

## **AUDIT FIRM'S SELECTION POLICY AND PROCEDURE IN ORANGE POLSKA S.A.**

### **I. Audit Firm's Selection Procedure**

In accordance with applicable legal regulations, Orange Polska S.A. (hereinafter referred to as the "Company") submits its financial statements for auditing ("audit") carried out by the audit firm. The selection of an audit firm should be made on the basis of the following procedure.

#### **1. Body authorized to select an audit firm**

- 1) Pursuant to § 23 clause 2 item 8 of the Company's Articles of Association, the Company's Supervisory Board selects an audit firm to audit the financial statements, based on prior recommendation of the Audit Committee of the Supervisory Board (hereinafter referred to as the "Audit Committee").
- 2) The selection decision is taken in the form of a resolution of the Supervisory Board.
- 3) The Company will inform the Polish Financial Supervision Authority that the selection of the audit firm to audit the financial statements is made by the Supervisory Board, i.e. the body other than the body approving the financial statements.
- 4) The obligations of the Company referred to in this Policy shall be exercised by the Management Board Member in charge of Finance.

#### **2. Recommendation of the Audit Committee**

- 1) The Audit Committee, in its recommendation, shall:
  - a) indicate the audit firm, which the Audit Committee proposes to entrust the audit;
  - b) state that the recommendation is free from third party influence;
  - c) state that the Company has not entered into any agreements containing clauses restricting the ability of the Supervisory Board to select an audit firm for the purposes of audit of the Company's financial statements to certain categories or lists of audit firms.
- 2) Where the selection of an audit firm does not concern the extension of the cooperation with the audit firm, the recommendation of the Audit Committee:
  - a) contains at least two options for selecting an audit firm with justification and indicating the Audit Committee's justified preference for one of them;
  - b) is drawn up following the selection procedure referred to in provision 3 below.

#### **3. Selection procedure**

##### **3.1. Invitation to submit proposals**

The Company invites any audit firms to submit proposals for the provision of the audit service, provided that:

- a) it does not infringe the principle according to which after the expiry of the maximum durations of engagements referred to in provision 5 of Audit Firm's Selection Policy, neither the statutory auditor or the audit firm nor, where applicable, any members of their networks within the European Union shall undertake the audit of the Company within the following four-year period;
- b) the organisation of the tender process does not preclude the participation in the selection procedure of firms which received less than 15 % of the total audit fees from public-interest entities in the Member State of the European Union concerned in the previous calendar year, included in the list of audit firms that carried out statutory audits in public-interest entities during the preceding year.

### **3.2. Tender documentation**

The Company prepares tender documentation for the attention of the invited audit firms, which:

- a) shall allow these firms to understand the business of the Company;
- b) indicate the financial statements which are subject to audit;
- c) contain transparent and non-discriminatory selection criteria that shall be used by the Company to evaluate the proposals made by audit firms.

### **3.3. Direct negotiations**

The Company in the course of the selection procedure may conduct direct negotiations with interested tenderers.

### **3.4. Evaluation of the proposals**

- 1) The Company shall evaluate the proposals made by the audit firms in accordance with the selection criteria defined in the tender documents and shall prepare a report on the conclusions of the selection procedure, which shall be validated by the Audit Committee.
- 2) The Company and the Audit Committee shall take into consideration any findings or conclusions that may affect the selection of an audit firm and are included in the annual report prepared by the Polish Audit Supervision Authority, concerning, among others findings of the inspections carried out in the audit firms.
- 3) The Audit Committee upon request of the audit firm shall discuss with the audit firm the threats to independence of an audit firm and the safeguards applied to mitigate those threats, as documented by an audit firm. An audit firm shall confirm annually in writing to the Audit Committee that the statutory auditor, the audit firm and partners, senior managers and managers, conducting the statutory audit are independent from the audited entity.

## **4. Decision regarding the selection of an audit firm**

If the decision of the Supervisory Board regarding the selection of an audit firm departs from the recommendation of the Audit Committee, the Supervisory Board justifies in writing the reasons

for not following the recommendation of the Audit Committee and submits such justification to the information of the General Meeting.

## **II. Audit Firm's Selection Policy**

- 1) The Supervisory Board selects the entity authorized to audit and review the financial statement. The selection decisions are taken in the form of a resolution of the Supervisory Board. Selection of an entity authorized to audit the financial statement is based on prior recommendation of the Audit Committee.
- 2) The Supervisory Board, in the course of the selection procedure, draws attention to the experience of the audit team in auditing financial statements of companies, including those listed on the stock exchange, competences and financial criteria.
- 3) The selection decision is taken with the consideration of the principles of impartiality and independence of the audit firm and analysis of the work carried out by the audit firm in the Company, which go beyond the scope of the audit the financial statement to avoid any conflict of interest.
- 4) The basis of the audit conducted by the entity authorized to audit the financial statements are the binding provisions of law, in particular the Accounting Act, the International Financial Reporting Standards and the requirements and the policies for the public companies.
- 5) The maximum duration of continuous engagements of statutory audits, referred to in second subparagraph of paragraph 1 of Article 17 of Regulation No 537/2014, carried out by the same audit firm or an audit firm associated with that audit firm or any member of the network operating in the Member State of the European Union of which the audit firms belong, may not exceed 5 years. The above applies to audits of financial statements drawn up for financial years beginning after 31 December 2017.