

**DINO POLSKA S.A. SUPERVISORY BOARD'S
ANNUAL ACTIVITY REPORT
FOR THE 2020 FINANCIAL YEAR**

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 the provisions of the Best Practices of WSE Listed Companies 2016 hereby submits the Supervisory Board Activity Report for 2020 to the Ordinary Shareholder Meeting.

Composition of the Supervisory Board

According to the Articles of Association, the Supervisory Board consists of 5 to 8 members. In the 2020 financial year the Supervisory Board of Dino Polska S.A. with its registered office in Krotoszyn consisted of the following persons:

Tomasz Biernacki	Supervisory Board Chairman	1 January 2020 – 31 December 2020
Maciej Polanowski	Supervisory Board Member	1 January 2020 – 31 December 2020
Eryk Bajer	Supervisory Board Member	1 January 2020 – 31 December 2020
Piotr Nowjalis	Supervisory Board Member	1 January 2020 – 31 December 2020
Sławomir Jakszuk	Supervisory Board Member	1 January 2020 – 31 December 2020
Szymon Piduch	Supervisory Board Member	2 July 2020 – 31 December 2020

Information on satisfaction of criteria for independence by Supervisory Board members

According to the principles of the Best Practices of WSE Listed Companies 2016, at least two Supervisory Board members are independent. The Company satisfies this condition. Two Supervisory Board members: Piotr Nowjalis and Sławomir Jakszuk, who were elected simultaneously to the Audit Committee satisfy the criteria for independence in accordance with the provisions of the Act on Statutory Auditors of 11 May 2017 (Journal of Laws of 2020, item 1415).

Information on important issues addressed by the Supervisory Board, the number of meetings held and the resolutions adopted in 2020

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 2020 financial year the Supervisory Board held three meetings on the following dates: 20 May, 24 June and 4 September. Supervisory Board meetings were convened through written notifications sent to all the Supervisory Board members containing the proposed agenda of the meeting. In matters that required an immediate decision, the Supervisory Board adopted resolutions using the "written procedure" (by circulation). Resolutions adopted by circulation were most frequently used to approve the purchase of property for a net 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.

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

Date	Resolution adoption procedure:
10 Jan 2020	By circulation
29 Jan 2020	By circulation
7 Feb 2020	By circulation
17 Feb 2020	By circulation
28 Feb 2020	By circulation
18 Mar 2020	By circulation
3 Apr 2020	By circulation
6 Apr 2020	By circulation
7 Apr 2020	By circulation
30 Apr 2020	By circulation
5 May 2020	By circulation
20 May 2020	Meeting
3 Jun 2020	By circulation
22 Jun 2020	By circulation
24 Jun 2020	Meeting
29 Jun 2020	By circulation
30 Jun 2020	By circulation
1 Jul 2020	By circulation
3 Jul 2020	By circulation
22 Jul 2020	By circulation
31 Jul 2020	By circulation
17 Aug 2020	By circulation
19 Aug 2020	By circulation
24 Aug 2020	By circulation
1 Sep 2020	By circulation
4 Sep 2020	Meeting
30 Sep 2020	By circulation
12 Oct 2020	By circulation
14 Oct 2020	By circulation
27 Oct 2020	By circulation
9 Nov 2020	By circulation

Date	Resolution adoption procedure:
12 Nov 2020	By circulation
25 Nov 2020	By circulation
9 Dec 2020	By circulation
10 Dec 2020	By circulation
11 Dec 2020	By circulation
22 Dec 2020	By circulation

The financial performance in the various months of 2020 constituted a standing topic at the Supervisory Board meetings. Moreover, the Supervisory Board adopted resolutions on the following matters, among others:

1. consenting to enter into various loan agreements or increase the principal of an existing loan,
2. consenting to a surety for an overdraft facility,
3. appointing a new Management Board Member,
4. amending the master agreement with the General Contractor,
5. consenting to launch another bond issue,
6. approving the budget of the Dino Polska S.A. Group for 2021.

In total, the Supervisory Board adopted 54 resolutions in 2020.

Audit Committee

In 2020 the Audit Committee of Dino Polska S.A. operated without change in the following composition:

1. Piotr Nowjalis – Chairman
2. Sławomir Jakszuk
3. Maciej Polanowski

Piotr Nowjalis acted in the capacity of the Audit Committee Chairman without change throughout 2020.

The Audit Committee held five meetings in 2020, of which two were held in the Company's seat and three in the form of conference calls with the use of remote means of communication.

The first Audit Committee meeting in 2020 took place on 10 March 2020 in the Company's seat. The Audit Committee met with the audit firm auditing the Company's financial statements during the meeting. The auditor advised of the audit scope and strategy, it delivered a comprehensive presentation concerning the identification of significant risk while pointing out that the most attention was devoted once again to the following areas during the audit: (1) settlements of revenue in contracts with suppliers, (2) uncertainty related to the settlements in the Dino Polska S.A. Group. The audit firm representatives confirmed that the revenue under contracts with suppliers had been duly recognized in the accounting ledgers and financial statements in all material aspects. The Audit Committee was also advised that the statutory auditors had not identified any instances of fraud or illegal acts involving the Company's senior management.

Capital expenditures were also discussed, as was the capitalization of costs. The asset impairment analysis was discussed and a merger with a subsidiary was discussed again (2018). In addition, the auditor presented presentation-

related adjustments. The members of the Audit Committee were reminded of the implications of implementing IFRS 16 under a separate item. The accounting policy and updates thereto were also discussed as standard points of communication with the auditor along with the documentation of internal controls. At the end, the auditor referenced and confirmed the going concern assumption.

Another point in the agenda was the discussion concerning the candidate to be the internal auditor. It was determined during the discussion that this candidate will be introduced to Audit Committee members at the next on-site meeting.

The second Audit Committee meeting was held on 12 March 2020 and was held using remote means of communication. The sole item on the agenda was to discuss and vote on adopting a resolution concerning the Audit Committee's 2019 activity report – *resolution no. 1/03/2020 KA on accepting the Audit Committee work report in 2019.*

The third Audit Committee meeting took place on 20 May 2020 in the Company's seat. The Audit Committee adopted a resolution at its meeting to give a recommendation to the Supervisory Board to accept the standalone financial statements and the consolidated financial statements of the Dino Polska S.A. Group for the financial year ending 31 December 2019 – *resolution no. 1/05/2020 KA on accepting the standalone and consolidated financial statements for the period ending 31 December 2019.* The Audit Committee members also had the opportunity to meet with the candidate to be the internal auditor. After that meeting the Audit Committee adopted resolution no. 2/03/2020 KA on giving a negative opinion regarding the proposed candidate.

The next Audit Committee meeting was held on 30 June 2020 and was held using remote means of communication. The Audit Committee adopted two resolutions:

1. on giving a positive opinion on the candidate to be the internal auditor - resolution no. 2/06/2020 KA,
2. on launching the procedure to select the audit firm – resolution no. 1/06/2020 KA.

The Audit Committee's fifth meeting was held on 18 August 2020. During its session, a meeting was held with representatives of the audit firm Ernst & Young Audyt Polska sp. z o.o. sp.k. with its registered office in Warsaw. The review of the standalone and consolidated financial statements of Dino Polska S.A. for the period ending 30 June 2020 was summarized during the meeting. The sales and financial results of the first six months of 2020 were also discussed in detail. The representatives of the audit firm also presented the key audit issues and the levels of materiality in the financial statements. Special attention was devoted to analyzing the impact exerted by the COVID-19 pandemic on the Dino Group's results. The statutory auditor's draft report and the audit firm's view concerning future key challenges were also presented. All the members of the Audit Committee took part in the meeting.

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 done their utmost 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 asserts that it has

fulfilled its duties laid down by 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 2020 financial year.

DINO POLSKA S.A. Supervisory Board

Tomasz Biernacki _____

Eryk Bajer _____

Maciej Polanowski _____

Piotr Nowjalis _____

Sławomir Jakszuk _____