

ECHO investment

Policy on the provision of permitted non-audit services by the audit firm conducting the audit, by affiliates of
the audit firm and by a member of the audit firm's network

Table of contents

Article 1 Introduction..... 1

Article 2 Definitions 1

Article 3 Objectives of the Policy2

Article 4 Prohibited Services.....2

Article 5 Period of the restriction on providing the Prohibited Services3

Article 6 Permitted Services.....3

Article 7 Procedure for Commissioning the Permitted Services4

Article 7a Request to the Audit Committee.....5

Article 7b Meeting of the Audit Committee5

Article 7c The Aggregate Limit5

Article 7d The 15% Limit.....7

Article 8 Final Provisions.....8

Article 1 Introduction

1. Acting on the basis of Article 130(1)(6) of the Auditors Act and Section 3.6 of the By-Laws of the Audit Committee, the Audit Committee has developed this Policy on the provision of permitted non-audit services by the audit firm conducting the Audit, by affiliates of that audit firm and by a member of the audit firm's network (the "**Policy**").
2. The Policy was formulated on the basis of:
 - a. 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 (the "**Regulation**");
 - b. Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (the "**Directive**");
 - c. the Act of 11 May 2017 on statutory auditors, audit firms and public oversight (the "**Auditors Act**"); and
 - d. the Act of 29 September 1994 on accounting (the "**Accounting Act**").

Article 2 Definitions

1. In this Policy, the terms listed below have the following meanings:
 - the **Company** – Echo Investment S.A. (KRS: 0000007025) with its registered seat in Kielce, acting as the parent undertaking of the Group (within the meaning of the Accounting Act);
 - a **Parent Undertaking** – a commercial company or partnership or a state-owned enterprise which exercises control over a subsidiary; in the Group, the Company serves as the parent undertaking;
 - a **Higher-Level Parent Undertaking** – a commercial company or partnership or a state-owned enterprise that is a parent undertaking of the Company;
 - a **Subsidiary** – a commercial company or partnership, or an entity established and operating in accordance with the provisions of foreign commercial laws, that is controlled by a parent undertaking;
 - an **Entity with a Separate Policy** – a subsidiary that is a public interest entity and is required, under separate regulations, to have its own policy on the provision of permitted non-audit services by the audit firm conducting an audit, by entities affiliated with that audit firm and by a member of the audit firm's network;
 - the **Group** – the Company and all of the companies directly or indirectly controlled by it;
 - Statutory Financial Statements** – the annual separate and consolidated financial statements (accounts) of an entity within the meaning of the Accounting Act;
 - an **Audit** – a statutory or voluntary audit within the meaning of the Auditors Act;
 - Auditing Activities** – assurance services including audits, as well as reviews of financial statements and other assurance services as defined by law, reserved only for statutory auditors;

a **Review of Financial Statements** - a review of semi-annual consolidated or separate financial statements conducted in accordance with the requirements of the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and the conditions for recognising as equivalent the information required by the laws of a non-member state;

the **Audit Committee** or the **Committee** – a permanent committee of the Supervisory Board established under the Company's articles of association, as required by chapter 8 of the Auditors Act;

the **Supervisory Board** – the supervisory board of the Company; and

the **Management Board** – the management board of the Company.

2. Terms that are not defined in this Policy shall have the meanings given to them in the legal acts identified in Article 1(2) of the Policy.

Article 3 Objectives of the Policy

The purpose of the Policy is to set out principles and establish procedures to verify and monitor the independence and objectivity of statutory auditors, audit firms and members of their networks. These rules apply to the extent that such entities provide non-audit services to the Company, its Higher-Level Parent Undertaking and its Subsidiaries, including the Entity with a Separate Policy. The Policy further sets out the principles to be followed by the members of the Audit Committee when assessing the Requests referred to in Article 7a of the Policy.

Article 4 Prohibited Services

1. Subject to Article 5 and Article 6 of the Policy, the statutory auditor or the audit firm carrying out a statutory audit of the Company or any member of the network to which the statutory auditor or the audit firm belongs shall not directly or indirectly provide, within the European Union, any non-audit services prohibited by the Regulation or the Auditors Act to the Company, to a Higher-Level Parent Undertaking or to its Subsidiaries, including any Entity with a Separate Policy (the “**Prohibited Services**”).
2. As at the date of the adoption of the Policy, the Prohibited Services are all of the services that are not Auditing Activities, in particular:
 - a) tax services relating, in particular, to:
 - i. preparation of tax forms,
 - ii. payroll tax,
 - iii. customs duties,
 - iv. identification of public subsidies and tax incentives, unless support from the statutory auditor or the audit firm in respect of such services is required by law,
 - v. support regarding tax inspections by tax authorities, unless support from the statutory auditor or the audit firm in respect of such inspections is required by law,
 - vi. calculation of direct and indirect tax and deferred tax,
 - vii. provision of tax advice;
 - b) services that involve playing any part in the management or decision-making of the audited entity;
 - c) bookkeeping and preparing accounting records and financial statements;

- d) payroll services;
 - e) designing and implementing internal control or risk management procedures related to the preparation and/or control of financial information or designing and implementing financial information technology systems;
 - f) valuation services, including valuations performed in connection with actuarial services or litigation support services;
 - g) legal services,
 - i. the provision of general counsel,
 - ii. negotiating on behalf of the audited entity, and
 - iii. acting in an advocacy role in the resolution of litigation;in particular with respect to:
 - h) services related to the audited entity's internal audit function;
 - i) services linked to the financing, capital structure and allocation, and investment strategy of the audited entity, except providing assurance services in relation to the financial statements, such as the issuing of comfort letters in connection with prospectuses issued by the audited entity;
 - j) promoting, dealing in, or underwriting shares in the audited entity;
 - k) human resources services, in particular with respect to:
 - i. management in a position to exert significant influence over the preparation of the accounting records or financial statements which are the subject of the statutory audit, where such services involve:
 - a. searching for or seeking out candidates for such position, or
 - b. undertaking reference checks of candidates for such positions,
 - ii. structuring the organisation design, and
 - iii. cost control.
3. If the Auditors Act and/or the Regulation are amended with respect to the list of Prohibited Services, the Audit Committee shall update the Policy accordingly. In the event of a discrepancy between the list of Prohibited Services under the Auditors Act and/or the Regulation and the list contained in the Policy, the provisions of the Auditors Act and the Regulation shall prevail.

Article 5 Period of the restriction on providing the Prohibited Services

The prohibition referred to in Article 4 of the Policy shall apply:

- 1) during the period from the beginning of the audited period to the issuance of the audit report; and
- 2) during the financial year immediately preceding the period referred to in (1) above, in relation to the design and implementation of internal control or risk management procedures associated with the preparation or control of financial information or the design and implementation of technological systems relating to financial information.

Article 6 Permitted Services

- 1. Subject to Articles 7 to 7d of the Policy, the auditor or audit firm carrying out the Audit and a member of their network may provide the following non-audit services within the European Union to the Company, a Higher-Level Parent Undertaking, and its Subsidiaries, including the Entity with a Separate Policy (the “**Permitted Services**”):

- a) services performed in connection with the audited entity's prospectus, carried out in accordance with the national standards for related services and consisting of the performance of the agreed procedures:
 - i. carrying out due diligence procedures with regard to economic and financial standing, and
 - ii. issuing comfort letters;
 - b) assurance services relating to pro forma financial information, performance forecasts or estimated results that are to be included in the audited entity's prospectus;
 - c) the examination of the relevant historical financial information for the prospectus referred to in Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements;
 - d) the verification of consolidation packages;
 - e) confirmation that the terms and conditions of concluded loan agreements are met on the basis of an analysis of the financial information derived from the financial statements audited by the relevant audit firm;
 - f) assurance services relating to corporate governance, risk management and corporate social responsibility reporting;
 - g) services involving the assessment of compliance by financial institutions and investment firms with disclosure requirements relating to capital adequacy and variable remuneration components;
 - h) attestations concerning financial statements or other financial information intended for supervisory authorities, the supervisory board or any other supervisory body of the company or the owners, going beyond the scope of a statutory audit and intended to assist those bodies in fulfilling their statutory duties; and
 - i) Auditing Activities other than the Audit.
2. If the Auditors Act and/or the Regulation are amended with respect to the list of Permitted Services, the Audit Committee shall update the Policy accordingly. In the event of a discrepancy between the list of Permitted Services under the Auditors Act and/or the Regulation and the list contained in the Policy, the provisions of the Auditors Act and the Regulation shall prevail.

Article 7 Procedure for Commissioning the Permitted Services

It is the responsibility of the Audit Committee to verify and monitor the independence of the statutory auditor and the audit firm. This duty is of particular importance when non-audit services are provided by an audit firm to a public interest entity. The provision of the Permitted Services is only possible after a procedure to verify the permissibility of commissioning the Permitted Services has been carried out and the requesting parties have obtained the approval of the Audit Committee (the "**Procedure**"). Before entering into any contractual commitment for the provision of the Permitted Services, the approval of the Audit Committee issued in accordance with the following Procedure must be obtained.

Article 7a Request to the Audit Committee

1. To initiate the Procedure, a written request must be submitted to the Audit Committee substantially in accordance with the template attached as **Schedule 1** to the Policy (the “**Request**”).
2. The following are eligible to submit a Request: (i) members of the Management Board; (ii) the Company’s director of the legal department; and (iii) the Company’s director of the financial department.

Article 7b Meeting of the Audit Committee

1. Upon receipt of the Request, the Chairperson of the Audit Committee shall immediately convene a meeting of the Audit Committee. When setting the date of the meeting, the Chairperson of the Committee shall take into account the need for the other members of the Audit Committee to duly review the Request.
2. Following a preliminary analysis of the Request, any member of the Audit Committee may request the statutory auditor, audit firm or network member covered by the Request to provide a declaration of compliance with all of the requirements resulting from the regulations indicated in Article 1(2) of the Policy, in particular Articles 69 to 73 of the Auditors Act and Article 22b of the Directive.
3. As part of its assessment, the Committee shall examine whether:
 - a. services in question constitute the Permitted Services;
 - b. services in question do not constitute the Prohibited Services; and
 - c. commissioning such services would not constitute a threat to independence;as well as whether the fee specified in the Request:
 - d. does not cause the Aggregate Limit referred to in Article 7c of the Policy to be exceeded; and
 - e. does not cause the 15% Limit referred to in Article 7d of the Policy to be exceeded.
4. If a statutory auditor or an audit firm provides non-audit services to the Group, the Audit Committee shall assess whether the independence of such statutory auditor or audit firm might be compromised by doing so. The Audit Committee shall make its assessment, among others, on the basis of the statement referred to in Article 7d(3) of the Policy. The statement is expected to include an assessment of the relevant threat factors and an identification of safeguards to maintain the desired level of independence.
5. The Audit Committee shall decide, in the form of a resolution, whether to consent to the provision of the relevant non-audit services. In addition, the consent or refusal to grant consent to a Review of the Financial Statements or the provision of other Auditing Activities by the given auditor or audit firm may be included by the Audit Committee in the Recommendation referred to in Section 3.7 of the Policy and the Procedure for the Selection of the Audit Firm to Audit the Financial Statements of Echo Investment S.A. Additionally, in such a case, the Audit Committee is required to take into account the conditions for the provision of the Permitted Services set out in the Policy.

Article 7c The Aggregate Limit

1. Purchasing the Permitted Services is limited in terms of the amount of the fees paid for such services. Where the same auditor or audit firm has provided statutory audit services (statutory audits) and the Permitted Services to the Company, to its Subsidiaries, including the Entity with a Separate Policy, and/or a Higher-Level Parent Undertaking for a period of at least three consecutive financial years, the total remuneration for the Permitted Services is capped at **70% of the average remuneration** paid in the three consecutive most recent financial years for the provision of statutory audit services (statutory audits)

to the Company, to its Subsidiaries, including the Entity with a Separate Policy, and/or a Higher-Level Parent Undertaking, and statutory audits of the consolidated financial statements of the Group (the “**Aggregate Limit**”).

2. In light of the above, the Aggregate Limit does not take effect until the fourth year in which the Permitted Services are provided. In order to establish the Aggregate Limit, it is necessary to determine the average amount of expenses incurred by the Company and, where applicable, the subsidiaries, the Entity with a Separate Policy, and a Higher-Level Parent in the three preceding financial years for the provision of statutory audit services (statutory audits) of the aforementioned entities and the consolidated financial statements of the Group. Seventy percent (70%) of the average amount so obtained is the limit of the expenses that the Group and a Higher-Level Parent Undertaking may allocate to the purchase of the Permitted Services.
3. The cap referred to in this Article 7c does not apply to non-audit services (other than the Prohibited Services) provided in respect of financial statements that are required by domestic or EU legislation (which means that the remuneration for such services is not included for the purpose of calculating the Aggregate Limit).
4. The table below illustrates which (sample) services are (or are not) subject to the limits referred to in this Article 7c.

Service	Is it subject to the limitations arising from the Aggregate Limit?	Is the approval of the Audit Committee required?	Justification
Tick and tie for bonds	YES	YES	The service is not required under either domestic or EU legislation.
Audit of the semi-annual accounts for the purpose of paying an interim dividend	YES	YES	The service is not required under either domestic or EU legislation.
Audit of the semi-annual accounts	NO	YES	The performance of the service is required by the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and the conditions for recognising as equivalent information

			required by the laws of a non-member state.
An audit of the report concerning remuneration	NO	YES	The performance of the service is required by the Act of 29 July 2005 on Public Offerings, the Conditions Governing the Introduction of Financial Instruments to Organised Trading, and on Public Companies.

5. The Audit Committee monitors, on an ongoing basis, whether the Aggregate Limit has been exceeded. To this end, the Subsidiaries, including the Entity with a Separate Policy, shall provide the Company's director of the financial department with a statement of the expenses they have incurred for auditing services and non-audit services. The Company's director of the financial department may also request such statement of expenses from a Higher-Level Parent Undertaking and from the auditor and audit firm. After a preliminary analysis of the documentation received, the Company's director of the financial department shall forward the statement of expenses to the Audit Committee.
6. The Polish Audit Oversight Agency (PANA) may, under the terms of Article 137 of the Auditors Act, exempt a statutory auditor or an audit firm from the requirements arising from section 1 above.
7. The Audit Committee may request the Management Board, the management boards of the Subsidiaries and a Higher-Level Parent Undertaking, as well as the statutory auditor and the audit firm, to be provided with the information necessary to assess whether or not the Aggregate Limit has been exceeded.

Article 7d The 15% Limit

1. The total fees received from the Company by the given statutory auditor or audit firm for each of the last three consecutive financial years, including the Audit fees, should not exceed 15% of the total fees received by the statutory auditor or audit firm carrying out the statutory audit in each of those financial years (the "**15% Limit**").
2. If the 15% Limit is exceeded, the statutory auditor or the audit firm concerned shall immediately disclose this to the Audit Committee and outline the threats to its independence and the safeguards applied to mitigate those threats.
3. If concerns are raised as to the level of the expenditure referred to in section 1 above, the Audit Committee shall be entitled to make a written enquiry to the auditor or audit firm on the matter. Upon receipt of a written statement indicating that the 15% Limit has been exceeded, the Audit Committee shall consider whether the Audit engagement should undergo a quality assurance review by another auditor or audit firm prior to the issuance of the Audit report.
4. In the event that the fees received from the Company continue to exceed 15% of the total fees received by such a statutory auditor or such audit firm, the Audit Committee shall decide, on the basis of objective

grounds, whether the statutory auditor, the audit firm or the statutory auditor of the Group, the Company or the Group companies may continue to carry out the statutory audit for an additional period, which shall not, in any case, exceed two years.

Article 8 Final Provisions

1. The Audit Committee has the authority to interpret the provisions of the Policy and oversees its application within the Group.
2. All non-audit services that the audit firm or the statutory auditor provides to the Group should be subject to the prior approval of the Audit Committee. This also applies to the Prohibited Services, the provision of which is permitted by way of an exemption under Article 5(3) of the Regulation by the national law of the European Union Member State in which the entity from the Group is based. When assessing a request for such services, the Audit Committee shall apply the criteria outlined in Article 5(3) of the Regulation. The provisions of Articles 7 to 7d of the Policy regarding the Procedure shall apply accordingly.
3. The Policy applies to the Group, subject to sections 4 and 5 below.
4. An Entity with a Separate Policy is concurrently subject to the relevant policies adopted as part of its corporate governance and to the requirements for commissioning non-audit services. However, expenditures on non-audit services incurred by the Entity with a Separate Policy shall be taken into account in calculating the Aggregate Limit, in accordance with the principles set out in Article 7c of the Policy.
5. To the extent not regulated by this Policy but relating to the conduct of the Procedure, the provisions of the By-Laws of the Audit Committee adopted by the Supervisory Board on 10 October 2017 shall apply.
6. The Policy was drafted and approved by the Audit Committee on 2 February 2023 and approved by the Supervisory Board on 14 February 2023.

Schedule 1

Template of the Request concerning the purchase of permitted non-audit services

Request concerning the purchase of permitted non-audit services

1. INFORMATION TO BE FILLED IN BY THE REQUESTING PARTY:

1.1. Information on the entity acquiring the services

Name of entity	
Project manager ¹	
Party preparing the request	
Date of request	

1.2. Information on the service provider

Name of the firm ²	
Name of the network ³	
Contact person	
Contact details (email, phone)	

1.3. Information on the contracted service

Project name / code ⁴	
Description of the service ⁵	
Commencement date	
Completion date ⁶	
Value of the service (net of VAT) ⁷	

1.4. Assessment of the compliance of the service with independence requirements

Prohibited Service (yes/no) ⁸	
Permitted Service (yes/no) ⁹	
Does the service count towards the Aggregate Limit? ¹⁰	
Additional information ¹¹	

¹ Full name of the project manager who requests the service.

² Information on the service provider (detailed name of the audit firm from the network).

³ Information on the network of which the service provider is a member (e.g. PwC, EY, KPMG, Deloitte).

⁴ In-house project name or code, if the service is being requested within the framework of a larger project carried out in the Group.

⁵ A description of the service, which should be complete and unambiguous enough so that even a person who is not familiar with the entity's activities should be able to understand the scope and characteristics of the service referred to in the request.

⁶ Provide a best estimate of the expected completion date.

⁷ The amount of the fees for the services should be given in PLN or converted into PLN if the fee is specified in a different currency.

⁸ Specify whether the service is or is not a Prohibited Service.

⁹ Polish entities shall indicate whether the service falls within the list of the Permitted Services.

¹⁰ Specify whether the service counts towards the capped amount under Article 7 of the Policy; this information may be omitted in the years where the cap does not apply.

¹¹ Provide any additional information that may be useful in assessing whether the service being requested complies with the Policy and will not affect the independence of the Group auditor (in particular, if there is a risk of compromise, the entity may add information on the Group Auditor's intended safeguards, if such information is obtained from the Group Auditor).

2. INFORMATION TO BE FILLED IN BY THE DIRECTOR OF THE FINANCIAL DEPARTMENT

File number ¹²	
Confirmation of correctness and completeness ¹³	
Confirmation that the service is within the Aggregate Limit ¹⁴	
Notes	
Verification date	

3. APPROVAL OF THE AUDIT COMMITTEE

Full name of the approving party	
Approval granted / approval denied ¹⁵	
Comments ¹⁶	
Date approval was granted / denied	

Signatures:

Party preparing the request

..... Date

The Company's Director of Financial Department

..... Date

Chairperson of the Audit Committee

..... Date

¹² The Chief Accountant assigns a number from the log of requests for the approval of non-audit services.

¹³ The Chief Accountant states "I confirm / yes" or enters his/her comments.

¹⁴ The Chief Accountant checks and confirms whether the service is within the Aggregate Limit; this information may be omitted in the years when the Aggregate Limit does not apply.

¹⁵ The approving party confirms approval by typing "Approval granted" or declines approval by typing "Approval denied".

¹⁶ The approving party enters any comments and guidelines if additional information or actions are needed (e.g. safeguards regarding independence).