their country, handle corporate risk management, and implement industry standards.

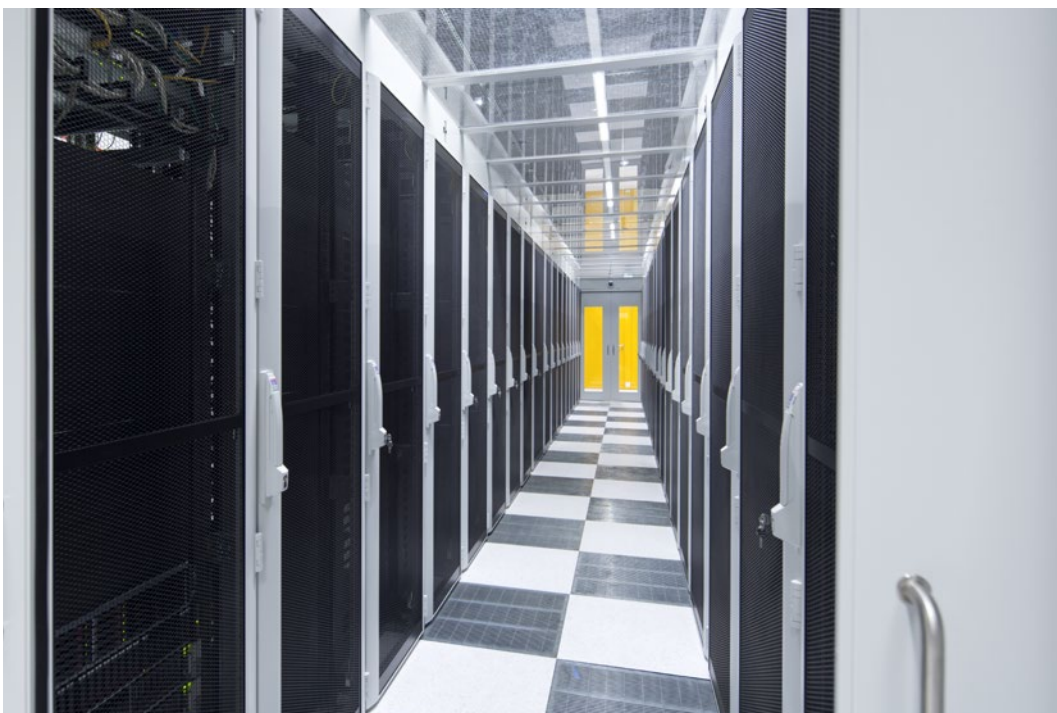
IT Security Auditing & Compliance – services related to evaluation, processing and compliance

with all security standards at regional and international levels. Regular data security audits can detect a potential threat and prevent it early enough to neutralize the risk. We provide a wide range of services related to conducting a detailed audit of IT security, customized to the market needs and customer expectations.

IT Security Integration & Support - we offer a full range of IT integration and support services, from network security solutions to SIEM (Security Information and Event Management) systems. Thanks to a team of qualified network engineers and security specialists, and many years of security management experience, we are able to provide solutions tailored to our clients' needs.



Global Operations Center in Kraków



Data Center in Kraków



MORE THAN
80 HOSPITALS
USE OUR SYSTEMS



ABOUT
30 000
USERS A DAY BENEFIT
FROM OUR SYSTEMS



MORE THAN
200
OUTPATIENT CLINICS
USE OUR SOFTWARE



IN 2016, ALMOST
3 500
PATIENTS WERE INCLUDED IN OUR
REMOTE MEDICAL CARE PROJECTS



WE SUPPORT
HEALTHCARE
24/7/365

Comarch Healthcare

Founded in July 2105, Comarch Healthcare is a member of the Comarch Group. It provides a wide variety of healthcare solutions including, among other things, IT systems for hospitals, software products for radiology and medical record management in medical institutions, cities, and regions. Comarch Healthcare is a supplier of innovative remote medical care solutions that use the company's own software, equipment, and medical infrastructure.

HEALTHCARE CENTER MANAGEMENT SOFTWARE

OPTIMED NXT

A modern IT system for health facility management that supports the organization of patient healthcare in individual wards and clinics from registration to discharge.

Comarch ERP

A hospital administration management system. It helps with the supervision and management of extensive processes related to supply and hospital property management, such as maintenance and growth, employment, and on-going management and development of a large number of specialists.

OPTIMED24

User-friendly outpatient clinic and doctor's office management software. Dedicated to all outpatient clinics regardless of their structure and service portfolio.

Comarch Business Intelligence

A large set of tools to analyze data generated by a healthcare center. The solution facilitates the construction of multidimensional analyses for all processes in the facility.

MEDICAL RECORDS MANAGEMENT SOFTWARE

COMARCH EDM

(Electronic Health Records)

An IT management system for e-documentation in all types of medical facilities and at regional level. Central access to documents from various systems facilitates the with efficient collection and processing of medical data. The solution enables users to exchange information between facilities, which streamlines diagnosis and prevents unnecessary tests.

Comarch Concierge

A multi-channel communication platform for patients that provides continuity of healthcare. This

solution facilitates communication between a health facility, doctor, and patient. Patients can use it to book an appointment with a specialist, order prescriptions, access medical test results, and even consult a doctor from home.

Comarch MEDNOTE

A modern application for managing any doctor's office. Presents medical records in an accessible manner, provides necessary information about patients, and reduces time spent on formalities to the minimum. The system enables user to issue prescriptions orders, referrals, and other medical documents easily.

THE HEALTH CITY

A service and IT platform that includes a set of interdependent applications and IT systems. The service dedicated to regions and cities is an efficient tool for implementing regional healthcare policies. The concept of the "Health City" focuses on residents as the beneficiaries and customers of healthcare services. It was developed from hands-on experience gained by Comarch with regional platforms throughout the country:

- E-Zdrowie in Wielkopolska.
- Regional Medical Information System.
- E-Zdrowie Information System in Podlasie.
- E-Zdrowie in Mazowsze.
- Medical Information System for Małopolska.

Pilots for the "Health City" project have been implemented, for example, in Łódź, Zabrze, Płock, Suwałki, Prusice and Brzeg.

Remote Medical Care

It facilitates detection of cardiological problems, including tachycardia and bradycardia, ventricular tachycardia, ventricular fibrillation, ventricular flagellation, atrial fibrillation, atrial flagellation, and ineffective stimulation by a pacemaker. It is used both for in-patients, and to monitor the health status of patients rehabilitated at home.

Remote Maternity Care

Facilitates non-invasive CTG at a patient's home. After the test, results are sent to a Remote Medical Care Center and assessed by a gynecologist or midwife. CTG provides comprehensive monitoring of fetal heartbeat and uterine contractions from home in the third trimester.

Remote Care For Seniors

This can be used for consultation with an attending physician, physiotherapist, dietician, psychologist, or specialist, about a senior's physical and mental health status and mental state. Tests may be performed by the patient or their carer, or healthcare personnel. Depending on the results, the patient's doctor may contact them remotely, initiate a home visit, or call an ambulance. Tests can be performed at home (for a single patient) and in residential care units or facilities for many patients (services for patient groups).

Remote Medical Center

Remote Medical Center makes it possible to offer medical services remotely. The solution does not replace traditional healthcare, but is complementary to it, offering an extended range of services without the need for employing additional medical staff. The implementation of cost-effective telemedicine solutions improve work efficiency, which allows more patients to be handled at the same time. Owing to the application of telecommunication tools that offer continuous health monitoring, as well as prophylactic and control tests at home, Remote Medical Center improves the efficiency of treatment and provides patients with a greater sense of safety by assuring permanent contact with qualified medical staff. Apart from quick and secure access to electronic medical documentation, doctors can offer tele-consultations to patients, and can consult other specialists, at any time and place, leading to savings in terms of time and money. Thus, the services offered supplement treatment perfectly, particularly in the case of patients who require the continuous supervision of a specialist doctor or long-term care.

COMARCH E-CARE PLATFORM

Remote Medical Care is provided through the Comarch e-Care platform, which facilitates on-going and remote monitoring of patient health status. The platform enables its users to receive and process medical data and data from measuring devices that monitor specific health parameters. It also supports healthcare personnel in following predefined procedures.

COMPONENTS OF THE E-CARE PLATFORM

- TELEMEDICINE EQUIPMENT
- E-CARE APPLICATION WITH WEB INTERFACE
- REMOTE MEDICAL CARE CENTER

A Remote Medical Care Center with healthcare personnel monitoring patient health status is the key component of the remote medical care system.

iMed24 Healthcare Center

Comarch Healthcare S.A.'s healthcare center is naturally an environment for the development of solutions dedicated to this sector. iMed24 was the first healthcare center in Małopolska to offer Remote Medical

- It gathers qualified healthcare personnel, such as paramedics, midwives, various specialist doctors, dieticians, and physiotherapists.
- It monitors a patient's health status all day, including holidays.
- It intervenes if anomalies in terms of individually specified parameters are detected (for example, norm exceeded or alert value reached) and at the patient's request (for example, when the Life Button is used).
- Uses medical procedures that facilitate faster and more adequate intervention.

Comarch Healthcare S.A. has implemented a certified ISO 13485 system for the quality management of medical devices. The Comarch e-Care platform is a class IIa medical device certified for Directive 93/42/EEC.

Care (more than 6 000 patients). The facility has about 100 doctors who work in more than 30 specialist out-patient clinics.



The iMed24 Medical Center started operating in 2012. The center's advantages include complete and modern diagnostic facilities and fully computerized storage of medical data.



The e-Care Remote Medical Care Center, which is located at the iMed24 clinic. It is here that doctors, paramedics and other medical workers monitor life parameters of patients using portable medical devices.



MORE THAN
182 000
CLIENTS USE THE BACKUP
COMARCH IBARD SERVICE



MORE THAN
51 000
CLIENTS USE COMARCH ERP XT



MORE THAN
1 160
CLIENTS BUILT ONLINE STORES BASED
ON COMARCH E-SHOP



MORE THAN
2 260
ACCOUNTANCY OFFICES IN THE IKSIEGOWOSC24 SOCIETY



MORE THAN
224 000
CLIENTS USE COMARCH CLOUD



MORE THAN
30
DIFFERENT SYSTEMS INTEGRATED
IN ONE PROJECT BI



100 000 000
LINES LOADED DURING ONE ETL PROCESS IN BI

ERP Division

Comarch ERP Altum – the first intelligent ERP platform which comprehensively supports all key business processes in medium and large trading and service companies and in store chains. It is also intended for holdings. The solution is adjusted to the Polish and foreign markets. The system is also available in a service model (SaaS).

Comarch ERP XL – for years, this has been the most desired system of the ERP class in Poland and is used by more than 5 000 enterprises from different industries. The solution fulfills (US) requirements of manufacture, trading and service enterprises. The system is also available in a service model (SaaS).

Comarch ERP Optima – an application for micro, small and medium enterprises which offers sales management, managerial and accounting services along with personnel and payroll management. Along with an additional Accountant Office module and iKsięgowość24 Accountant Office Social portal, Comarch ERP Optima is a tool for managing and advertising accountancy and tax counselling offices and tax counselling offices. The application is also available in a service model (SaaS).

Comarch ERP XT – an innovative application for online invoicing, managing a warehouse and simplifying accountancy, it is available through an Internet browser or an application installed on computers with Windows 8, 8.1 or 10 systems. A solution dedicated to micro and small enterprises. Its main advantages are ease of use, complete process automation, the option to integrate with an accounting office, Wszystko.pl portal, Comarch ERP e-Shop and Comarch BI Point. The application is only available in a service model (SaaS).

Comarch Retail – an independent system for managing retail sales, this enables a company to manage a retail store chain efficiently and comprehensively, starting from its main office through back-up facilities to the point of sale (POS).

Comarch Mobile – a package of mobile applications which supports the ERP systems: Comarch ERP Optima, Comarch ERP XL and Comarch ERP Altum. The package includes: Comarch ERP Mobile Sales Manager and Comarch ERP Mobile Sales. Individual applications from the Comarch Mobile package enable management of mobile employees and the sales they have achieved, monitoring the effects of work and the current location of employees on the map and routes registered

by them. They enable efficient implementation of van selling transactions and preselling directly during the client's visit, as well as registration of offers and purchase orders from suppliers, for example during trade fairs. Comarch Mobile also enables the execution of service orders, such as during inspections, assembly or repair of devices.

Comarch WMS – a solution which enables companies to manage a high bay warehouse. The package includes: Comarch WMS Management and Comarch WMS Warehouse. Comarch WMS Management is a tool for the warehouse manager, used to control warehouse operations and manage the flow of goods within its structure. Comarch WMS Warehouse facilitates the implementation of operations by employees directly in the warehouse, using data collectors working online.

Comarch Business Intelligence – this system, based on data warehouse technology, is dedicated for small and medium enterprises as well as international corporations. The solution supports decision-making processes and handling tasks relating to reporting. It offers support to the following industries: financial and insurance institutions, FMCG, service and production.

Comarch BI Point – Comarch's own reporting tool allows you to create and view interactive reports and managerial dashboards online. It is intended primarily for analysts, controllers and managers. The responsiveness of the application allows you to use it as well on mobile devices. Through an intuitive interface and many forms of visualization, it ensures ease of use for the user. The tool is used in every type and size of enterprise. The ability to share reports with other users from different geographic locations and different operating systems, ensures flexibility and versatility.

Comarch IBARD – an easy to use, multifunctional tool for, amongst others, automatic backup, file synchronization between devices and team work on documents. IBard24 allows users to have constant access to company data from any device and place 24/7. A huge advantage of the application is the high level of security of the stored data: double encoding and their storage in a certified Comarch Data Center in Poland. iBard24 is available in four languages (Polish, English, German and French).

iKsięgowość24 – accountancy and bookkeeping services for enterprises, provided by more than 1 000 accountant offices which use Comarch ERP Optima.

Comarch B2B – B2B platform allowing users to, amongst other things, order, order goods on the Internet. A logged on contractor has access to the history of their orders, payments and claims, and can view a realization status of service and production orders. The application works with Comarch ERP XL, Comarch ERP XL and Comarch ERP Altum.

Comarch e-Sklep – online retail software for small and medium companies, fully integrated with the Comarch ERP management systems, price comparison applications, Allegro and Wszystko.pl auction websites, and also with online payment services.

Wszystko.pl – a trading platform (operating on the www.iMall24.pl domain), it enables a company to sell directly on the Internet from the invoicing and warehouse system used by enterprises. Every company that has purchased the Comarch ERP management software can sell its products via this application.

Comarch ERP e-Pracownik - application to manage, among others, working time and leave,

cooperating with the personnel and payroll module in Comarch ERP Optima, Comarch ERP XL and Comarch Altum ERP. The application can be used on your computer, laptop, tablet and smartphone. The program dynamically adapts to the screen size of the device where it is displayed. It can be installed on the user's local computer or as a service model in the Comarch cloud (SaaS).

Comarch ERP Inwentaryzacja – is used to make inventory records using a smartphone. Using the camera built into the smartphone allows you to scan barcodes of goods and enter their quantity or count them automatically for the user.

Comarch TNA (Time and Attendance) is an innovative system for tracking and monitoring working time based on the cooperation of an original mobile application with **Comarch TNA Gateway** devices. The solution can function as a stand-alone system or cooperate with other Comarch systems. It is also easily integrated with third-party solutions.



An extensive network of Comarch partners throughout Poland, which includes almost 1 000 professional companies, sells and implements ERP systems. Some of them have been developing and cooperating with Comarch for 25 years.





20 YEARS
OF EXPERIENCE



MORE THAN
10 000
CLIENTS EACH YEAR



MORE THAN
300
TRAINING PROGRAMS



80
CERTIFIED INSTRUCTORS



COURSES IN
8
BIGGEST TRAINING CENTERS

Training Center

ABOUT TRAINING CENTER

The Comarch Training Center organizes specialized training events and IT consultations at various levels, covering a broad area of IT knowledge.

The instructors at Comarch Training Center are experts in their fields. Not only do they have substantial professional backgrounds, but they are also dedicated to sharing their knowledge by teaching.

Our dedicated team members are proud to possess professional certificates in the following areas:

- OCP – Oracle Certified Professional
- MCSE – Microsoft Certified System Engineer;
- MCT – Microsoft Certified Trainer
- Certified Lotus Instructor
- Linux Certified Professional and Linux Certified Administrator
- CCNP – Cisco Certified Network Professional

With long-term experience, we can recognize all the needs of the client and offer the best form of training events. By continuously expanding our knowledge and searching for new methods of sharing it,

we ensure our clients quickly acquire the skills which allow them to overcome all the barriers in the field of modern information technology.

THE OFFER

- Authorized Cisco training
- Databases (Oracle, MS SQL)
- Programming (SQL, PL/SQL QT)
- Office applications
- Project management
- Operating systems (Unix, Linux, Windows)
- Authorized Microsoft training

After completion, each training participant is awarded the Training Completion Certificate issued by our Center.

8.



**Sustained
Business**

Comarch SA Management Board's statement addressed to the company's shareholders in the field of reporting non-financial issues

Dear Shareholders,

The Comarch Group, due to the size of the company and the scope of its activity, exerts a significant influence on its environment, especially in the economic and social spheres. Sustainable development was one of the key foundations of the company's strategy from the very beginning and, in the opinion of the Group's Management Board, has contributed significantly to the company's market success.

This Non-Financial Data Report of the Comarch Group is the second in a row and the first published after the entry into force of such obligation. Regardless of the formal requirements, Comarch has been using good practices in the field of non-financial reporting for many years (including through the publication of relevant information on the Internet and in annual reports). This results both from the internal need to communicate with shareholders, as well as compliance with the Corporate Governance Principles for listed companies and the provisions of the Accounting Act.

Due to the business profile of the company, social issues related to employment and human rights as well as issues related to diversity management, especially in the area of management and supervisory bodies, are the key issues for Comarch regarding sustainable development. In the opinion of the Management Board of the Comarch Group, adherence to relevant standards and reporting on them is essential for proper human resources management, and thus is a key element for ensuring long-term development and maintaining the competitive advantage of the company.

The key events related to sustainable development and non-financial reporting, recorded in the reporting period, were continuous improvement of management quality, increased role of "soft" incentives, increased promotion of physical and cultural activity among employees, increased management awareness of issues related to diversity, as well as improving suppliers' management procedures. In 2017, the Comarch Group also carried out activities to protect the natural environment, including prior implementation of energy-saving technologies during infrastructural investments and promoting pro-ecological attitudes among the crew. The Group constantly supports various initiatives of local communities and has increased the scale of its charitable activities significantly.

The Management Board of Comarch S.A. notes that the Non-Financial Information Report for 2017 includes non-financial information regarding Comarch S.A. and the Comarch Capital Group. The report was prepared in accordance with the requirements of non-financial reporting included in the Accounting Act of 29th September, 1994, European Commission guidelines on reporting on non-financial information and on the basis of the National Non-Financial Information Standards (SIN) and international Global Reporting Initiative (GRI) guidelines for development reports. The most important challenges and goals of the organization for the next year in the field of non-financial reporting include improvement of processes within the organization, allowing us to achieve the target quality and completeness of reporting, as well as reducing its labor intensity.

Management Board of Comarch S.A.

Integrated Management System

Comarch places particular emphasis on the quality of provided products and services. Efforts aimed at increasing this value are undertaken to satisfy the growing and well-defined expectations of clients operating on the domestic and international market. Thanks to continuous work on the improvement and development of the Integrated Management System, Comarch obtained:

- Certificate of Integrated Management System compliant with the requirements of PN-EN ISO 9001:2009 Quality Management Systems, PN-EN ISO 14001:2005 Environmental Management Systems, PN-N-18001:2004 Occupational Safety and Health Management Systems, PN-ISO/IEC 27001:2014-12 Information Security Management Systems,
- Certificate of the Export Control System that meets the requirements of the WSK Criteria,
- Certificates which confirm that the Quality Management System meets the requirements of AQAP 2110: 2009- NATO requirements for quality assurance in design, development and production as well as AQAP 2210: 2015- NATO supplementary requirements for AQAP 2110 regarding software quality assurance,
- Certificate which confirms that the Quality Management System of Medical Devices meets the requirements of EN-ISO 13485:2012 Medical Devices. Quality Management Systems. Requirements for the purposes of legal provisions.

Certificates of the Integrated Management System and Export Control System were issued by the Polish Center for Testing and Certification (PCBC). The certification body for the AQAP system at Comarch is the Quality Certification Center (CCJ) operating at the Military University of Technology.

Policy of Integrated Management System

The Integrated Management System ensures proper, systemically administered implementation of all business processes affecting the quality of products and services. The proper functioning of the system guarantees that all processes are monitored in terms of effectiveness and efficiency, and improved to the constantly changing market and technological conditions as well as to the changing customer requirements. High quality of products and services is supported by constant care for the environment and for the safety of employees and suppliers. Applying the principles of systems implemented by Comarch contributes to the increase of trust between the company and its customers and suppliers. It also strengthens the image of Comarch in the eyes of all entities interested in the effects of our company's activities in the areas of quality of offered products and services, environmental impact, ensuring occupational health and safety, and safe-guarding information and data security and control in dual-use goods trading.

Comarch Capital Group Code of Conduct

I. THE HIGHEST ETHICAL STANDARDS

Comarch CG is aware of the importance of abiding by the regulations, legal provisions, working procedures and ethical standards it sets for itself. As a leader of the IT market in Europe, Comarch is committed to promoting ethics and is striving to be among the world leaders in fostering corporate responsibility, respect for human rights and environmental protection.

The achievement of this goal is the joint responsibility of all Comarch employees.

The present Code of Conduct has been approved by the Comarch CG Management Board, which is committed to regular assessment and observance of the code, and to amending it on the basis of submitted proposals.

The Code reflects the ethical values that Comarch upholds and intends to abide by. For the employees of Comarch CG, it constitutes the standard of behavior towards fellow employees as well as towards superiors, customers, partners, and local communities

when doing business and also when involved in business related activities.

The present Code of Conduct shall be circulated and publicized by Comarch's PR department.

II. THE MISSION OF COMARCH CAPITAL GROUP

RESPONSIBILITY FOR THE SUCCESS OF OUR CUSTOMERS

Comarch is a global supplier of IT services, which comprehensively support customer relationships and optimize operational activity and business processes. The company's in-depth knowledge of the industry is its main advantage, and we hand this on to our customers in the form of integrated IT solutions. Ever since its establishment, Comarch has placed great emphasis on the delivery of applications and professional services of the highest quality in such a way as to ensure that they can be optimally applied in customers' day to day activities. In this respect, Comarch has already acquired a strong position as a supplier of comprehensive IT solutions. Comarch CG aims at to deliver innovative IT solutions to all sectors of the economy.

More than 5 000 experienced specialists and consultants work for our customers in the USA, Europe and the Middle East. We have conducted thousands of comprehensive implementations and these have benefitted from the use of the most modern technologies, an in-depth knowledge of market trends and a sense of responsibility. More

than a thousand customers in Poland and abroad use Comarch software, and we are proud of the fact that many of our international customers consider Comarch to be an excellent example of a thriving Central European IT company that is efficiently winning global markets. The company's domestic and international product development strategy is supported by extensive R&D investments. In 2015, expenditure on research and development exceeded PLN 138.2 million, 12% of total sales revenues of the Group. In concentrating its efforts on spreading knowledge, Comarch organizes research and development programs based on cooperation with consultants, analysts and customers. The main idea of these programs is to distribute knowledge and to check, compare and revise our ideas for the development of new technologies while also taking into account market trends. Comarch's strategy is based on using the diverse experience and knowledge of its employees to deliver a full range of IT services from consulting, through the implementation of individual solutions, to outsourcing.

III. THE VALUES CHERISHED BY COMARCH CAPITAL GROUP

In the Group's internal relations and connection with shareholders, Comarch cherishes universal values by fostering honesty, diligence and conscientiousness in the delivery of the tasks the Group is entrusted with, quality and innovation as individual goals the

employees set for themselves, building and maintaining trust among co-workers and business partners, as well as respect, understanding and willingness to help and assist others regardless of the position held in the company or diversity of opinion.

IV. MAINTENANCE OF THE HIGHEST STANDARDS OF WORK

Comarch Capital Group respects and maintains international standards regarding human rights as well as the international standards of work, perceiving them as fundamental and universal.

Comarch CG respects and executes labor law regulations as well as health and safety provisions and ensures that employees are always treated in accordance with the requirements in force.

Recognizing the right of employees to free association, Comarch CG engages in dialog with an elected council of employee representatives.

The Group respects the prohibition of discrimination based on race, social status, ethnicity, religion, impairment, disability, sex, sexual orientation, political affiliation and views, age or marital status.

The company guarantees freedom of conscience and religion as well as freedom of speech and opinion.

Comarch CG promotes teamwork that is free from any prejudice and consciously pulls strength from the values which are there to draw on and that stem from the diversity among the employees. In return, the Group makes every effort to ensure that their employees get fair and regular remuneration and have development possibilities, stimulating challenges, and very good working conditions.

V. CORRUPTION AND PROMOTION OF FAIR COMPETITION

Comarch Capital Group observes the rules of fair competition and prevents bribery, illegal payments and corruption.

It is the duty of Comarch Capital Group's employees to avoid any activity leading to a conflict of interests, namely receiving or offering gifts as a part of business and commercial activity.

VI. PARTNERSHIP IN BUSINESS

Customer Relationships

Comarch CG's main principles are responsibility for its customers' success as well as respect for and openness to their needs. Comarch delivers innovative IT services of the highest quality, which result from the employees' experience and exceptional skill, and from cooperation with the leading research and development centers in Poland and abroad. The Group spares no effort in ensuring that the IT solutions delivered correspond with the highest standards and customer requirements.

Contacts with Public Administration

As far as contact with the public sector customers (central and local government, community partnerships, treasury companies, public health centers) is

Comarch CG protects its employees' copyright and, with regard to international standards, respects their intellectual property as personal goods that should be free from any abuse.

The Group respects the prohibition of the following: the work of children below the age of 15, the use of corporal punishment, mental and physical bullying, insults and sexual harassment, and considers the workplace free of such practices.

It is forbidden to pay or to propose bribes or illegal services to state officials or the representatives of political parties in order to make or to keep a transaction. Comarch employees shall not derive benefits or assist in deriving benefits from opportunities which may arise as a result of using company information or their position within the Group.

concerned, the provisions of the Public Procurement Act of 29 January 2004 (Journal of Laws of 2004, no. 19, item 177 with amendments) are applied. These provisions regulate the method of communication with the ordering person during the tender procedure, the scope of activities which can be undertaken by the parties to the procedure as well as the resources available for legal protection.

Security in International Business

In order to ensure control and security in the trading of products, technologies and services which are strategically important for your security, Comarch CG has implemented the Export Control System, which guarantees that international and domestic standards and requirements are applied.

VII. INTEGRATED MANAGEMENT SYSTEM

Comarch Capital Group sets particular standards by the quality of the products it offers and the services it provides. Quality-raising initiatives are therefore undertaken to ensure that the ever increasing and more specific expectations of customers on both the Polish and international markets can be met.

The Integrated Management System guarantees the correct system of administration for the realization

of all business processes which have a bearing upon product and service quality. The effective operation of this system ensures that processes are continuously monitored and that they are improved and adapted according to the changing market conditions, technologies and customer requirements. The emphasis placed upon the quality of products and services runs parallel to the Group's active support of environmental

protection, and strict adherence to the security principles that apply to employees and suppliers.

Compliance with the rules and systems implemented at Comarch results in relations of trust being developed between the company and its customers and suppliers. In this way, Comarch's corporate image

is reinforced in the eyes of all parties interested in the effects of the company's activities within such areas as product and service quality, impact upon the natural environment, occupational health and safety, information and data security, and the sale of dual-use products.

VIII. ECOLOGICAL AWARENESS

Comarch Capital Group follows the legal regulations regarding the protection of the natural environment. Comarch makes great efforts to limit the impact of its activities upon the natural environment by minimizing the exploitation of natural resources and the

amount of waste resulting from current activities. The company also promotes an ecological lifestyle among its employees by supporting initiatives that encourage the active protection of the natural environment.

IX. CORPORATE SOCIAL RESPONSIBILITY

Comarch Capital Group has been deeply involved in social activities since its inception, by propagating the idea of an extended social platform for promoting sport and advanced IT technologies.

As far as promoting and supporting sports is concerned, the principal object of Comarch's engagement is MKS Cracovia SSA, the oldest sports club in Kraków, which participates in professional leagues and competitions in several sports disciplines with a focus on football and ice hockey. Comarch Capital Group is also involved in promoting sports among young people.

Comarch provides its employees with permanent and free access to recreation facilities located in one of the company buildings, and so encourages them and their families to lead an active lifestyle.

Another idea widely promoted by Comarch Capital Group is the organization of knowledge regarding the most recent IT technologies. Every year, a group of approximately 300 IT students participate in a three-month summer internship program at Comarch, which enables young people from all over the world to become familiar with cutting-edge IT solutions for business.

Furthermore, Comarch supports Polish science by taking part in and co-financing scientific conferences.

Finally, Comarch Capital Group is also a frequent sponsor of cultural events, including festivals, concerts and other socially significant events.

X. IMPLEMENTATION AND ENFORCEMENT

All obscurities, ambiguities and problems related to the interpretation of the Code of Conduct should be submitted to the Spokesperson on Ethics appointed by the Management Board. Comarch employees are encouraged to present any remarks or suggestions regarding the modification of the Code of Conduct.

The Spokesperson on Ethics is responsible for:

- Supporting employees with regard to complying with the Code of Conduct

- Promoting the Code within the company
- Updating the Code
- Taking proper steps in response to any problems that employees may have regarding the ethical dimensions of the business activities they undertake
- Employees of Comarch Capital Group are entitled to expect assistance and support from the Spokesperson on Ethics regarding questions submitted by e-mail to: etyka@comarch.com

DECLARATION OF POLISH BUSINESS FOR SUSTAINABLE DEVELOPMENT

In May 2014, Comarch signed the "Declaration of Polish Business for Sustainable Development" and thus gave an assurance that it would work actively towards the development goals set out in the Vision of Sustainable Development for Polish Business 2050. The Declaration contains 10 assumptions that will allow us to live with dignity in the future and to use the limited resources of our planet wisely.

Signing the Declaration took place with the inauguration of the third stage of the Sustainable Development Vision project for Polish Business 2050. The participants of the meeting were made aware of the proposals for this stage, and were able to engage in social innovation, sustainable production and consumption, renewable energy sources, greening the new perspective and small and medium enterprise work groups.

The Vision 2050 project refers to the international initiative taken by the World Business Council for Sustainable Development (WBCSD). Vision 2050 is a joint project of the Ministry of Economy, Ministry of the Environment, Responsible Business Forum and consulting company PwC. The aims of the activities undertaken are to integrate business in Poland around the idea of sustainable development, to indicate to business representatives the importance of challenges in this area and to strengthen the administration and business dialog to develop specific solutions to support the implementation of Poland's development goals. Comarch has been cooperating with the organization of the recovery of electrical and electronic equipment for several years.

By signing the "Declaration of Polish Business for Sustainable Development" Comarch, committed to:

- Support its activities for broad cooperation, innovative thinking and education of both our own employees and society
- Conduct its business based on trust and dialog,
- Cooperate with academic centers and schools in the education of future employees
- Create conditions and development opportunities for employees
- Promote and support the implementation of new technological solutions
- Create infrastructure and conduct investments based on dialog and in accordance with the principles of sustainable development
- Take action to reduce its negative impact on the environment
- Introduce a solution that reduces energy consumption in the implementation of new technological solutions, process optimization and education
- Conduct dialog with the government and share its experiences on issues important to entrepreneurs and the economy
- Raise the level of ethics in business, including in relations with all groups of stakeholders

The risk for the above Declaration is failure to meet its assumptions. Comarch is successively striving to meet them through effective implementation of processes within the Integrated Management System and implementation of all the above-described policies.

HUMAN RIGHTS

The Comarch Capital Group respects and complies with international standards regarding human rights and international labor standards, treating them as fundamental and universal. The organization respects and implements labor law and occupational safety and hygiene regulations, and also ensures that employees are always treated in accordance with the applicable requirements.

Recognizing the right of employees to free association, Comarch undertakes dialog with the elected council of employee representatives. Comarch has not identified cases in which there may be

a violation of the rules or there may be a serious risk of association and collective bargaining both within the organization and among suppliers.

Comarch respects the prohibition of discrimination due to race, social status, ethnic origin, religion, disability, invalidity, gender, sexual orientation, relationship or political affiliation, age or marital status.

Comarch guarantees freedom of opinion, conscience and religion as well as freedom of beliefs and expression. The Comarch Capital Group promotes team work free from any prejudices and

consciously derives strength and values from the diversity of its employees. In return, the company makes every effort to provide its employees with fair and regularly paid wages, the possibility of development, interesting and ambitious challenges and very good working conditions.

The Comarch Capital Group protects the copyrights of its employees and also, in relation to international standards, respects intellectual property as an individual good, safe from abuse.

The Comarch Capital Group respects the prohibition of the work of children under 16, forced labor, corporal punishment, mental and physical coercion and insults, as well as the prohibition of sexual harassment, and declares the workplace to be free of such practices.

Neither Comarch S.A. nor the Comarch Group identified cases of violation of human rights, child labor or forced labor, including among subcontractors. No complaints about respect for human rights were received.

Employees of the Comarch Group companies are trained in the dimension of respect for human rights and in the ethical area during the first step of training organized by the employer in their first days of work at Comarch.



Declaration of Polish Businesses for Sustainable Development

Aware of the challenges faced by the Polish economy and fully recognizing the need to pursue a path of sustainable development, we, the undersigned, hereby commit:

- I. To running our operations based on extensive cooperation, innovative thinking and education of our own employees and society at large.
- II. To carrying out business based on trust and dialog.
- III. To cooperating with academic institutions and schools in the education of future employees.
- IV. To creating conditions and opportunities for the professional advancement of employees.
- V. To promoting the implementation of new technologies and their support.
- VI. To building infrastructure and running projects based on dialog and in line with principles of sustainable development.
- VII. To taking steps to reduce our adverse impact on the environment.
- VIII. To introducing solutions designed to reduce energy consumption by deploying new technologies, streamlining processes and education.
- IX. To communicating with the government and sharing our experience in areas relevant to business and economy.
- X. To enhancing ethical standards of business conduct, including relations with all groups of stakeholders.

Declaration of Polish Businesses for Sustainable Development

Policy of Export Control System

Broadly understood technological development and rapidly growing competition put new requirements on software, implemented IT systems and goods in circulation. The necessity to meet these requirements means that the products provided by Comarch may be goods of dual-use and be used in a manner inconsistent with the principles of national and international law. To prevent such practices, the Export Control System has been implemented within the Comarch Capital Group. The main document of this is the Policy of Export Control System. The main assumptions of this policy are as follows:

- Excluding the possibility of making a profit contrary to the requirements of the Export Control System
- Refusal to handle trade in goods when it is contrary to national and international law
- Enforce the rules of the Export Control System at all workstations related to trade in goods
- Supervision of the Proxy for Trade/Turnover Control over the course of the Export Control System processes

Security Policy

Information and information processing systems constitute critical and extremely important goodwill, which is why Comarch places great emphasis on protecting both its own data and customer assets. A comprehensive information protection system based on the PN-ISO/IEC 27001:2014-12 and ISO / IEC 27002:2013 standards was implemented. The system has been certified by the Polish Center for Testing and Certification (PCBC) since 2008 as part of the Integrated Management System. The system covers all internal processes supporting the company's activity and business processes and covers all of the company's assets.

The Security Policy regulations include organizational issues, raising employee awareness, physical asset protection, IT technical security, business continuity and response to incidents of information security breaches. Internal policies and procedures have been defined to regulate the confidentiality, integrity and availability of data belonging to Comarch and its clients, which in particular define:

- Rules for classifying and handling information,
- Comarch IT network management policy
- Systems and application administration rules
- Principles of entering and remaining upon Comarch premises
- Principles of the use of assets and removing equipment from the company premises
- Principles of securing personal computers
- Principles of securing information media
- Principles of remote access
- Principles of email security
- Password policy
- Business continuity policy
- Antivirus policy

Many organizational and technical measures have been implemented to ensure comprehensive and multi-level protection of data and assets to counteract and minimize the effects of information security incidents.

The system ensures a continuous process of monitoring and reacting to information security risks. It allows continuous improvement of the protection afforded to data and assets, both of Comarch and its clients. Conclusions from the operation of the safety management system are reported to the Management Board and necessary improvements and corrective actions are taken.

Among the most important risks, which are counteracted by the implemented security measures, can be mentioned:

- Breach of information security
- Unauthorized operations
- Unavailability of key services and Comarch space
- Compliance with legal provisions

Within the company, dedicated business units operate to deal with information protection, determination and implementation of standards and monitoring the security of Comarch's assets.

Business continuity plans have been developed to maintain business continuity in key areas of the company.

Sustainable Development Policy for Suppliers

Comarch, as a global organization specializing in the design, implementation and integration of advanced IT products, has a significant impact on the functioning of the supply chain. In addition, as a company, we realize that the success of undertaken activities/projects depends not only on us but also, to a large extent, on our business partners. The key issue is the appropriate selection of contractors who satisfactorily meet certain criteria. Thanks to this, we can be sure that cooperation with them will in no way disturb the stability and efficiency of processes implemented within the supply chain.

The Comarch Capital Group has a Sustainable Development Policy for Suppliers, which defines the most important principles that the company follows during cooperation with business partners. In addition, this document is a commitment to a sustainable development policy and sets out requirements for key suppliers.

These commitments are implemented mainly through:

- Supporting and encouraging our clients and suppliers to act in accordance with the principles of ethics, social responsibility and environmental protection
- Building a good partnership with suppliers based on mutual cooperation, trust and integrity,
- Conducting activities related to orders in accordance with rules of law and legal regulations- domestic and international
- Selection of suppliers with the conviction that only responsible practices in the supply chain can ensure the highest quality of the final product or service, while at the same time caring for the environment, good work standards, business ethics and local communities
- Managing environmental impact in a responsible manner in accordance with ISO 14001 or similar standards to reduce the negative impact on the environment
- Applying occupational health and safety standards in accordance with OHSAS 18001 or a similar standard to minimize the risks associated with occupational risk and prevent injuries
- Understanding implementation of good business practice, social issues and environmental protection which are related to the activities of the supplier
- Operation in accordance with applicable law,
- Recognition of employees' right to associate and collective bargaining
- Prohibition of discrimination in all its manifestations, due to: race, social status, ethnic origin, religion, disability, invalidity, gender, sexual orientation, relationship or political affiliation, age or marital status
- Prohibition of employment of children under 16 and to apply corporal punishment, mental and physical coercion, abuse and sexual harassment,
- Elimination of forced labor

We are convinced that high standards of conduct in business, with which Comarch undertakes to comply, should be also enforced from our contractors. That is why we require the following rules from our key suppliers:

Policy of Respect for Intellectual Property of Third Parties

As a software development company, the Comarch Group understands the need to respect intellectual property rights and, for its part, strives to fully respect the intellectual property of third parties, including other software developers, as well as Comarch's suppliers and customers. Comarch abides by legal regulations concerning the principles of respecting intellectual property of third parties at the level of international, community and national law and supports the system of intellectual property protection. Comarch makes every effort to ensure the highest level of protection of intellectual property rights of third parties.

The basic policy objectives in force in the Comarch Group regarding these issues are:

- Taking care to ensure respect for intellectual property of third parties
- Ensuring respect of patents, trademarks and other industrial property rights of third parties
- The use of intellectual property, patents, trademarks and other industrial property rights of third parties in accordance with the law and the licenses obtained by Comarch
- Use of third-party software only in the scope of licenses granted to Comarch
- Protection of intellectual property, patents, trademarks and other industrial property rights of Comarch
- Protection of Comarch's interests, in particular financial and legal
- Care for the high quality of offered products and services
- Risk management in the area covered by the policy
- Intellectual property and license management

The policies resulting from the primary objectives are:

- Protection of intellectual property of Comarch's suppliers and recipients
- Familiarizing Comarch employees with the policy and enforcing its compliance
- Achieving transparency of the rules of using intellectual property of third parties by Comarch employees
- Achieving the highest level of understanding and respect for intellectual property rights
- Prohibition of the use by Comarch employees and associates of software that infringes property of third parties

Comarch aims to achieve the objectives of the Policy by training employees and acting in accordance with the procedures ordering the process of evaluation, selection and acquisition of software and storage of licenses for:

- Software for Comarch's internal utility and office needs
- Programming components and source codes for use in Comarch products

- Programming components and source codes for use in programming services implemented in such a way that Comarch's work effects become the property of the client (Comarch dedicated products).

Policy objectives are also implemented through activities under the certified Export Control System, in accordance with the procedures for foreign trade in goods, technologies and services of strategic importance for national security, as well as for maintaining international peace and security.

The duties of each employee and co-worker of Comarch include knowledge and observance of the Policy of Respect for Intellectual Property Rights and procedures resulting from it, to the extent to which they relate to them, i.e. in the scope of:

- Responsibility for using Comarch software
- Responsibility for a Comarch employee or co-worker's use of software on Comarch hardware
- The manner of obtaining consent for the use of intellectual property of third parties in Comarch products and Comarch dedicated products
- The manner of obtaining consent for the purchase of new software

Both the supplier and the recipient of the software have the right to have their intellectual property rights respected. Appropriate procedures followed by Comarch employees and co-workers while using intellectual property guarantees that respect. Realization of activities in accordance with the presented guidelines minimizes the risk of non-compliance with applicable legal regulations in this area and possible financial claims. In the case of detection or obtaining information regarding non-compliance with this Policy, as well as cases of intellectual property infringement of third parties, Comarch obliges its employees, co-workers, suppliers and recipients to report such cases to the Quality, Health and Safety Department and the Legal Department via a dedicated email address.

Policy of Quality of Medical Devices

Besides the core activities related to software and IT system development and the provision of services in this area, Comarch also conducts activities in the field of production and marketing of medical products and services.

In terms of health and safety impact, products being medical devices created by Comarch Healthcare S.A. are tested. These products are subjected to appropriate analysis and certification.

With a view to improving the quality of life, sense of security and health of our clients, Comarch offers a wide range of products and medical services. Offered products are created as a response to market needs in the field of prevention and treatment, and are prepared on the basis of the latest technologies as a result of the cooperation of Comarch qualified employees with the scientific medical community. Comarch guarantees the right quality and safety of the offered products, professional and ethical service, as well as help and advice tailored to the individual needs of customers.

In order to implement the provisions of the Policy of Quality of Medical Devices, the Board and employees of Comarch undertake to:

- Adapt products and services to the expectations and requirements of clients, maintaining the requirements of legal regulations in the scope of production and distribution of medical devices and provision of medical services as well as in the field of IT products and services
- Place products and services on the market that meet the quality and safety requirements
- Reliably inform about the quality and safety of the offered products and services
- Constantly and systematically take care of the quality and competitiveness of the offered products and services
- Develop cooperation with suppliers to improve the quality of offered products and services,
- Raise qualifications
- Constantly improve the efficiency of the quality management system

The means of achieving the above objectives are implemented and constantly improved quality management systems developed and based on the requirements of:

- Directive 93/42/EEC Medical devices (MDD)
- EN-ISO 13485 Medical Devices standard. Quality Management Systems. Requirements for the purposes of legal provisions
- ISO 9001 standards. Quality management systems. Requirements



Non-financial data reporting

The Comarch Group complies with local environmental legislation. Comarch consciously limits the impact of its operations on the natural environment, minimizing the consumption of natural resources and restricting waste generated as a result of operations. It also promotes an environment-friendly lifestyle among its personnel by running campaigns that encourage active participation in environmental protection, such as the voluntary signing of the "green declaration" by Comarch personnel.

In May 2014, Comarch signed the "Declaration of Polish Business for Sustainable Development", thus assuring that it would take active steps towards the attainment of development goals set out in the 2050 Vision of Sustainable Development for Polish Business. The Declaration comprises 10 assumptions which, if implemented, will enable us to live with dignity in the

future and benefit wisely from the scarce resources of our planet.

The environmental policy and procedures under the Integrated Management Systems put an obligation on Comarch S.A. to take active steps to curtail negative environmental impact. Using the implemented Environmental Management System compliant with the requirements of ISO 14001 standard, Comarch identified environmental aspects that it monitors, supervises and moulds.

The 2017 Non-Financial Data Report was published on 29 April 2018. The document comprises non-financial information concerning Comarch S.A. and the Comarch Capital Group. The full report can be found on the website at: <https://www.comarch.pl/relacje-inwestorskie/raporty-okresowe/2017/>

Occupational health and safety

ACCIDENT SUPERVISION AND INVESTIGATION SYSTEM

Accidents at work in the Polish companies of the Comarch Capital Group are investigated under applicable law by the Chief Health and Safety Specialist and Employee Representative. Reports determining the circumstances and root causes of accidents are approved by the employer. The register of accidents at work and accident documentation are subject to archiving. The method for reporting and recording accidents is described in internal procedures developed on the basis of applicable legal requirements and the Comarch practice.

No fatal or serious accidents were recorded in any company of the Comarch Capital Group in 2016 to 2017, and neither was there any suspicion of occupational disease. There were no accidents among Comarch subcontractors.

In each of its branch offices, Comarch has a group of first responders (approximately 120 in all), who are employees trained in medical care at first aid level, and in evacuation operational procedures. First aid courses, aimed at refreshing and systematizing knowledge, informing about any changes in first aid standards, and updating on changes in the field of evacuation, are held every two years. The training courses are also intended to supplement the total number of first aiders. First aiders have at their disposal first aid equipment and instructions for providing medical care at this level. Instructions and check lists describing operational evacuation procedures have also been prepared. The first aiders are volunteers.

ACTIVITIES OF THE WORKS COUNCIL

At Comarch S.A. and the Polish companies that are members of the Comarch. No trade unions have been established at Comarch S.A. or the Polish companies that are members of the Comarch Group. Instead, a works council has been established at Comarch S.A. It runs its activities pursuant to the Act of 7 April 2006 on informing and consulting employees. Employee representatives are selected from

among those with employment contracts, every two years. Employees' representatives take part, among other things, in the analysis of accidents at work under the applicable legislation. In 2016, the employer consulted with the employees' representatives about amendments to the work by-laws. The amendments proposed by the employer were accepted unanimously by the employee representatives.



There are no collective labor agreements at the Polish companies that are members of the Comarch Group.

At foreign companies that are members of the capital group in the DACH region there are no trade unions. However, there are works councils. Employees choose a works council for a certain site, then all employees at that site are subject to the jurisdiction of its works council. It is not mandatory to form a works council, and the decision about whether or not to do so rests with the employees. Not all employees are eligible for participation in the elections. The constraints concerning works council election are connected with seniority. The elections are arranged every few years, as regulated by the Act.

Works councils in individual companies of the Comarch Capital Group in the DACH region are as follows:

- Comarch Solutions AG – Innsbruck
- Comarch AG – Munich
- Comarch Software und Beratung AG

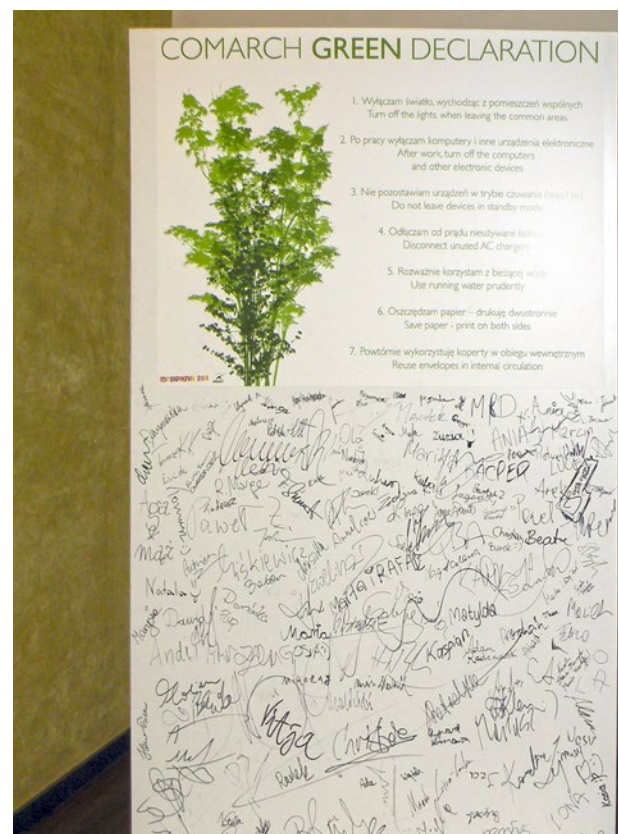
At Comarch SRL (Italy) there are no trade unions. Employees are subject to a national collective labor agreement that was signed to regulate the relations between employees and employers. It is a collective labor agreement because it impacts all employees

whom it covers in the national sector, applying as it does to all companies based in Italy. It regulates the employment relationship, e.g. work schedule, qualifications and duties, remuneration, etc. Comarch SRL is subject to 'CCNL del commercio' (national collective bargaining agreement in commerce).

There are no trade unions in other foreign companies that are members of the Comarch Group. Some of them have sectoral agreements.

Last year, no collective disputes were initiated in any of the companies that are members of the Comarch Group.

Every significant investment agreement in both Comarch S.A. and in the Comarch Group is analyzed in terms of its compliance with human rights. Such agreements were concluded only in the EU countries where the risk of violation of human rights is low. In every significant investment agreement signed in 2016 and 2017, there was a clause requiring the contractor to comply with fundamental human rights. The agreement for the purchase of fixed assets or intangible assets vital to run business operations, with a unit value of over PLN 10 million, is considered to be a significant investment agreement.



"Comarch Green Declaration"

9.



Corporate Social Responsibility

Corporate social responsibility (CSR)

Socially responsible business largely relies on activities for the local community. Since its establishment, the Comarch Capital Group has been involved in social activities, propagating the idea of developing a broad social platform to promote sport and most advanced IT technologies. There are other important activities promoting healthy life styles and environmental protection, help to animals, support to culture and support for initiatives of local communities.

CSR FOUNDATIONS AT COMARCH

The basis for activities within the area of corporate social responsibility is the Code of Ethics, approved and maintained within the company. A detailed CSR report for the Comarch Group has been documented and presented every year. It is available at: <http://www.comarch.pl/o-firmie/zrownowazony-biznes/csr/>

In view of extensive activities of the Comarch Group in the area of corporate social responsibility, work has been initiated in developing a comprehensive CSR policy.

COMARCH FOR CULTURE

In 2017, Comarch made a major donation for the overhaul of the organs in St. Mary's Church in Kraków and will be a co-funder of a new instrument and the revitalization of the entire music space in the church.

– Comarch becomes more actively involved in corporate social responsibility and commits to projects concerning the protection and reconstruction of national heritage. We are based in Kraków and we care that our city develops as a meeting place for culture lovers from all over the world. That is why for several years we have been supporting organ concerts at St. Mary's Church that attract crowds of music lovers. The basilica is the heart and symbol of Kraków and the bugle call played from its tower very day reaches people all over Poland and beyond. It's high time the sound of the organs is played with perfection due to the place – says Prof. Janusz Filipiak, founder and CEO of Comarch S.A.

For many years, the company from Kraków has been cooperating with **St. Mary's Church** parish in the organisation of musical events and has been sponsoring the **St. Mary's Organ Festival** – a cycle of summer musical events within the parish – since the very first festival.

Another year Comarch S.A. has also sponsored the event that has become a landmark in the cultural calendar in Kraków – **Last Night of the Proms**.

Comarch Swiss AG financially backs the **Polish Museum in the town of Rapperswill** in Switzerland.

GRANT COMPETITION COMARCH CARES

In 2017, there were two editions of the grant competition #ComarchCares at which Comarch employee teams, working with a selected institution, could propose projects to support local communities contributing to solving problems in areas such as new technologies, ecology and animal protection, culture, education, sport, addiction prevention, activities for the handicapped, socially excluded children and young adults, and senior citizens. Last year, grants (each of PLN 2 500) were awarded to four projects: "Summer in a kayak" (for children and teenagers from rural areas, developed in cooperation with the Students' Sports Club "Zalew" Jerzykowo), "How to learn effectively" (for children under the care of the MOŻESZ [YOU CAN] Association and the Environmental-Integrating Club in Piastów), "Empathy in practice" (an educational project pursued jointly with the Arkadia Friends Society) and "Clean air around us" (purchase of air filters and educational classes for the City Kindergarten No. 126 in Łódź). Additionally, the project "m-Bot programming workshop in Scratch language" was held under way (for children from the School-Kindergarten Complex in Nidek, which had received a grant a year earlier).



SPORT AND A HEALTHY LIFESTYLE

For almost 25 years, Comarch has been involved in promoting sport among teenagers and other inhabitants of the Małopolska province, mainly by sponsoring a sports club. Since 2015, it has been the main sponsor of the Swiss football club ZUG 98; for 16 years it has been the titular sponsor of the City Sports Club Cracovia. The company also promotes a healthy and active lifestyle among its employees.

CRACOVIA

"My Cracovia" is how Cracovia used to be described by one of the greatest of the club's fans - Pope John Paul II, now St. John Paul II. Comarch's patronage of the club dates back 17 years to 2001. Cracovia is the oldest continuously running football club in Poland. With its history of over a hundred years, it has become a legend of Polish football, and, with the support of Comarch, it has become a strong brand in Polish sport. According to a report by E&Y, Cracovia is one of the best managed Polish clubs of recent years. This is evidenced by high and diversified revenues, good liquidity and a balanced budget. Please note that it is considered to be a reliable, solvent employer which is not that common in Polish football. Comarch holds 66.11% of shares in MKS Cracovia SSA, which guarantees a stable condition of the club.

The football team has been Poland's champion five times. The hockey team of Comarch Cracovia won its 12th championship in the 2016/2017 season. The title won in 2015/2016 became a pass to the Hockey Champions League. In mid-August 2016, Comarch Cracovia, as the first team from Poland, had its début in the elite tournament of the best teams in Europe, playing against Sparta Prague and Färjestad BK.

110 years of Cracovia is a history not only of great successes, cups and Polish championships. There are generations of people brought up with fair play values, with a great respect for opponents and the best features of athletes: diligence, ambition and discipline. Referring to the great tradition of training young ones, the "Stripes" invite you to participate in the Cracovia Master Academy and Cracovia Kids projects.

Employees of Comarch with families can support their team at matches played in Kraków.

- Cracovia is a specific club. Not because we are an investor. This is Poland's oldest sports institution. It has been operating since 1906 without any interruption. Kraków is also specific. I am not saying this influenced by emotions. It is one of few cities in Poland in which the inhabitants were not resettled in the two world wars. We in Kraków meet people whose whose grandfathers and great-grandfathers used to watch Cracovia matches. No matter which position is occupied by the football or hockey team, the tradition has been passed down from one generation to the next. This is a real value. Now Comarch is not able to divest as Kraków would never forgive. Cracovia is a value in itself. We appreciate that since the head office of

Comarch is in Kraków. The inhabitants of Kraków and our employees expect us to provide somewhat more to the region than jobs – **says Prof. Janusz Filipiak.**

CRACOVIA IN CHARITY ACTIVITIES

Helping children is a priority for Comarch-owned Cracovia. Football and hockey players not only get directly involved in various social actions for children, but they often invite their fans to participate. Cracovia has been organizing special charity actions such as the "Teddy Bear Toss" collection of soft toys for the Children's University Hospital in Kraków and for a children's home in the city. On St. Nicholas' Day, gifts were handed to almost 500 children, and the fourth edition of the "Clean Angel" action was organized before a league match to collect toiletries among the fans of Cracovia for delivery to children from poor families in Kraków.

The club has been taking care of the safety of its youngest fans by organizing a Young Stripe Fan Zone in the stadium. Various games are held in the zone under the watchful eyes of volunteers from the "Cracovia is Us" Association. The zone is often visited by players who meet children, give autographs and pose for pictures.

Cracovia has also participated in projects supporting the poor and the sick, such as "Noble Parcel" and "The Great Orchestra of Christmas Charity" - the latter of which has seen Cracovia football and hockey memorabilia such as players' match shirts donated for sale in fundraising auctions.

It has also supported John Paul II Family Children's Homes on the anniversary of the death of John Paul II. For a second time, Cracovia collected food and toiletries for two John Paul II Family Children's Homes – in Chrzanów and Dursztyn.

The club has also been involved in actions and projects organized by other institutions or foundations to promote a healthy life style and and sport. These have included the "Christmas Dream Cup", a charity football tournament for children from children's homes, organized jointly with students from universities in Kraków, "May on a Bicycle" - organized by the city council and junior high schools to propagate safety of fans at stadiums and a health lifestyle among children and teenagers, and "Striped Classes: Classes with Cracovia" - covering sport and other physical activities and involving the participation of football and hockey players.



ACTIVE COMARCH

In Poland, Comarch encourages its employees to commute to work on bikes, providing them with bicycle infrastructure (stands, locked bicycle rooms, self-service repair stations and showers) and various actions related to cycling. At this year's "Cycling Breakfast", the employees who on that day came to work on bicycles were offered healthy snacks.

Additionally, various sports competitions are organized during a great open air event for employees of the company and their children. Sports activities also accompany many integration events.

The Comarch Group encourages its employees to participate in external sports events. Income from such events is assigned to social purposes (e.g. Business Run, IT Championship in Lublin, Ecorun).

In 2017, employees of Comarch Group companies in Poland attended several dozen running events all over Poland, and participated in volleyball and football tournaments. Once again they tried their strength at dragonboat racing.

The summer of 2017 saw the third editions of ComarchONrun, ComarchONbike and ComarchONmove. Before the competitions, there was running training under the eyes of an experienced coach.

The employees of Comarch Group companies in Kraków and their children have access to the Recreation Center (swimming pool, gym and sauna), located at the Comarch campus in Kraków.

CHRISTMAS STYLE

As in previous years, 2017 saw employees from Polish branches of Comarch get involved in the organization of Comarch got involved in the organisation of Christmas collections for those in need. With their great commitment they managed to help more than a dozen institutions various organisations (e.g. Small Children's Home in Kraków, Wielkopolska Food Bank, St. Brother Albert Dormitory for Homeless Women with Children, Spring Association, Ewa Szelburg-Zarembina Family Homes in Lublin, Central Clinical Hospital in Łódź).



HELP FOR ANIMALS

During this year's charity actions, employees of Polish companies in the Comarch Group also remembered about homeless animals. In 2017, collections for shelters and other animal aid foundations were held at Comarch's head office in Kraków and several other branches in Poland. Support was provided to 11 organizations all over the country.



WE GREEN KRAKÓW

250 yew seedlings were planted last year by Comarch employees and their family members in the Floriańska Garden in the Planty Park in Kraków. It wasn't the first time (and won't be the last) that Comarch took part in such a joint activity with Kraków's Urban Greenery Management Department.



POPULARIZATION OF SCIENCE AND COOPERATION WITH UNIVERSITIES

Since its establishment, the Comarch Group has actively cooperated with schools, universities, and other educational establishments including AGH University of Science and Technology, Wrocław University of Technology, Silesian University of Technology, Jagiellonian University, and Kraków University of Economics. Comarch's employees provide merit-based support to various projects, competitions, workshops, and scientific conferences. Initiatives are born in branches that are related to devoting their time to students at dedicated courses or occasional meetings.

Additionally, for the third time, Comarch joined the organization of the Małopolska Night of Scientists.

TRAINING PROGRAM

The company continues its program supporting the beginnings of careers in the IT sector for students. 2017 saw the 15th edition of summer training for students of IT and related faculties. Once again, over 300 people had an opportunity to learn about programming under the eyes of Comarch specialists. After three months of paid training, 70% of the students joined the company. As in previous years, interest in the 2017 program was very high. We received in excess of 4 000 applications, and invited 3 100 people to qualification tests. In 2017, students were able to receive training in 10 branches of the company all over Poland, selecting one of the four training

profiles: programming, system engineer, embedded and telecommunications. A feature making the training program of Comarch stand out is the fact that the students get an opportunity to learn about actual business projects rather than theoretical tasks. Each year many staff members act as mentors of training groups who coordinate the first steps of students in their careers in the IT sector.

ACADEMY OF COMPETENCES

With success, Comarch has been also supporting students of economic faculties in their first steps in the labor market. To this end, in cooperation with Kraków University of Economics for the fifth time, Comarch Academy of Competences took place. This was a project aimed at presenting students with know-how and practical skills in areas such as IT project management, managing investment portfolios, and innovative IT systems supporting enterprise management. The participants in the Academy attend several cyclical workshops conducted by Comarch specialists. The workshops are held at the company's premises. The lecturers focus primarily on the practical aspects of the workshops, and the majority of the participants get an opportunity to establish regular cooperation with Comarch after the program.



INDUSTRIAL DESIGN - TRAINING FOR DESIGNERS

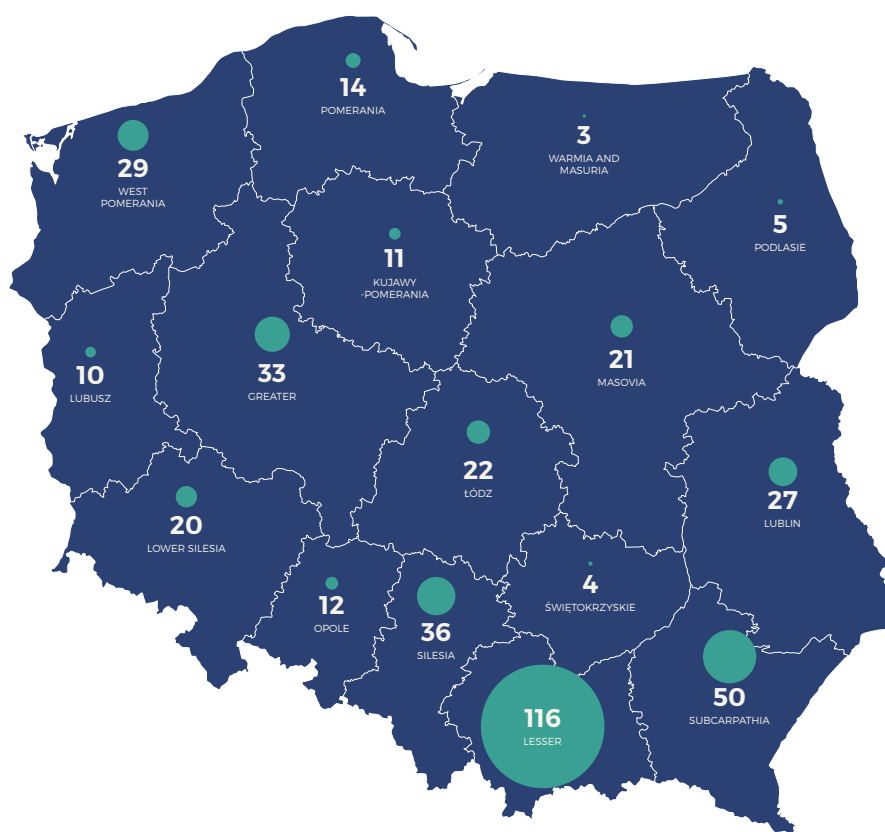
In cooperation with the Academy of Fine Arts in Kraków, Comarch has also been combining design with most recent technologies, by organizing a training program dedicated to students and graduates of the Academy. The participants get an opportunity to work on UX/UI issues, 3D designing or industrial design. The training program is to be continued in 2018.

GROM

Company employees were invited to participate in a charity action with income to be applied to support the people taken care of by the Allies of Grom Foundation, being soldiers and other functionaries who suffered when in service. The action included, inter alia, Internet auctions and a special meeting with former GROM agents.

SOUP IN THE PLANTY PARK

A collection of clothing, shoes, toiletries and blankets was held in Kraków, during the Soup in the Planty Park action aimed at helping the city's homeless people.



Students from all over Poland use Comarch systems as part of educational cooperation.

10.

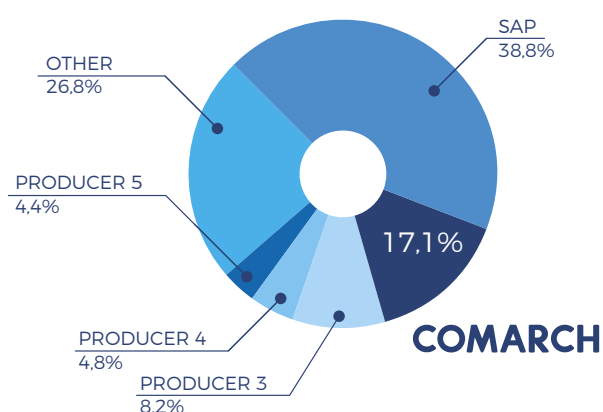


Awards and Rankings

AWARDS AND RANKINGS

Comarch was the winner of the ranking **Index of Polish Business Patriotism in the category Leader of Polish innovation**. The company was honored by the daily newspaper Rzeczpospolita for consistently pursuing a long-standing strategy of patriotism. It consists of honestly paid taxes, creating new jobs, dynamic development of sales in Poland and abroad, expenditures on research and development and charity. It was also valued for pro-social activities and support for NGOs.

Comarch was **honored by ING Bank Śląski (part of the ING Group) and recognized as the Provider Worth Recommending**. Provider Worth Recommending 2017 is the award for those companies, which provide services on the highest level and that have a flexible approach. Comarch was placed among winners and recognized for "the outstanding flexibility, willingness to change the working model and for the creation of global solutions responding to the needs of clients in the Agile Era". Comarch Corporate Banking was the solution honored by ING Bank Śląski. It is a banking platform designed and built specifically for corporations and SMEs.



Comarch's ERP position on the Polish market in the report "The Enterprise Application Software Market in Poland: 2016-2020 Forecasts and 2016 Vendor Shares".

According to the report entitled "The Enterprise Application Software Market in Poland: 2017-2021 Forecasts and 2016 Vendor Shares" prepared by the research company IDC, **Comarch, as the only company from the top three ERP system manufacturers, has increased its market share**. Such a result allowed Comarch to maintain the first place among Polish system suppliers and closed the gap on first place in the general classification, taking into account both Polish and foreign companies. For another year in a row, Comarch was also a leader in sales of ERP solutions to the segment of small and medium enterprises and maintained a leading position in terms of



Gala of IT@BANK 2017 Awards

the number of new customers acquired during the year.

Comarch was among the winners of **IT@BANK 2017 ranking**, receiving the second-place award for II. place in the main category and a special prize for development potential. Comarch was also noted as a leader among companies in the financial sector - integrators and software suppliers.

In the **"ITwiz Best 100 2016"** ranking, Comarch was the winner in the "Companies with the largest revenues from the sale of cloud computing services in Poland" category. In addition, Comarch took third place in the "Companies with the Largest Sale of ERP Systems in Poland" category.

In 2017, Comarch once again stood on the podium of the **TOP 200 Computerworld ranking** once again. The Comarch Capital Group turned out to be unrivaled in categories rewarding research and development activities. Comarch S.A. took first place in the ranking "IT companies with the largest expenditure on R&D in 2016" and Comarch Healthcare in the "IT companies with the largest share of R&D in relation to IT revenues" ranking. Additionally, Comarch S.A. was the winner among "The largest providers of services in the cloud model" and the leader of the "Index of IT providers for responsible development", leading a list of 50 largest IT companies ranked according to value contributed to the national economy.

The Comarch ERP XT system took first place in the **"Best in Cloud 2017" ranking in the "Best ERP product" category**. The competition is organized by the editors of Computerworld magazine, and the winners were chosen by IT managers from the CIO 100 list.

Comarch Wealth Management won the **"Best Wealth Management System"** title for Central and Eastern Europe at this year's award competition organized by the Global Banking and Finance Review magazine.

COMARCH IN RESEARCH AND ANALYTICS REPORTS

Forrester has included Comarch B2B Network (Comarch E-Invoicing Platform) in its latest report, entitled “Vendor Landscape: B2B Business Networks, 2017 To 2018”. The report assesses the performance of solutions which enable secure, convenient and reliable document exchange in the supply chain and e-invoicing processes. It is worth mentioning that our EDI platform was also included in Gartner’s report, entitled “Magic Quadrant for Integration Brokerage”.

The Comarch SFA Trade Promotion Management solution is a comprehensive tool for managing and settling promotional actions. It appeared in **the POI TPx Vendor Panorama report for the third time, once again being honored with the distinction of Best in Class.** The POI report highlights Comarch as the only provider in Central and Eastern Europe offering TMP and retail execution simultaneously, which adds value for its users by allowing them to take full advantage of the integration of individual sales support solutions.

Based on the evaluation of its completeness of vision and ability to execute, Comarch was positioned in **Gartner’s Magic Quadrant for Content Services Platforms 2017.** Comarch is named as a vendor of an enterprise content services solution that addresses full content management needs, including document capture, OCR, workflow, records, lifecycle and archiving, and offers a broad range of content-related capabilities and packaged solutions for specific verticals (e.g. healthcare, retail, manufacturing and banking).

Comarch has been positioned in the Visionaries quadrant in **Gartner’s Magic Quadrant for Integrated Revenue and Customer Management for CSPs.** The company was evaluated for its completeness of vision and ability to execute.

Comarch is positioned as a Strong Performer among the most significant vendors supporting the loyalty market in the recent **Forrester report “The Forrester Wave™: Customer Loyalty Solutions, Q3 2017”.** Comarch’s technology platform and services received the highest possible ratings in the following categories: customer retention, global execution, and pricing structure. Customers surveyed chose Comarch for its flexibility, pricing and platform functionalities. References agree that Comarch is committed to client relationships and appreciate its ability to accommodate vertical-specific and global requirements.

In Gartner’s report **“Market Trends: A Comprehensive Approach to CSP IoT Platform Selection Will Enhance Market Positioning”** Comarch was named ‘Vendor To Watch’. The report evaluates the leading IoT vendors that can support and differentiate communication service providers (CSPs)’ market positioning and strategies.

The Comarch EDI platform was present in the next edition of **The Paypers report “B2B Payments, Supply Chain Finance & E-invoicing Market Guide” and “Market Guide for Integration Brokerage” report from Gartner** – Comarch is the only Polish company in the Gartner report.

Comarch has been listed as **Transaction Banking Service Provider in Gartner’s report “A Banker’s Guide to Transaction Banking Service Providers”.** Comarch Corporate Banking has been recognized for its functional capabilities and technological specifications. Comarch’s main strengths highlighted in the report are both web online and mobile online channel capabilities. Comarch Corporate Banking has been recognized for the local access control, account management services and interactive payment services.

Comarch has been featured in the latest Forrester research: **“Vendor Landscape: Real-Time Interaction Management. Contextual Marketing Demands Real-Time Unification.”** as a leading vendor of customer loyalty solutions which address interactions across the customer lifecycle to drive engagement and retention. In the report, Forrester points out real-time interaction management (RTIM) as a top enterprise marketing technology trend to watch during the next five years.

Since 2015, Forrester has segmented the ECM market, dividing it into two submarkets: business content services and transactional content services. **In Q2 2017, Comarch appeared in both of the Forrester Wave reports: Enterprise Content Management – Business Content Services and Enterprise Content Management – Transactional Content Services.**

Comarch is included in **“SDxCentral’s 2017 Next-Gen OSS and the Rise of LSO Report”.** The report concerns the latest solutions in LSO (Lifecycle Service Orchestrations), Next-Gen OSS (Operations Support Systems) and NFV MANO (Network Function Virtualization Management and Operations) because of their significant importance on the Software Defined Networking (SDN) and Network Functions

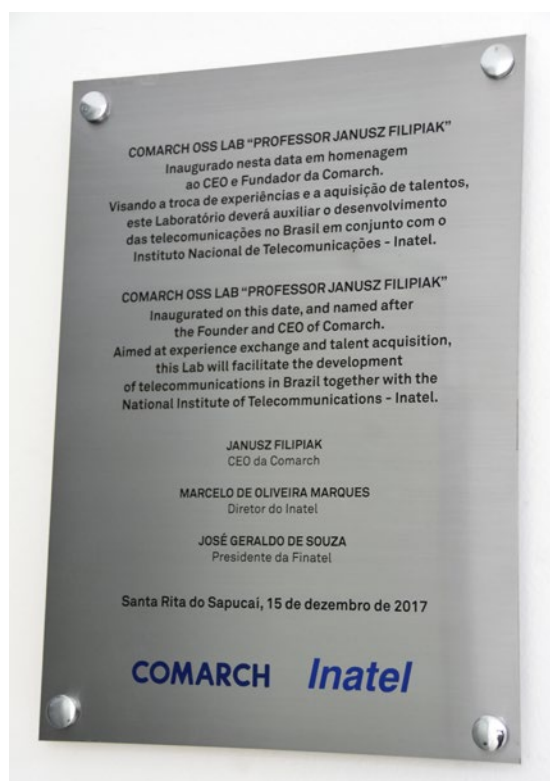
Virtualization (NFV) markets. The report highlights vendors of the above solutions, and includes Comarch, with its NFV/SDN solution that supports CSPs in providing innovative services and seamless digital experience. The 2017 Next-Gen OSS and the Rise of LSO Report was prepared by SDxCentral, a B2B tech media company focused on delivering news, research and analysis of the software-defined infrastructure market.

The Inatel University - the National Institute of Telecommunications in Brazil, named its didactic laboratory after Professor Janusz Filipiak, the founder and President of the management board of Comarch S.A. The patronage is the result of many years of the cooperation between Comarch and Inatel on the development of IT systems, as well as the company's commitment to didactic activities.

COMARCH OSS LAB "PROFESSOR JANUSZ FILIPIAK" is the full name of the didactic studio. It is a place where IT specialists work on innovative IT solutions for providers of telecommunications services.

- It is a great honor for me that the Inatel authorities decided that I was to be patron of the didactic institution where future programmers and telco experts will be educated. The National Telecommunications Institute provides many young people with access to world-class knowledge. While being educated under the guidance of excellent mentors, they can

gain experience which will result in a successful future career. I am proud that Comarch can cooperate in didactic projects and I feel honored that our commitment has been appreciated, says **Janusz Filipiak**.



The plaque commemorating the assignment of the Inatel laboratory named after Professor Janusz Filipiak.



24 students of Inatel University have completed their internship as part of cooperation with Comarch.

12.



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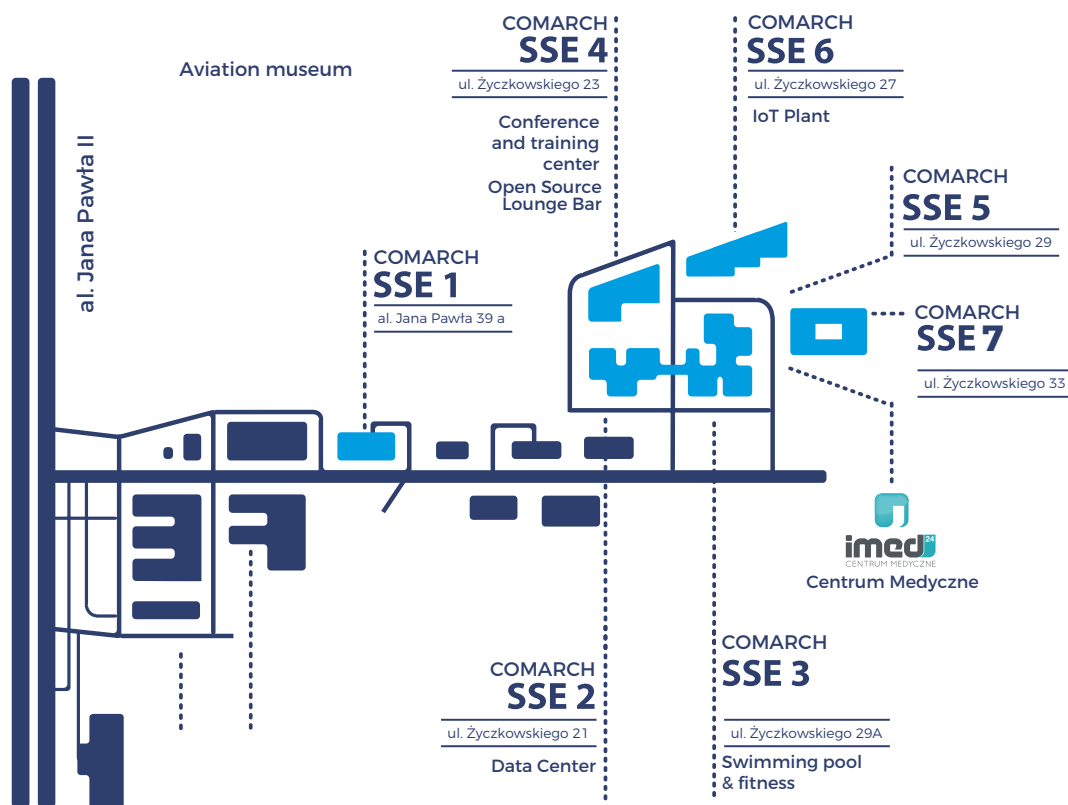
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Editor-in-chief: Marek Wiśniewski
Proofreading: Łucja Majczak-Burek
Layout, DTP: Grzegorz Kamycki, Rafał Kubowicz
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Publisher:

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Comarch Spółka Akcyjna with its registered seat in Kraków at Aleja Jana Pawła II 39A, is entered in the National Court Register kept by the District Court for Kraków-Śródmieście in Kraków, the 11th Commercial Division of the National Court Register under no. KRS 000057567. The share capital amounts to 8,133,349.00 PLN. The share capital was fully paid.

NIP 677-00-65-406

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25 years