
Statement on Corporate Governance

The Directors recognise the importance of good corporate governance and have chosen to adopt the Quoted Companies Alliance Corporate Governance Code (the “QCA Code”). The Company adopted the QCA Code in September 2018. For the year ended 31 December 2023, it was subject to the edition of the Code published by the FRC in 2018. The Company complied with the Code throughout the year.

The QCA Code was developed by the QCA in consultation with a number of small company institutional investors as a corporate governance code applicable to AIM companies. The underlying principle of the QCA Code is that “the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all shareholders over the longer term”.

It is the responsibility of the Non-Executive Chairman to ensure that the highest practicable standards of corporate governance are in place. The Board and staff of the Company are committed to behaving professionally and responsibly to ensure that the highest standards of honesty, integrity and corporate governance are maintained. Enshrining these values through the Company’s culture, objectives and processes is essential to support the success of the Company in creating long-term shareholder value. The QCA corporate governance principles along with a summary of how the Company applies them are set out below.

1. Establish a strategy and business model which promote long-term value for shareholders

DP Poland’s purpose, business model and strategy are described in the Strategic Report.

In summary, the purpose is to establish Domino’s Pizza as the leading pizza delivery brand in Poland and Croatia; the business model is to operate company owned stores (“Corporate Stores”) and to sub-franchise stores to third parties, supplied by our production, warehousing and logistics operations (the “Commissary”); the strategy is to make the Domino’s offer the most available and the most attractive delivery pizza offer in the Polish and Croatian markets. The principal risks and uncertainties affecting the business and how these are mitigated are set out within the Strategic Report.

2. Seek to understand and meet shareholder needs and expectations

The Company engages with shareholders through regular reporting, emailed updates, face-to-face meetings, virtual meetings, telephone conversations and email dialogue. The Chief Executive and Non-Executive Chairman are readily available to investors, contactable by telephone and email via the Company website. The AGM provides a forum for investors to meet the Chief Executive and Non-Executive Chairman and to raise any questions, issues or concerns.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Company operates in Poland and Croatia through its wholly owned subsidiaries DP Polska S.A., Dominium S.A. and All About Pizza d.o.o. The Board and management team of DP Polska S.A., Dominium S.A. and All About Pizza d.o.o. is focused on delivering a highly competitive offer to customers and conducts regular market research to understand consumer attitudes towards the Domino’s Pizza brand and its offer and to adjust the offer and brand communications accordingly. Customers regularly feedback directly to stores and via social media. Our store teams are trained to listen and respond constructively to that feedback and our central team reviews and responds constructively to feedback over social media.

The management team is focused on ensuring that the workforce is delivering against customer expectations through thorough training and appropriate remuneration and motivation packages. Employee feedback is taken seriously and conditions of employment are adjusted accordingly.

Good relationships with suppliers and partners are important and the Company’s management team is focused on maintaining and improving those relationships. DP Polska and Dominium S.A. work closely with suppliers our franchisor Domino’s Pizza International, with regular face-to-face, telephone and email contact across all levels of the business, store to Board level.

Poland is a well-regulated market and the management team relies on both in-house and external expertise to ensure that the Company’s operations are in compliance with all regulations, corporately and across our company managed Corporate Stores. While our operations in Croatia are substantially smaller compared to Poland, we strive to achieve the same level of standards in both markets.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The principal risks and uncertainties identified by the directors, their potential impact and the steps taken to mitigate them are reviewed annually and outlined annually under the ‘Risk Management’ section of Strategic Report. Both the Board and the management team are responsible for reviewing and evaluating potential risks to the business. The internal controls of the Group are set out in the Financial Reporting Procedures Manual which was reviewed and reported on by the Reporting Accountants in connection with the combination of DP Poland and Dominium. With the support of the Group’s auditors, the Audit Committee carries out an annual risk assessment and review of internal controls. The Audit Committee has considered the need for an internal audit function and is of the view that, given the size and nature of the Group’s operations, there is no current requirement to establish a separate internal audit function.

5. Maintain the Board as a well- functioning, balanced team led by the Chairman

The Board comprises two Executive Directors and five Non-Executive Directors. David Wild and Jeremy Dibb are considered to be independent Non-Executive Directors. Details of directors’ contracts are described in the Remuneration Report. The Company holds regular board meetings which the directors attend, either in person or by telephone conference. The directors are expected to make themselves available for all board meetings, committee meetings as appropriate and as required for ad hoc meetings. Relevant information including a detailed board report and management accounts are circulated to the Directors in advance of board meetings. The Board is supported by the Audit, Nominations and Remuneration committees, as described in the Directors’ Report. The Audit Committee meets with the Company’s appointed auditor to review the Company’s preliminary annual results and as required ad hoc. The Nominations and Remuneration committee meets to review and set the Executive Directors’ remuneration, to review and set the Executive Directors’ long-term incentive plans and to set and approve the Executive Directors’ annual bonus plan.

Board and committee meeting attendance in 2023

	Main Board (meetings held 11)	Audit Committee (meetings held 1)	Remuneration committee (meetings held 1)
D. Wild ¹	10/11	1/1	1/1
P. Glebocki	9/11	n/a	1/1
J. Chechelski	10/11	1/1	1/1
A. Rennie ²	5/8	n/a	n/a
N. Gornall	11/11	1/1	n/a
E. Kacyrz	10/11	1/1	n/a
J. Dibb	10/11	1/1	n/a
P Furlong ³	2/2	n/a	n/a

¹ – appointed on 20 January 2023

² – resigned on 1 October 2023

³ – resigned on 31 March 2023

In the event that Directors are unable to attend a meeting their comments on board papers to be considered at the meeting are discussed in advance with the Chairman so that their contribution can be included in the wider Board discussions.

Matters considered by the Audit Committee in 2023

The Audit Committee receives and reviews reports from management and the Company’s auditors relating to the interim and annual accounts and keeps under review the accounting and internal controls which the Company has in place. The Audit Committee undertakes a formal assessment of the auditor’s independence each year including a review of non-audit services provided to the Group and related fees; discussion with the auditor of a written report detailing all relationships with the Group and any other parties which could affect independence or the perception of independence; a review of the auditor’s own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner; and obtaining written confirmation from the auditor that, in their professional judgment, they are independent. The current auditors were appointed in 2022 and will be subject to annual re-appointment.

In November 2023, the Company received a letter from the FRC in relation to the 2022 Annual Report and Accounts. The letter focused on the treatment of the shares issued and purchase price allocation for the acquisition of AAP and indefinite useful life of the MFA acquired with AAP. Management responded to the FRC in December 2023 and addressed the key questions that were raised, undertaking to make certain changes within the 2023 Annual Report and Accounts related to restating 2022 figures. The final letter from FRC closing the enquiries has been received in March 2024. Full details of the restatements are set out in Note 1, page 51. The Audit Committee had oversight of the responses provided by management to the FRC's enquiries. In addition, the FRC highlighted specific areas of future reporting improvement which the Committee has considered and agreed to implement.

The review conducted by the FRC focused entirely on the 2022 Annual Report and Accounts and did not provide any assurance that the 2022 Annual Report and Accounts are correct in all material respects. The FRC's role is not to verify information but rather to consider compliance with reporting requirements. The Audit Committee welcomes the comments received by the FRC, has incorporated matters raised into the 2023 Annual Report and Accounts where appropriate and is supportive of the FRC's goal of increasing transparency in corporate reporting.

Audit process

The external auditor prepares an audit plan setting out how the auditor will audit the full-year financial statements. The audit plan is reviewed, agreed in advance and overseen by the Audit Committee. The plan includes the proposed scope of the work, the approach to be taken with the audit and also describes the auditor's assessment of the principal risks facing the business. Prior to approval of the financial statements, the external auditor presents its findings to the Committee, highlighting areas of significant financial judgement for discussion.

6. Ensure that between them the directors have the necessary up to date experience, skills and capabilities

Biographies of the Company's Directors can be found in Annual Report and Accounts, the Board section. The experience of the Directors spans sectoral, professional and executive experience that is highly relevant to the business of the Company. Each of the Directors is employed or is directly involved in a range of businesses, which ensures their skillsets are up-to-date. The Company retains a professional auditing company which advises the Audit Committee as required. Directors have direct access to the advice of the Company Secretary as well as to other external consulting companies, whenever the Board finds it necessary to address and mitigate potential risks for the Group, i.e., due diligence process during AAP acquisition or transfer pricing support. Executive Directors are employed full-time to run the Group operations. Non-Executive Directors are expected to attend Board meetings regularly and allocate a minimum of one day a month to the role. Regarding gender diversity, as at 2023 year-end the Board has no female Directors. Addressing gender diversity will be a priority when the Board considers to appoint another Director.

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board proposes to carry out an evaluation of its performance annually, taking into account the Financial Reporting Council's Guidance on Board Effectiveness. All Directors undergo a performance evaluation before being proposed for re-election to ensure that:

1. Their performance is and continues to be effective;
2. Where appropriate, they maintain their independence; and
3. They are demonstrating continued commitment to the role.

Appraisals are carried out each year with respect to the Executive Directors. Succession planning is undertaken by the Non-Executive Chairman and the Chief Executive on consideration of the evolving requirements of the Company. The Board evaluation in 2023 has been undertaken in-house. The evaluation was conducted using an online survey. The anonymity of responses was guaranteed throughout the process to promote open and honest feedback. The results of the questionnaire were delivered to the Board and represent the basis for identification of development and mentoring needs of Executive Directors.

8. Promote a corporate culture that is based on ethical values and behaviours

The Board has an ethical approach commensurate with both its responsibilities as an AIM listed company and as the master franchisee of an international consumer brand franchise, for which sound ethics are of fundamental importance. The Directors hold each other to account in meeting a very high ethical standard in their behaviour and decision making. The operating companies are involved with its

community at the store level, engaging with and supporting local charities, schools and sporting events. We are committed to anti-corruption and anti-bribery business practices across our operations. Our policy is never to offer, request or receive bribes. We actively seek to reduce opportunities for corruption. We do not invest in projects that engage in corruption or have a high risk of such behavior.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Directors recognise the importance of good corporate governance and have chosen to adopt the QCA Code. The Board and staff of the Company are committed to behaving professionally and responsibly to ensure that the highest standards of honesty, integrity and corporate governance are maintained. Enshrining these values through the Company's culture, objectives and processes is essential to support the success of the Company in creating long-term shareholder value.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company encourages two-way communication with both its institutional and private investors and aims to respond quickly to all queries received. The Non-Executive Chairman and other directors talk regularly with the Group's major shareholders and ensure that their views are communicated fully to the Board. Also, the Company communicates with shareholders via the Investor meets Company platform. There are regular meetings with sub franchisees to provide them with assistance and guidance in regard to store processes organisation, promotion schemes, funding options, store profitability analysis, as well as to address any concerns. There are regular meetings of employees at all levels throughout the company. Members of the UK Board regularly travel to Poland and Croatia to meet employees.

David Wild
Non-Executive Chairman
30 May 2024