GRUPA KĘTY S.A. PROCEDURE
OF SELECTION OF AN AUDIT FIRM
AUTHORISED TO FINANCIAL STATEMENTS AUDIT
AND/OR ATTESTATION OF SUSTAINABILITY REPORTING

This Procedure of Grupa KĘTY S.A. ('Company') was drafted based on Article 130.1.7 of the Act of 11 May 2017 on Statutory Auditors, Audit Companies and Public Supervision, and Some Other Acts ('Act'), and Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC ('Regulation'), and § 6.1.j of the By-law of the Audit Committee of the Supervisory Board of Grupa KĘTY S.A.

1. The procedure of selection of an audit firm authorised to carry out financial statements audit and/or attestation of sustainability reporting of the Company and its key subsidiaries is initiated by the Audit Committee ('AC').
2. The procedure is implemented by the Financial Director the Company ('FD').
3. The AC presents guidelines to the FD with regard to quotation inquiry and requirements for the firms authorised to carry out financial statements audit and/or attestation of sustainability reporting.
4. As regards financial statements audit, the guidelines referred to in Section 3 above may not:
   - infringe the requirements for the minimum and maximum duration of engagement of the firm authorised to carry out the audit and the mandatory rotation of the key statutory auditor in accordance with Article 17(3) of the Regulation and the provisions of the Act;
   - exclude the participation in the procedure of any firms comprised in the list of audit firms which generated less than 15% of their total revenue from auditing public-interest entities in the respective EU member state in the preceding calendar year.
5. Based on the AC's guidelines, the FD sends requests for quotation to the firms authorised to carry out financial statements audit and/or attestation of sustainability reporting. With regard to financial statements audit, the firms must fulfil the requirements for mandatory rotation of the authorised firm and the key statutory auditor.
6. Absence of reply to a request for quotation within the time frame set out by the Company is treated as a refusal to participate in the selection procedure.
7. The FD or a person appointed by them discloses the data necessary for submitting a quotation and replies to the questions of the firms that participate in the selection procedure, enabling them to get acquainted with the operations of the Company and its selected subsidiaries.
8. The FD may carry out direct discussions and negotiations with the interested firms.
9. The FD makes a preliminary assessment of the quotations submitted with regard to their compliance with the AC's guidelines and prepares a report on the selection procedure. The report, comprising conclusions from the selection procedure, is forwarded to the AC together with the quotations received.
10. As a result of the analysis of the quotations received and the report on the selection procedure prepared by the FD, the AC issues a recommendation for the Supervisory Board with regard to the audit firm selection. The recommendation presents two firms authorised to carry out the financial statements audit and/or attestation of sustainability reporting, as well as a duly justified preference of the AC with regard to one of the firms. In its recommendation, the AC confirms that it has not been influenced by any third party and no forbidden clause referred to in Section I.3 of Grupa KĘTY S.A. Policy regarding selection of and cooperation with an audit firm responsible for carrying financial statements audit and attestation of sustainability reporting.

11. If the Supervisory Board decides to select a firm other than the one recommended by the AC, it must provide written justification for non-consideration of the recommendation and present the same in the next following General Meeting.
12. At any stage of the selection procedure, the AC is entitled to unlimited insight into any documents and participation in any particular activity.