

Representation on the application of corporate governance principles by Dino Polska S.A. published in FY2018 Annual Report

Dino as a company listed on the regulated market run by the Warsaw Stock Exchange is subject to the corporate governance principles defined in the document entitled Best Practices of WSE Listed Companies 2016. The document is available at the Stock Exchange website (<http://www.gpw.pl>) in the section devoted to corporate governance of listed companies.

The Best Practices of WSE Listed Companies 2016 is a set of recommendations and rules of proceeding concerning in particular the governing bodies of listed companies and their shareholders. If a principle is not permanently implemented by a listed company or it has been incidentally breached, the listed company is obligated to notify that fact in the form of the current report. Moreover, a listed company is obliged to attach to the annual report a report containing information on the scope of its application of the Best Practices of WSE Listed Companies 2016 in a given financial year.

Dino observes most of the recommendations and standards included in the Best Practices of WSE Listed Companies 2016, except for the following:

- Detailed standard I.Z.1.3. – to the extent it refers to the division of duties and responsibilities among members of the management board drawn up according to standard II.Z.1.
The standard is not applied in connection with the fact that the Company does not apply detailed standard II.Z.1.
- Detailed standard I.Z.1.20 – to the extent it refers to an audio or video recording of the shareholder meeting.
The Company notes that if the shareholders: (i) show interest in audio or video recordings of the Shareholder Meeting, and (ii) notify the Company of such interest then the Company will comply with the shareholders' expectations in this respect and will publish an audio or video recording of the shareholder meeting on its website.
- Recommendation II.R.2 – to the extent it refers to diversity of the corporate bodies in terms of gender.
The Company does not ensure an equal participation of women and men in the Management Board or the Supervisory Board. As at the Report Date, the Management Board consists of two people and the Supervisory Board consists of five people and none of them are women. The Company supports this recommendation and has a policy in place under which the Company employs competent, creative individuals with appropriate professional experience and education. At the same time, the Company has no effect on the composition of its corporate bodies.
- Detailed standard II.Z.1. – to the extent it refers to the internal division of responsibilities for individual areas of the company's operation among members of the management board.
The Company does not have in place a formal division of duties and responsibilities among Management Board members. The Company believes that such a solution is appropriate and adequate to the current stage of development and scale of the Company's operations and ensures effective management.
- Recommendation IV.R.2. - to the extent that it refers to shareholders' participation in shareholder meetings using IT tools, in particular bilateral mutual real-time communication, participating in discussions during the meeting for shareholders who are physically absent at the venue of the shareholder meeting.
The Company points out that providing the necessary technical infrastructure will require costs and other resources of the Company that are disproportionate to the potential interest of its shareholders. Therefore, the Company does not plan to conduct a shareholder meeting using electronic means of communication.
- IV.Z.2. - to the extent it relates to the provision of publicly available broadcasts of shareholder meetings in real time.
The Company does not plan to broadcast the shareholder meeting in real time because of the additional costs and organizational resources it would have to devote to this undertaking. Nevertheless, the Company will consider transmitting the Shareholder Meeting in real time, if this is requested in the future by the shareholders.

In addition, with regard to recommendation I.R.2. Dino reports that it does not conduct any sponsoring activity. Charitable activity is conducted by the Dino Najbliżej Ciebie Foundation, which has been holding the status of

a public benefit organization since October 2015. The foundation aims to selflessly help people in need, especially individuals suffering from diseases and children.

No formal diversity policy is in operation in the Company. The Shareholder Meeting and the Supervisory Board elect the members of the Supervisory Board and the Management Board based on their competences and experience, notwithstanding their age, gender, education and other attributes. The Company's Management Board is guided by these very same criteria when it makes staffing decisions pertaining to key managers. The Company does its utmost to ensure that all employees have equal opportunities in terms of professional development and promotions.