

DINO POLSKA S.A. SUPERVISORY BOARD'S ANNUAL ACTIVITY REPORT

FOR THE 2021 FINANCIAL YEAR

Introduction

The Supervisory Board of DINO POLSKA S.A., acting pursuant to art. 382 § 1 of the Commercial Company Code, § 17 sec. 1 item 3) of the Company's Articles of Association, § 6 of the Supervisory Board Bylaws and based on standard 2.11 set forth in the document entitled "Best Practices of WSE Listed Companies 2021" (hereinafter: Best Practices), hereby submits the Supervisory Board Activity Report for 2021 to the Ordinary Shareholder Meeting.

- 1. Information pertaining to the composition of the Supervisory Board and its Committees with an indication of which Supervisory Board members satisfy the criteria for independence, and which members do not have any actual or significant ties to a shareholder holding at least 5% of the total number of votes in the Company, and information about the Supervisory Board composition in terms of its diversity as referenced in Standard 2.11.1 of the Best Practices of WSE Listed Companies 2021**

Supervisory Board:

According to the Articles of Association of DINO POLSKA S.A., the Supervisory Board consists of 5 to 8 members. In the 2021 financial year the Supervisory Board of DINO POLSKA S.A. consisted of the following persons:

Tomasz Biernacki	Supervisory Board Chairman	1 January 2021 – 31 December 2021
Maciej Polanowski	Supervisory Board Member	1 January 2021 – 31 December 2021
Eryk Bajer	Supervisory Board Member	1 January 2021 – 31 December 2021
Piotr Nowjalis	Supervisory Board Member	1 January 2021 – 31 December 2021
Sławomir Jakszuk	Supervisory Board Member	1 January 2021 – 31 December 2021
Szymon Piduch	Supervisory Board Member	1 January 2021 – 12 January 2021

According to the principles of the Best Practices of WSE Listed Companies 2021, at least two Supervisory Board members satisfy the criteria for independence. 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 of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight (Journal of Laws of 2021, item 2106) and do not have any actual or significant ties.

Audit Committee:

In 2021 the Audit Committee of DINO POLSKA S.A. operated without change in the following composition:

- Piotr Nowjalis – Audit Committee Chairman;
- Sławomir Jakszuk – Audit Committee Member;
- Maciej Polanowski – Audit Committee Member.

On 21 June 2021 the composition of the Audit Committee of the new term of office of the Company's Supervisory Board was appointed. The following persons were appointed to it: Piotr Nowjalis, Sławomir Jakszuk and Maciej Polanowski. The composition of the Audit Committee has not changed versus the end of 2020.

Piotr Nowjalis acted in the capacity of the Audit Committee Chairman without change throughout 2021.

2. Summary of the activity of the Supervisory Board and its Committees referenced in Standard 2.11.2 of the Best Practices

Supervisory Board:

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 2021 financial year the Supervisory Board held three meetings on the following dates: 23 April, 3 September and 26 November. 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 included mainly resolutions to approve the purchase of real properties.

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:
2021-01-08	By circulation
2021-01-26	By circulation
2021-01-27	By circulation
2021-02-10	By circulation
2021-03-01	By circulation
2021-03-08	By circulation
2021-03-16	By circulation
2021-03-23	By circulation
2021-04-02	By circulation
2021-04-19	By circulation
2021-04-23	Meeting
2021-05-06	By circulation
2021-05-07	By circulation
2021-06-08	By circulation
2021-06-15	By circulation
2021-06-16	By circulation
2021-06-18	By circulation
2021-07-16	By circulation
2021-07-19	By circulation
2021-07-20	By circulation

Date	Resolution adoption procedure:
2021-07-27	By circulation
2021-08-06	By circulation
2021-09-02	By circulation
2021-09-03	Meeting
2021-09-06	By circulation
2021-09-07	By circulation
2021-09-08	By circulation
2021-09-09	By circulation
2021-09-23	By circulation
2021-10-11	By circulation
2021-10-20	By circulation
2021-10-25	By circulation
2021-10-27	By circulation
2021-10-29	By circulation
2021-11-19	By circulation
2021-11-26	Meeting
2021-11-29	By circulation
2021-12-02	By circulation
2021-12-03	By circulation
2021-12-07	By circulation
2021-12-10	By circulation

The financial performance in the various months of 2021 constituted a standing topic at the Supervisory Board meetings. Moreover, the Supervisory Board adopted resolutions on the following matters:

- consenting to enter into various loan agreements or increase the principal of an existing loan,
- consenting to modify a surety for the payment of liabilities,
- approving the procedure for the periodic evaluation of significant transactions executed on arm’s length conditions,
- issuing sole promissory notes,
- appointing new Audit Committee Members,
- consenting to launch another bond issue,
- approving the budget of the DINO POLSKA S.A. Group for 2022.

Overall, the Supervisory Board adopted 70 resolutions in 2021.

Audit Committee:

The Audit Committee held seven meetings in 2021.

The first Audit Committee meeting in 2021 was held on 7 January 2021.

All Members took part in the meeting. 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 once again devoted to the following areas during the audit: (1) settlement of revenue in contracts with suppliers, (2) uncertainty related to the tax treatment of transactions with related parties; (3) risk of circumventing control by the Management Board and the management of the Company / Group companies – this risk is inseparably tied to every business entity (according to International Audit Standards); (4) purchase of land on non-arm's length conditions; (5) purchase of merchandise and services on non-arm's length conditions. 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. The Dino Group's results for the first 9 months, i.e. up to 30 September 2020 were discussed. Then a discussion was held on the Dino Group's investment processes in progress while giving consideration to the newly built distribution centers in Sierpc and Sieronowice. The impact exerted by the COVID 19 pandemic on the Group's business was discussed while pointing out that the pandemic has not had a material adverse impact on the results of the Group/Company. Moreover, the auditor delivered a presentation of the factoring liabilities.

The accounting policy and updates thereto were also discussed as standard points of communication with the auditor along with the process of documenting internal controls. In addition, the auditor discussed the situation on the retail trade market.

The second Audit Committee meeting was held on 3 February 2021.

The *"Procedure for the periodic evaluation of significant transactions executed on arm's length conditions in the course of the company's ordinary business in DINO POLSKA S.A. and its Group"* was discussed and a resolution endorsing this document was adopted. Then the *"Internal Audit Bylaws in DINO POLSKA S.A."* presented by the Internal Auditor were discussed. The Audit Committee endorsed the presented document. The *"Internal Audit Plan in DINO POLSKA S.A. for 2021"* presented by the Internal Auditor was discussed. The plan, after incorporating the Audit Committee's remarks was endorsed at the subsequent meeting.

The following documents presented by the Internal Auditor were discussed:

- *"List of Control Mechanisms to Mitigate Risk";*
- *"Internal Auditor's Code of Conduct";*
- *"Program to ensure and enhance the quality of Internal Audit in DINO POLSKA S.A."*

resolutions were adopted to endorse the documents specified above. Then the auditor discussed the risk matrix. A recommendation was made to enrich the matrix with additional risks that may emerge in Agro-Rydzyňa sp. z o.o. The report on the activities conducted in 2020 presented by the Internal Auditor was discussed.

The third Audit Committee meeting was held on 4 March 2021.

All the members took part in the Audit Committee meeting. During the meeting a discussion was held with the audit firm auditing the Company's financial statements on issues related to auditing the standalone financial statements of DINO POLSKA S.A. in 2020 and the consolidated financial statements of the Dino Group in 2020. The audit firm presented the work scope and schedule and the strategies for auditing the financial statements. Selected data from the consolidated financial statements were then presented. The auditor discussed the most significant risks of misstatement in the financial statements. According to the auditor, the most significant risks were as follows: (1) the risk related to the erroneous settlement of revenue under contracts with suppliers; (2) the tax risk ensuing from the

purchase of merchandise, services and land on non-arm's length conditions; (3) the risk of abuse of control by the Company's Management Board and management - a risk that inseparably appears in every business.

The pandemic's impact on the Dino Group's business was discussed. It was pointed out that the pandemic did not have a material adverse impact on the business of the Company/Group in 2020. The measurement of financial liabilities, including investment facilities and bonds was presented. Other material audit and accounting issues identified during the audit were discussed.

In the latter portion of the meeting Michał Krauze, Management Board Member of DINO POLSKA S.A. presented and discussed the risk matrix for Agro-Rydzyna sp. z o.o. and the Company's IT Department with the Audit Committee. The Audit Committee recommended extending the risk matrix of Agro-Rydzyna sp. z o.o. to include the additional risks identified during the discussion.

The fourth Audit Committee meeting was held on 10 March 2021.

The "Audit Committee's 2020 Activity Report" was discussed and adopted at the meeting.

The fifth Audit Committee meeting was held on 23 April 2021.

Michał Krauze, Management Board Member of DINO POLSKA S.A. reported on the bids submitted by audit firms pertaining to the review and audit of the Company's financial statements. The Company evaluated the bids according to the selection criteria defined in the tender documentation. The selection criteria were as follows:

- a) experience in auditing the financial statements of public companies,
- b) professionalism,
- c) familiarity with the retail trade industry,
- d) position of the statutory auditor on the audit services market,
- e) contents and presentation of the bid,
- f) price.

After reviewing the Company's report on conducting the procedure to select the audit firm authorized to audit the financial statements of the Dino Group companies, the Audit Committee adopted a resolution to recommend the selection of an audit firm to conduct the statutory audit of the public interest entity. The Audit Committee recommended the selection of ERNST & YOUNG AUDYT POLSKA sp. z o.o. sp.k. for the period of the next three years (2021, 2022 and 2023). Moreover, the Audit Committee Members discussed the standalone financial statements of DINO POLSKA S.A. and the consolidated financial statements of the Dino Group. The Audit Committee adopted a resolution to give the Audit Committee's recommendation to the Supervisory Board to approve the standalone financial statements and the consolidated financial statements of the Dino Group for the financial year ending 31 December 2020.

The sixth meeting of the Audit Committee was held on 17 August 2021.

The audit firm presented consolidated financial highlights for H1 2021. Then a presentation was made of the most significant risks of misstating the financial statements encompassing the following: (1) identification of bonuses, discounts and the settlements related thereto; (2) risk of circumventing control by the Management Board and the management of the Company / Group companies – this risk is inseparably tied to every business entity (according to International Audit Standards); (3) purchase of land on non-arm's length conditions; (4) purchase of merchandise and

services on non-arm's length conditions. Subsequently, audit and accounting issues and the impact exerted by the COVID-19 pandemic on the Group's business were discussed. The pandemic has not exerted a material adverse impact on the results of the Group/Company and no threats related thereto have been posited in respect of the Group being a going concern.

Then, the results of the analysis of the recoverability of property, plant and equipment were presented and a discussion was held on the process of recognizing bonuses, discounts and associated settlements. The auditors did not identify any irregularities in this area.

In addition, a discussion was held on the measurement of financial liabilities (investment facilities and bonds) and factoring liabilities.

In the latter part of the meeting in which the Company's Internal Auditor took part, the self-assessment of the work done by the Internal Audit Department was discussed.

The self-assessment of the work done by Internal Audit in DINO POLSKA S.A. was prepared in accordance with "Standard 1300 – the Program to ensure quality enhancement". The Audit Committee did not put forward any remarks on the presented document. Subsequently, the Internal Auditor discussed the execution of the annual Internal Audit Plan. The audit tasks conducted in the identified areas were discussed.

Sławomir Jakszuk, Audit Committee Member advanced the candidacy of Piotr Nowjalis to be the Audit Committee Chairman in the new term of office. This resolution was adopted with two votes in favor (Maciej Polanowski, Sławomir Jakszuk). Piotr Nowjalis abstained.

The seventh meeting of the Audit Committee was held on 26 November 2021.

All the members of the Audit Committee took part in the meeting. The Internal Auditor presented the "Internal Audit Plan in DINO POLSKA S.A. for 2022", which was endorsed by the Audit Committee. The plan was prepared based on the risk matrix. The risk matrix encompasses the risks to which the Company is exposed in various areas of its business, along with the probability and consequences of their occurrence. Subsequently, the Internal Auditor presented the "Risk Management Procedure in DINO POLSKA S.A.", which was endorsed by the Audit Committee.

3. Evaluation of the Company's standing on a consolidated basis, including an evaluation of its internal control, risk management and compliance systems and the internal audit function along with information on the actions the Supervisory Board took to carry out this evaluation as referred to in Standard 2.11.3 of Best Practices.

Internal control system:

DINO POLSKA S.A. has an extensive internal control system in place whose task is to facilitate effective prevention and rapid elimination of any irregularities. The internal control system covers in essence all the areas of the Company's operation and all of its organizational units. Within the framework of reviewing the financial statements, the financial statements are reviewed by an independent statutory auditor.

The Parent Company's standalone financial statements have been prepared in accordance with the following:

1. Accounting Act of 29 September 1994 (consolidated version: Journal of Laws of 2021, item 217, as amended),
2. Internal accounting procedures based on the accounting policies in effect in DINO POLSKA S.A.,
3. applicable law and provisions of the articles of association of DINO POLSKA S.A.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as endorsed by the European Union – they include adjustments that are not recognized in the accounting ledgers of all the Dino Group companies, which are made in order to restate the standalone financial data of the Parent Company and the Dino Group’s Subsidiaries to ensure compliance with IFRS.

The process of preparing financial statements is covered by an internal control and risk management system, which contributes to the credibility and accuracy of financial reporting, and compliance with the law and internal regulations. The internal control system entails:

- control activities performed by employees of the Dino Group companies as part of their tasks and duties (the current allocation of duties rules out the possibility of one employee performing activities related to the execution and documentation of business operations from beginning to end),
- functional control performed by all the employees in managerial positions who oversee the organizational cells reporting to them,

Risk management in the process of preparing the financial statements is based on risk identification and assessment combined with defining and taking actions aimed at minimizing or eliminating risks in their entirety. The Chief Accountant and the Management Board Member responsible for finance to whom the financial and accounting teams report oversee the process of preparing the financial statements of the Parent Company and the consolidated financial statements of the Dino Group. The risk management process starts already at the Group’s lowest levels, so as to ensure fulfillment of the intended objectives. Risk management in the Dino Group is a process overseen by the Management Board and key managerial personnel.

The accuracy of preparation of the financial statements is also verified by Supervisory Board members as part of the Audit Committee’s duties entrusted to the Supervisory Board. To confirm the consistency of the data contained in the financial statements with the facts and records in the accounting ledgers kept by the Company, the financial statements are audited by a statutory auditor who issues an opinion in this respect. All actions taken by the company aim to ensure compliance with the provisions of law and the facts, and early identification and elimination of potential risks so that they do not affect the credibility and accuracy of presented financial data.

Compliance

Compliance management in the Dino Group aims to ensure that the Group companies will achieve their business targets in a manner consistent with the law while respecting best practices and business ethics and striving to avoid conflicts of interest and abiding by the principles of fair competition. In addition, this system is supposed to mitigate the risk of sanctions, financial losses and loss of reputation, while simultaneously contributing to building and entrenching the Dino Group’s positive image.

The Dino Group’s compliance is predicated on risk analysis, which defines the tasks for complying with legal and ethical standards and forms the basis for enacting solutions dedicated to the organization.

Compliance management in the Dino Group is carried out through preventive measures (preventing the emergence of non-compliance), remedial measures (detecting and eradicating identified cases of non-compliance and mitigating their adverse consequences) and analytical measures (analysis of the identified cases of non-compliance to avoid similar events in the future).

The Dino Group acts in the following areas within the framework of compliance management:

- monitoring the regulatory environment for business processes, evaluating and analyzing companies' compliance risk with the laws, guidelines, internal regulations and standards,
- coordinating the process of creating, implementing and updating internal regulations in the Company,
- monitoring the observance of standards embraced in internal regulations and compliance management,
- controlling compliance between the operations of organizational cells and the Company's internal decisions and regulations,
- delivering training to employees.

Internal audit

DINO POLSKA S.A. has a separate department responsible for internal audit. Internal audit in the Company is an independent and objective activity to ensure, advise and support the Group in achieving its intended goals by regularly and consistently improving the effectiveness of management. The audit function follows the guidelines of the Institute of Internal Auditors. It involves a regular and structured assessment of processes: risk management, control and organizational governance and it contributes to their improvement. Internal audit may span all aspects of the Group's business.

4. Assessment of the Company's application of corporate governance rules and how it has fulfilled its reporting duties pertaining to their application as set forth in the Stock Exchange Regulations and the provisions of law pertaining to current and periodic information transmitted by securities issuers, along with information regarding the actions the Supervisory Board took to carry out this assessment as referred to in Standard 2.11.4 of Best Practices,

Evaluation of the Company's application of corporate governance standards:

In the 2021 financial year DINO POLSKA S.A. applied the corporate governance standards set forth in the "Best Practices of WSE Listed Companies 2021" constituting an attachment to Resolution No. 13/1834/2021 adopted by the Supervisory Board of Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange) on 29 March 2021. In accordance with standard 1. of the "Best Practices of WSE Listed Companies 2021", DINO POLSKA S.A. publishes information on its website at www.grupadino.pl in the "Corporate Governance" section of the "About Dino Polska" tab on the status of the application by the Company of recommendations and standards included in the "Best Practices of WSE Listed Companies 2021".

According to the present state of affairs regarding the application of the Best Practices, the Company does not apply 8 standards: 1.4., 1.4.2., 2.1., 2.2., 2.11.6., 4.1., 4.3. and 5.3.

Standard 1.4: "To ensure proper communication with stakeholders regarding the adopted business strategy, a company publishes information on its website regarding the tenets of its strategy, the measurable objectives, especially long-term objectives, planned activities and progress in their achievement as specified with the help of financial and non-financial metrics."

The Company has a long-term growth strategy published on its website. In this strategy, however, the Company has not defined precise long-term goals. Having regard for its current phase of dynamic growth, the highly competitive market on which it operates, the changes transpiring on this market and the frequent changes in the legal environment, this gives the Company extensive flexibility in adapting to the evolving business conditions while enhancing its competitive resilience. The Company is of the opinion that in the foregoing circumstances the most

effective way to grow the company's value is to blend its long-term strategy identifying the key growth areas with the process of defining annual objectives aligned to the strategy to be achieved by its employees.

Standard 1.4.2: "Information on the ESG strategy should present among other things the equality ratio for pay paid to employees calculated as the percentage difference between the average monthly salary (including bonuses, awards and other allowances) received by women and men for the last year, and present information regarding the actions taken to eliminate any inequalities along with a statement of the related risks and the time horizon over which the plan is to reach equality."

The Company takes care that all employees have equal access to professional development opportunities and receive equal pay for equal work. There is a standard base salary scale that is identical for women and men to eliminate the pay gap problem in the Company's various business areas. In turn, bonuses and awards are paid according to the completed tasks and therefore they may vary among employees. In one area of its business the Company applies an employee remuneration system based on piece work. Its principles are identical for all employees. Pay under this system hinges on the quantity of work done and therefore pay may vary by employee. Accordingly, in the Company's opinion, the salary equality ratio encompassing bonuses, awards and other allowances is not the right ratio to evaluate equal pay for the Company's employees.

Standard 2.1: "The Company should have a diversity policy for the management board and the supervisory board adopted by the supervisory board or shareholder meeting, respectively. The diversity policy lays down the objectives and criteria for diversity, among others, in areas such as gender, education, expert knowledge, age and professional experience; it also specifies the deadline for, and the method of, monitoring the execution of these objectives. In terms of gender differentiation the prerequisite for ensuring diversity in the company's corporate bodies is for the minority to hold a share of no less than 30% in a given corporate body."

The Company pays attention to building a diverse composition in its Management Board and Supervisory Board; however, it does not have a formalized diversity policy applicable to these corporate bodies. 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 composition of the Company's corporate bodies is shaped in the way that is most closely aligned to the execution of its business objectives based on candidates selected from among the Company's employees (in the case of the Management Board).

Standard 2.2: "Decision-makers involved in the selection of the company's management board or supervisory board members should provide for the comprehensiveness of these corporate bodies by choosing people to join them who ensure diversity, making it possible, among other things, to achieve the target minimum percentage held by a minority at a level of no less than 30% in accordance with the targets specified in the adopted diversity policy referred to in standard 2.1."

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 composition of the Company's corporate bodies is shaped in the way that is most closely aligned to the execution of its business objectives based on candidates selected from among the Company's employees (in the case of the Management Board). On the date of publication of this information the composition of the Management Board satisfies the criterion pertaining to the share of gender differentiation. This criterion is not satisfied by the Company's Supervisory Board.

Standard 2.11.6: "In addition to the activities ensuing from the regulations of law, once a year the Supervisory Board draws up and prepares an annual report for the ordinary shareholder meeting to approve. The report discussed above

contains information regarding the progress in the diversity policy in the management board and the supervisory board, including the achievement of the objectives referred to in standard 2.1.”

The standard is not applied in connection with the fact that the Company does not apply standard 2.1.

Standard 4.3: “The Company provides for a generally available broadcast of the shareholder meeting 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, if its shareholders report such a need.”

Standard 5.3: “No shareholder should be privileged in respect of other shareholders in terms of transactions with related entities. This also pertains to transactions executed by company shareholders with entities belonging to the group.”

The Company expresses its support for the foregoing standard. However, it cooperates with a single general contractor related to the Company’s major shareholder in the area involving the expansion of its store network. The Company is not thinking about changing this model. In the past the Company cooperated with many entities operating in the construction industry and based on its experience it deemed that close cooperation with a single credible entity sharing the same goals as the Company is a key condition for the dynamic and effective rollout of the store network. To mitigate the operating risk associated with cooperating with a related party, the following mechanisms are employed: i) the Company regularly collects information regarding other entities operating in the construction industry and analyzes the costs of store construction services; ii) cooperation with the general contractor is conducted on the basis of a long-term master agreement that standardizes the costs of store construction and ensures the constancy of the conditions of cooperation over its term of validity (the current master agreement is valid until 30 June 2025); and iii) the Company’s Articles of Association stipulate that the consent of the majority of the independent Supervisory Board members participating in a meeting must be given to make changes to significant agreements involving related parties.

Assessment of fulfilling reporting duties pertaining to their application as set forth in the Stock Exchange Regulations and the provisions of law pertaining to current and periodic information transmitted by securities issuers:

In performance of the obligations set forth in § 70 Section 6 Item 5 of the Regulation issued by the Minister of Finance on 29 March 2018 on the Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent, DINO POLSKA S.A. included a representation on the application of the corporate governance principles in the 2021 financial year in the Management Board’s Report on the Activity of DINO POLSKA and the Dino Group in the 2021 financial year, as a separate part of that Report. The Supervisory Board discussed with the Management Board the corporate governance principles used by the Company, familiarized itself with the statement of DINO POLSKA S.A. on the application of corporate governance principles in the 2021 financial year included in the Company’s annual report for the 2021 financial year and with the Information on the status of application of recommendations and standards included in the “Best Practices of WSE Listed Companies 2021” published on the Company’s website and with the statutory auditor’s opinion about the statement on the application of corporate governance principles included in the independent statutory auditor’s report on the audit of the financial statements of DINO POLSKA S.A. for the 2021 financial year. The Supervisory Board believes that in the 2021 financial year the Company fulfilled its reporting duties pertaining to the application of corporate governance principles set forth in the Stock Exchange Regulations and the provisions of law pertaining to current and periodic information submitted by securities issuers, in a correct, accurate and complete manner.

5. Evaluation of the justification for the expenditures incurred by the Company and its Group to support culture, sports, charitable institutions, media, social organizations, trade unions, etc. as referenced in standard 2.11.5 of Best Practices.

Based on the information from the Company's Management Board the Supervisory Board has determined that in 2021 charitable and sponsoring activity was conducted in the following areas:

1. material assistance was given to institutions whose profile of activity is convergent with the statutory goals of the Dino – Najbliżej Ciebie Foundation and financial assistance was given to persons who are chronically ill or who have suffered during natural disasters;
2. financial aid was given to treatment centers in connection with the persisting COVID-19 pandemic;
3. actions were taken to improve the social infrastructure of townships.

These actions were conducted unilaterally and with the support of the DINO Najbliżej Ciebie Foundation, which holds the status of a public benefit organization.

In 2021 the DINO Group made donations totaling PLN 3,652 thousand. The DINO Group donated a total of PLN 2,891 thousand to hospitals to fight COVID-19. It donated PLN 46 thousand to the DINO Najbliżej Ciebie Foundation. Otherwise, i.e. donations totaling PLN 715 thousand were given to other entities, including public benefit organizations, among other things, to improve the social infrastructure of townships and for activities to enhance security.

The Company conducted a transparent policy to communicate its charitable and sponsoring activities by publishing information on its current activity and an annual summary in the Report on the Activity of Dino Polska S.A. and the Dino Polska Group in 2021 and in reports published pursuant to the Act of 29 July 2005 on Public Offering and the Terms and Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies. The foregoing information allows one to state that the charitable and sponsoring activities of the Company and the Dino Group were conducted in a rational manner while taking into consideration social needs. In the opinion of the Supervisory Board, the expenditures incurred in this charitable and sponsoring activity are justified, and these activities correlate well with the values embraced by the Company and fully reflect the Dino Group's commitment to helping the most needy persons.

6. Information regarding the progress in the diversity policy in the Management Board and the Supervisory Board, including the achievement of the objectives referred to in Standard 2.11.6. of the Best Practices.

The Company pays attention to building a diverse composition in its Management Board and Supervisory Board; however, it does not have a formalized diversity policy applicable to these corporate bodies. 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 composition of the Company's corporate bodies is shaped in the way that is most closely aligned to the execution of its business

objectives based on candidates selected from among the Company's employees (in the case of the Management Board).

7. 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 2021 financial year.

DINO POLSKA S.A. Supervisory Board

Tomasz Biernacki _____

Eryk Bajer _____

Maciej Polanowski _____

Piotr Nowjalis _____

Sławomir Jakszuk _____