

DINO POLSKA S.A. SUPERVISORY BOARD
ANNUAL ACTIVITY REPORT
FOR THE FINANCIAL YEAR 2017

Introduction

The Supervisory Board of Dino Polska S.A., acting pursuant to art. 382 § 1 of the Commercial Company Code, the Company's Articles of Association, the Supervisory Board Bylaws and provisions of the Best Practices of WSE Listed Companies 2016 hereby submits the Supervisory Board Activity Report for 2017 to the Ordinary Shareholder Meeting.

Composition of the Supervisory Board

According to the Company's Articles of Association, the Supervisory Board is a standing supervisory body of Dino Polska S.A. in all areas of the Company's activity. The Supervisory Board consists of five to eight members. Supervisory Board Members are appointed for a joint term of office, which lasts three years. The Supervisory Board exercises continuous supervision over the Company's operations and performs its tasks based on special powers granted to the Supervisory Board by the Company's Articles of Association and the Supervisory Board Bylaws, in consideration of the Best Practices of WSE Listed Companies.

In the financial year 2017, the Supervisory Board of Dino Polska S.A. with its registered office in Krotoszyn was composed of the following persons:

Tomasz Biernacki	Supervisory Board Chairman	1 January 2017 – 31 December 2017
Michał Rusiecki	Supervisory Board Deputy Chairman	1 January 2017 – 20 April 2017 (resignation)
Michał Kędzia	Supervisory Board Member	1 January 2017 – 20 April 2017 (resignation)
Maciej Polanowski	Supervisory Board Member	1 January 2017 – 31 December 2017
Eryk Bajer	Supervisory Board Member	1 January 2017 – 31 December 2017
Pierre Detry	Supervisory Board Member	1 January 2017 – 31 December 2017
Piotr Nowjalis	Supervisory Board Member	1 January 2017 – 31 December 2017
Sławomir Jakszuk	Supervisory Board Member	1 January 2017 – 31 December 2017

Information on satisfaction of criteria for independence by Supervisory Board members

According to the principles of Best Practices of WSE Listed Companies 2016, at least two Supervisory Board members are independent. The Company satisfies this condition. Two Supervisory Board

members, who are at the same time elected to the Audit Committee satisfy the criteria for independence in accordance with the provisions of the Act on Statutory Auditors.

While in office, no Supervisory Board member reported any changes in their independence status and personal, actual and organizational connections with the shareholders.

Information on important issues addressed by the Supervisory Board, number of meetings held and resolutions adopted in 2017

The Supervisory Board of Dino Polska S.A. as a standing supervisory body discharged its functions at the Supervisory Board meetings convened for this purpose. In the financial year 2017, the Supervisory Board held three meetings, on 27 February, 6 October and 17 November. Supervisory Board meetings were convened through written notifications sent to all the Supervisory Board members containing the proposed agenda of the meeting. In the matters that required immediate resolution, the Supervisory Board adopted resolutions using the "written procedure" (by circulation). Resolutions adopted by circulation included mainly resolutions to approve the purchase of real properties for the price exceeding PLN 1 million.

The agenda of the respective meetings of the Supervisory Board resulted from arrangements made by the members of the Company's Supervisory Board and Management Board. The arrangements with the Company's Management Board included also the issues related to the preparation of the necessary materials, analyses and explanations concerning the issues discussed at the meetings.

The supervisory and control activities included mainly the analysis of the Company's current economic and financial performance and the periodic financial statements as well as familiarization with the periodic information from the Company's Management Board regarding the current and planned activities.

In the reporting period in question, the Supervisory Board adopted resolutions on the following dates:

Date	Adoption procedure:
2017-02-17	By circulation
2017-02-27	Meeting
2017-03-06	By circulation
2017-03-17	By circulation
2017-04-06	By circulation
2017-04-21	By circulation
2017-06-19	By circulation
2017-06-20	By circulation
2017-07-12	By circulation
2017-07-27	By circulation

Date	Adoption procedure:
2017-07-28	By circulation
2017-08-17	By circulation
2017-08-24	By circulation
2017-08-25	By circulation
2017-09-15	By circulation
2017-10-06	Meeting
2017-10-13	By circulation
2017-10-26	By circulation
2017-10-31	By circulation
2017-11-03	By circulation
2017-11-15	By circulation
2017-11-17	Meeting
2017-11-24	By circulation
2017-12-12	By circulation
2017-12-19	By circulation

The financial performance recorded in the individual months of 2017 constituted an ongoing subject of the Supervisory Board meetings. The Supervisory Board adopted resolutions, among others, to approve the Group's budget for the year 2017, to introduce regulations of the incentive program in the Company, to select the statutory auditor to audit the financial statements, to approve the disbursement of an investment loan, to give consent to launch the bond issue program, to adopt the supervisory board bylaws, to adopt the management board bylaws, to approve the audit committee bylaws. Overall, the Supervisory Board adopted 40 resolutions in 2017.

The work of the Supervisory Board also focused on:

- terms and conditions of loans granted by banks,
- scope and timely progress of the investment projects executed by the Company,
- matters related to the IPO on the Stock Exchange

The first listing of the Company on the WSE happened on 19 April 2017.

Audit Committee

The Company has established the Audit Committee. In 2017, the Audit Committee was composed of the following persons:

- Piotr Nowjalis, 1 January 2017 – 31 December 2017
- Sławomir Jakszuk 1 January 2017 – 31 December 2017

- Michał Kędzia 1 January 2017 – 20 April 2017 (resignation)
- Maciej Polanowski 19 June 2017 – 31 December 2017

Mr. Piotr Nowjalis was the Chairman of the Audit Committee

On 19 June 2017, the Audit Committee adopted Resolution no. 01/06/2017/KA to select Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k. with its registered office in Warsaw to review the financial statements of Dino Polska S.A. and the consolidated financial statements of the Dino Polska Group for the 6-month period, prepared in accordance with IFRS.

The meetings of the Audit Committee were held on 6 October 2017 and 17 November 2017. The Audit Committee adopted the following resolutions:

- to adopt new Audit Committee Bylaws;
- in the matter of the policy for providing non-audit services by a statutory auditor or an audit firm to DINO Polska S.A. or the DINO POLSKA Group;
- to accept the procedure for selecting an audit firm to audit the separate financial statements of DINO POLSKA SA and the consolidated financial statements of the DINO Polska S.A. Group;
- to accept the policy for selecting an audit firm to audit the separate financial statements of DINO POLSKA SA and the consolidated financial statements of the DINO Polska SA Group.

The Audit Committee discussed the Key Audit Matters related to the impending audit of the financial statements with the company's auditor, Ernst & Young. The plan and scope of the audit was presented, the audit schedule was discussed and the audit team was introduced. In the presentation of the Key Audit Matters, the auditors confirmed that they would focus on, among others, accounting of revenues from agreements with suppliers and on transactions with related parties.

Supervisory Board's evaluation of its work

The Supervisory Board performed its work within the framework of the applicable law and the Company's internal normative acts.

The evaluation consists of a positive assessment of the organization and activity of the Supervisory Board as a collective body. Members of the Supervisory Board as a collective body ensure the diversity of knowledge, judgement and experience necessary to complete its tasks properly and achieve its goals. The Supervisory Board members have used their best efforts to ensure the proper performance of their duties relating to the continuous supervision over the Company's activity in all areas of its operation. On the basis of its evaluation, the Supervisory Board has determined that it has fulfilled its duties arising out of the Articles of Association and the Code. Accordingly, the Supervisory Board moves to grant a discharge to its members on the performance of their duties in the financial year 2017.

DINO POLSKA S.A. Supervisory Board

Tomasz Biernacki _____

Eryk Bajer _____

Maciej Polanowski _____

Pierre Detry _____

Piotr Nowjalis _____

Sławomir Jakszuk _____