



**REPORT ON REMUNERATION
OF MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS**

OF XTPL S.A.

FOR 2024

Entity:	XTPL S.A.
Address:	ul. Legnicka 48E, 54-202 Wrocław
Registry Court:	District Court for Wrocław-Fabryczna, Wrocław, 6th Commercial Division of the National Court Register.
KRS number:	0000619674
NIP:	9512394886
REGON:	361898062

1. Introduction	3
1.1. Key events in the Company's business environment affecting the remuneration of members of the Management Board or Supervisory Board	3
1.2. Changes in the composition of the Management Board/ Supervisory Board	5
1.3. Key changes in the Remuneration Policy	5
1.4. Exceptions to the Remuneration Policy	6
2. Total remuneration broken down into components and the proportions between these components	6
2.1. Total remuneration of Management Board members	6
2.2. Total remuneration of Supervisory Board members	8
3. An explanation of how the total remuneration complies with the adopted Remuneration Policy, including how it contributes to achievement of the Company's long-term performance.....	10
4. Application of performance criteria	10
5. Information on annual changes in the remuneration of members of the Management Board and Supervisory Board, the Company's performance and the average remuneration of the Company's employees who are not members of the Management Board or Supervisory Board	12
6. Remuneration from entities belonging to the same corporate group	12
7. Number of awarded or offered financial instruments and main conditions for the exercise of rights from these instruments	13
8. Information on how to use the option to claim refund of variable remuneration components	13
9. Information on exceptions to the Remuneration Policy, including an explanation of the rationale and procedure, and an indication of the items covered by the exception.....	13
9.1. Information on exceptions to the procedure for implementing the Remuneration Policy	13
9.2. Information on derogations applied according to Article 90f of the Act on Offering	13
10. Explanation of the manner of considering the General Meeting's discussion relating to the previous remuneration report	13

1. Introduction

In pursuance of the obligations set out in Article 90g of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to an Organised Trading System, and on Public Companies (Journal of Laws 2024.620, consolidated text, as amended; hereinafter: “**Act on Offering**”), the Supervisory Board of XTPL S.A. (the “**Company**”) prepares an annual report on remuneration (“**Report**”), presenting a comprehensive overview of remuneration, including all benefits, in whatever form, received or due (payable) to individual members of the Management Board and Supervisory Board in the last financial year, in accordance with the Remuneration Policy for Members of the Management Board and Supervisory Board of XTPL S.A. of **June 28, 2024** (“**Remuneration Policy**”).

The Report covers the Company’s full financial year, i.e. the period from January 1, 2024 to December 31, 2024 (“**2024**”). For comparative purposes, the data presented in this Report also include the most important data for the previous financial year, i.e. the period from January 1, 2023 to December 31, 2023 (“**2023**”), in accordance with the report on the remuneration of members of the Management Board and the Supervisory Board for 2020.

Unless indicated otherwise, all amounts in the Report are stated in Polish zlotys, rounded to the nearest zloty, and in gross terms.

The Company presents below a summary of the most important remuneration events for the financial year covered by the Report:

1.1. Key events in the Company's business environment affecting the remuneration of members of the Management Board or Supervisory Board

With its technology, the Company is targeting the market of electronics, the production of which could potentially be completely replaced by additive printing.

XTPL’s strategic goal is wide commercialization of its platform technology of ultra-precise printing of materials in the area of advanced electronics. The Company seeks to adapt its technology for various application fields, and then offer the technological solution to industrial partners through various mechanisms: licensing, strategic partnerships and joint ventures. The overarching objective of XTPL’s operations is to implement nanoprinting solutions adapted to market needs in selected industry sectors.

Value of the R&D equipment market

According to the Company’s estimates based on available market data, the global annual sales of printers for R&D, rapid prototyping and small-lot production in the area of broadly understood printed electronics amount to approx. 250–500 devices per annum. The price of those printers ranges from EUR 50 thousand to more than EUR 500 thousand per device.

Value of the conductive nanoinks market

According to the authors of the report published by IDTechEx, the global market for conductive inks exceeded USD 2.7 billion in 2022, and is expected to reach USD 4.5 billion in 2033. The data published in another market report – Custom Market Insights (CMI) – show that the global market for conductive inks reached USD 3.8 billion in 2021, and is expected to reach USD 9.8 billion in 2030. The market is buoyed by the growing use of electronics in the rapid urbanization processes, miniaturization of electronic components, as well as by the possibility of reducing production costs while maintaining high electrical conductivity and efficient manufacturing in line with environmental protection standards.

Development lines and prospects for the Company and the Group

An exceptional feature of the XTPL technology is the possibility of its application in many fields of industry.

Presented below are applications in the areas that are currently key for the Company:

Displays

Currently, commercialization is carried out in a subsector of this market, namely the open defect repair.

XTPL offers a new breakthrough solution that allows defects in conductive paths to be repaired at low cost, with precision and speed unparalleled to any other existing solution. The technology developed by the Company will help display manufacturers increase production efficiency and reduce costs associated with material losses.

Another area of application of the technology for flat panel displays is the precise printing of electrical connections for LEDs in micro-LED displays. The Company's technology can be used for printing repeatable conductive structures with a diameter of less than 10 μm and a very aspect ratio. These unique properties are much in demand amongst manufacturers of future micro-LED displays.

FHE (flexible hybrid electronic) sector

Flexible hybrid electronics is another new market that is in the focus of the Company's attention. Companies such as Boeing, Lockheed Martin, Applied Materials and research centers including Dutch Holst Centre, Belgian IMEC and German Fraunhofer have already confirmed their activities in that field. In the United States, Next Flex was formed, an institution bringing together 90 representatives of the industry and 28 representatives of research universities. This is the largest agency investing in the FHE sector. According to an analysis by Mordor Intelligence, the FHE market in 2019 was valued at USD 95 million, but in already 2025 it may reach USD 235 million. According to IDTechEx, FHE is expected to become so "ubiquitous" in 2030, with a value of even USD 3 billion.

Semiconductors market:

Another market for the Company's technology is the semiconductor market. Its special application areas include making electronic connections on complex 3D topographies and heterogeneous substrates in advanced integrated circuits or microelectromechanical systems (MEMS). According to an analysis carried out by Mordor Intelligence that takes into account the impact of the COVID-19 pandemic, in 2020, the global market for advanced integrated circuits reached USD 24.93 billion, and by 2026 is expected to grow even to USD 38.62 billion. The size of this market shows great possibilities: not only in terms of potential application of the UPD technology in new areas, but also in the research and prototyping of new systems.

In this area, the Company is conducting active talks (at various levels of advancement) with market leaders.

Moving forward, the growth of the electronics market will be strongly driven by the areas where conventional production methods cannot be applied. By marketing its UPD technology embodied by the Delta Printing System, the Company promotes the innovative, proprietary solution that is used by pioneering research and scientific centers in their research and development, while at the same time defining breakthrough standards for the production of future electronic devices.

The new, already identified and pre-verified application areas for the XTPL technology include:

- PCB (printed circuit boards) market
- biosensors market
- photovoltaic cells market.

All the Company's R&D work takes place in Poland. Commercialization will be primarily focused on markets of North America (mainly the United States), Asia (China, Korea, Taiwan, Japan) and EMEA.

Due to the strong development of both the Company and XTPL Group, the most up-to-date information on the activities and business strategy is published on an ongoing basis at: <https://ir.xtpl.com/pl/>.

1.2. Changes in the composition of the Management Board/ Supervisory Board

On June 30, 2023, the Supervisory Board appointed the Company's Management Board for a new term of office with the following composition:

- Filip Granek – Management Board President;
- Jacek Olszański – Management Board Member.

On June 30, 2023, due to the expiry of the current term of office of the Supervisory Board, the Annual General Meeting of Shareholders adopted a resolution on setting the number of members of the Supervisory Board of the current term of office at 6 members and appointed the Supervisory Board for a new term of office. Additionally, on June 28, 2024, pursuant to Resolution No. 23/06/2024 of the Annual General Meeting, Agata Gładysz-Stańczyk was appointed to the Supervisory Board as a member of the Supervisory Board.

As a result, the Supervisory Board was composed of the following members:

- Wiesław Rozłucki – Supervisory Board Chairman; Audit Committee member;
- Bartosz Wojciechowski – Deputy Chairman of the Supervisory Board;
- Andrzej Domański – Deputy Chairman of the Supervisory Board, Audit Committee member (until October 29, 2023);
- Piotr Lembas – Supervisory Board member, Audit Committee Chairman;
- Beata Turlejska – Supervisory Board member;
- Herbert Wirth – Supervisory Board member, Audit Committee member;
- Agata Gładysz-Stańczyk – Supervisory Board member (from June 28, 2024)

On October 29, 2023, Andrzej Domański resigned from the position of Deputy Chairman of the Supervisory Board and member of the Audit Committee of the Company with effect from October 29, 2023.

1.3. Key changes in the Remuneration Policy

Pursuant to Resolution No. 16/06/2024 of the Annual General Meeting of XTPL S.A. of June 28, 2024, a new Remuneration Policy for Members of the Management Board and Supervisory Board of XTPL S.A. was adopted.

Based on the resolution, the Remuneration Policy for Members of the Management Board and Supervisory Board of XTPL S.A., adopted by the Annual General Meeting of XTPL S.A. on June 30, 2020, and amended by Resolution No. 3/11/2020 of the Extraordinary General Meeting of XTPL S.A. on November 5, 2020, was repealed in its entirety.

Changes to the Remuneration Policy compared to the remuneration policy in force at the Company until June 28, 2024 consist in adapting the principles of remuneration of members of the bodies to the dynamic development of the Company and constantly changing market environment, as well as streamlining the current remuneration system and clarifying some of the existing provisions.

The changes introduced in relation to the previous remuneration policy at the Company include in particular:

- describing the measures taken to avoid or manage conflicts of interest in connection with the Remuneration Policy (section 1.3);
- explaining how the Remuneration Policy and the financial and non-financial criteria on which the amount of variable remuneration of members of the Company's Management Board depends contribute to the implementation of the business strategy, long-term interests and stability of the Company (section 2.2);
- enabling the Supervisory Board of the Company to grant bonuses to members of the Management Board of the Company for periods not shorter than a quarter (section 6.2);
- defining clear, comprehensive and differentiated criteria in terms of financial and non-financial results for awarding variable remuneration components, including criteria for taking into account social interests, contributing to environmental protection and taking actions aimed at preventing and eliminating negative social effects of the Company's activities (section 6.3);
- indicating the methods used to determine the extent to which the financial and non-financial criteria, the fulfilment of which determines the amount of variable remuneration of members of the Company's Management Board, have been met (sections 6.4 and 6.5);

- setting the maximum proportion between variable and fixed remuneration components (section 6.6 and section 6.7)
- reference to payment deferral periods and the possibility for the Company to claim reimbursement of variable remuneration components (section 6.8 and section 6.9);
- changing the rules on granting remuneration in the form of financial instruments and indicating how granting remuneration in this form contributes to the implementation of the business strategy, long-term interests and stability of the Company (section 8);
- enabling the payment by the Company to members of the Management Board of one-off/extraordinary remuneration (section 9);
- making a reference to the duration of the derogation from the application of the Remuneration Policy (section 11.4);
- indicating elements that may include exceptions to the application of the Remuneration Policy (section 11.6);
- describing the decision-making process carried out to establish the implementation and review of the remuneration policy (section 12).

1.4. Exceptions to the Remuneration Policy

In the reporting year, the Company did not apply any exceptions to the procedure of implementing the Remuneration Policy or the exceptions referred to in Article 90f of the Act on Offering.

2. Total remuneration broken down into components and the proportions between these components

Below, the Company presents in separate tables the amount of total remuneration, including all benefits, regardless of their form, due to individual members in the last financial year (i.e. due in that period) and received by individual members of the Management Board and Supervisory Board in the last financial year (as a rule, the remuneration due was paid on time, unless the report expressly states otherwise), subject to the sentence below, together with the proportions between variable and fixed components.

Where fixed remuneration is paid in arrears by the 10th day of the following month, the Report for a given year reflects the amounts of the fixed remuneration for the period January–December; in the given year, no account is taken of the remuneration for December of the previous year, paid in January of the reporting year; however, account is taken of the remuneration for December of the reporting year, which is paid by 10 January of the following year.

2.1. Total remuneration of Management Board members

The current members of the Company's Management Board are employed at the Company under employment contracts. For performance of their respective functions, they receive remuneration in a fixed monthly amount, as stated in their respective employment contracts, determined by a resolution of the Company's Supervisory Board. Members of the Management Board do not receive separate remuneration for appointment to their roles.

In addition, they receive additional cash and non-cash benefits listed in section 10.1 of the updated Remuneration Policy and in section 9.1 of the Remuneration Policy in force until June 28, 2024, i.e. the possibility of using company cars for private purposes, a private medical care package and group life insurance and additional health insurance (partly paid by the Company and partly by members of the Management Board). Remuneration of members of the Management Board does not include benefits for their next-of-kin.

In accordance with the Remuneration Policy, the value of the fixed monthly remuneration of a member of the Management Board may not be higher than 10 times the average monthly remuneration of the Company's employees who are not members of the Company's Management Board or Supervisory Board, from the period of 12 consecutive calendar months immediately preceding the date of appointment of a member of the Company's Management Board to perform his/her function. The Company met this requirement.

As part of variable remuneration, members of the Company's Management Board may receive a reward for patent applications in accordance with the rules arising from the Patent Motivation Program Procedure. The award is a one-time prize established at a fixed amount, which is divided among the authors of the patent application, in accordance with the individual percentage contribution of each author. The amount of rewards for patent applications for a given member of the management board in a given financial year cannot be higher than the fixed one-month remuneration of the member of the management board.

No awards were made in the reporting year.

Moreover, in accordance with section 6.2 of the updated Remuneration Policy, members of the Company's Management Board may be granted a bonus for periods no shorter than a quarter based on financial and/or non-financial criteria.

The amount of variable remuneration depends on meeting the objectives set by the Supervisory Board of the Company, which should refer to at least one of the financial or non-financial criteria adopted in the Remuneration Policy (section 6.3).

Verification of compliance with financial criteria is based on financial data presented by the Company in a financial report or in the Company's financial statements for the relevant period to which a given criterion applies, or other reliable financial data, including that resulting from financial and management accounting systems.

Verification of compliance with non-financial criteria includes obtaining data confirming compliance with standards and objective measures of the implementation of a specific task, allowing for the assessment of the effectiveness of actions taken by a Management Board member in meeting such criteria and their results.

The variable remuneration of a member of the Management Board for a given financial year may not exceed six times the average monthly fixed remuneration due to that member of the Management Board of the Company for the same financial year.

Pursuant to section 9 of the updated Remuneration Policy, Management Board members may be granted one-off/extraordinary remuneration resulting from extraordinary circumstances or generally applicable provisions.

These benefits include: a one-off additional benefit in an amount not exceeding 40% of 12 times the fixed monthly salary of a given member of the Management Board (not more often than once in a given calendar year); voluntary severance pay due to the termination of the legal relationship between a given member of the Management Board and the Company, in an amount not exceeding 6 times their fixed salary; severance pay for the end of cooperation, including retirement and disability severance pay; death benefits (for family members); bonuses paid once upon initiation of cooperation (sign-on fee) or in order to retain a given member of the body in their position (retention bonus); compensation for transfer/moving in connection with taking up or changing a position; compensation for a non-competition clause; additional remuneration components resulting from generally applicable provisions of law, e.g. payment in lieu of contractual annual leave.

No variable remuneration was awarded in the reporting period.

In accordance with the Remuneration Policy in force until June 28, 2024, Members of the Management Board, as part of variable remuneration, may also receive remuneration in the form of financial instruments, in accordance with the rules of the Incentive Scheme Rules (the "Scheme"), which was adopted by the Management Board of the Company after prior positive opinion of the Supervisory Board on the basis of §3 of resolution of the Extraordinary General Meeting of the Company No. 04/04/2019 of April 24, 2019. In accordance with the Scheme Rules, the period of the Scheme during which members of the Management Board of the Company may be granted the right to acquire series P shares or series L shares of the Company or subscription warrants is the financial years 2019-2021. In the reporting year, no financial instruments were granted to members of the Management Board in this respect. In the reporting year, members of the Management Board did not submit any declarations regarding the exercise of rights under subscription warrants received in previous years.

In accordance with section 8 of the updated Remuneration Policy, members of the Company's Management Board may receive, under incentive schemes, additional remuneration in the form of financial in-

struments, including securities or derivative financial instruments, based on financial and/or non-financial criteria described in section 6.3 of the Remuneration Policy, in particular such as net profit, EBITDA, sales revenues, gross margin, net margin, and the Company's share price.

The value of additional remuneration in the form of financial instruments under the incentive scheme may not exceed 100 times the fixed remuneration.

Pursuant to Resolution No. 17/06/2024 of the Annual General Meeting of XTPL S.A. of June 28, 2024, a new incentive scheme adopted for members of the management board and top management staff, on whose actions the achievement of the financial goal provided for in the incentive scheme directly depends.

The incentive scheme will be implemented based on financial objectives that can be achieved in any of the three consecutive years, coinciding with the Company's financial years, i.e. 2024, 2025 and 2026 (each separately as the "year of achievement of financial objectives" or collectively as the "years of achievement of financial objectives").

In the reporting year no rights to acquire shares were awarded and no subscription warrants were allocated.

Total remuneration of Management Board members due and received in 2024

Management Board member's name and position		Fixed components of remuneration		Variable components of remuneration					Total components of remuneration	Proportion of variable and fixed remuneration ^[1]
		Salary under employment contract	Additional cash and non-cash benefits	Reward for patent application	Financial instruments					
					subscription warrants (number)	subscription warrants (value of shares that could be acquired)	shares (number)	shares (value)		
Filip Granek, CEO	2024	360,000	2,939	0	0	0	0	0	362,939	n/a
	2023	360,000	2,761	0	0	0	0	0	362,761	n/a
Jacek Olszański, Management Board Member	2024	360,000	2,939	0	0	0	0	0	362,939	n/a
	2023	360,000	2,249	0	0	0	0	0	362,249	n/a

^[1] Due to the lack of variable remuneration components granted to Management Board members, it is not possible to determine the proportion of variable remuneration to fixed remuneration in the reporting year.

Pursuant to Resolution No. 02/03/2025 and Resolution No. 03/03/2025 of the Supervisory Board of XTPL S.A. of March 31, 2025, a new remuneration of members of the Management Board was established, effective from April 1, 2025, in the amount of PLN 45 thousand gross for Filip Granek and PLN 45 thousand gross for Jacek Olszański.

2.2. Total remuneration of Supervisory Board members

In accordance with section 5.2 of the Remuneration Policy (in force since June 28, 2024), for performance of their respective functions, members of the Company's Supervisory Board receive remuneration in the form of a fixed monthly amount determined by a resolution of the Company's General Meeting. The amount of the remuneration payable to the Chairman, Deputy Chairmen and members of the Company's Supervisory Board, including those who serve as members of the Company's Audit Committee, may vary.

Pursuant to Resolution No. 16/06/2024 of the Annual General Meeting of XTPL S.A. of June 28, 2024 on the adoption of the remuneration policy, section 5.2 was reclassified to section 5.3 of the Remuneration Policy, with its current wording maintained.

In accordance with point 4.2 Of the Remuneration Policy, the value of the fixed monthly remuneration of a member of the Supervisory Board may not be higher than 10 times the average monthly remuneration of the Company's employees who are not members of the Company's Management Board or

Supervisory Board, from the period of 12 consecutive calendar months immediately preceding the date of appointment of a member of the Company's Supervisory Board to perform his/her function. The Company met this requirement.

Certain members of the Supervisory Board of the Company, i.e. Bartosz Wojciechowski and Beata Turlejska, participated in employee capital plans (PPK) in the reporting year, on the principles set out in generally applicable legal provisions, on the same terms and conditions that apply to the Company's employees.

On the other hand, members of the Company's Supervisory Board do not receive any additional cash and non-cash benefits. Further, they are not remunerated on the basis of variable remuneration components.

In view of the above, the Remuneration Policy does not define the proportion of fixed and variable components of their remuneration referred to in Article 90d(3)(2) of the Act on Offering. No benefits are also granted to their closest relatives.

Pursuant to rResolution No. 22/06/2024 of the Annual General Meeting of XTPL S.A. of June 28, 2024, members of the Supervisory Board of the Company were granted an increase in their monthly remuneration for serving on the Supervisory Board.

Total remuneration of Supervisory Board members
received or payable in 2024

Supervisory Board member's name and position		Fixed components of remuneration		Additional retirement and disability benefits ^[1]	Total components of remuneration	Proportion of variable and fixed remuneration
		Remuneration in respect of appointment	Remuneration for performing an additional role in a separate committee			
Wiesław Rożucki , Supervisory Board Chairman; Audit Committee member;	2024	108,000	12,000	0	120,000	N/A – no variable remuneration
	2023	96,000	12,000	0	108,000	
Bartosz Wojciechowski , Deputy Chairman of the Supervisory Board	2024	36,000	0	540	36,540	
	2023	24,000	0	360	24,360	
Andrzej Domański , Deputy Chairman of the Supervisory Board; Audit Committee member	2024	0	0	0	0	
	2023	20,000	10,000	450	30,450	
Piotr Lembas , Supervisory Board Member, Chairman of the Audit Committee	2024	24,000	12,000	0	36,000	
	2023	12,000	12,000	30	24,030	
Beata Turlejska , Supervisory Board Member	2024	24,000	0	360	24,360	
	2023	12,000	0	180	12,180	
Herbert Wirth , Supervisory Board Member, Audit Committee Member	2024	24,000	12,000	0	36,000	
	2023	12,000	12,000	0	24,000	
Agata Gładysz-Stańczyk , Supervisory Board Member ^[3]	2024	18,100	0	0	18,100	
	2023	0	0	0	0	

^[1] Contributions to the Employee Capital Plans funded by the Company.

^[2] On October 29, 2023, Andrzej Domański resigned from the position of Deputy Chairman of the Supervisory Board and member of the Audit Committee of the Company with effect from October 29, 2023.

^[3] On June 28, 2024, pursuant to Resolution No. 23/06/2024 of the Annual General Meeting, Agata Gładysz-Stańczyk was appointed to the Supervisory Board as a member of the Supervisory Board.

3. An explanation of how the total remuneration complies with the adopted Remuneration Policy, including how it contributes to achievement of the Company's long-term performance

This Report presents a comprehensive overview of remuneration, including all benefits, in whatever form, received by individual members of the Management Board and Supervisory Board of the Company or due to individual members in the last financial year, in accordance with the Remuneration Policy.

It should be concluded that **the total remuneration of the members of the Management Board and Supervisory Board of the Company is in line with the adopted Remuneration Policy**. This is due to the following circumstances:

- In accordance with Article 90e of the Act on Offering, in the reporting period, the Company paid remuneration to members of the Management Board and Supervisory Board only in accordance with the provisions of the Remuneration Policy – the remuneration included only components provided for in the Remuneration Policy and were paid in accordance with its rules, including in an appropriate amount, subject to proper legal basis and based on predefined criteria;
- The remuneration of members of the Company's Management Board and Supervisory Board are intended to ensure fair remuneration for members of the Company's Supervisory Board and to motivate members of the Company's Management Board to actively engage in activities aimed at developing, implementing and pursuing the Company's business strategy ensuring the Company's development and achievement of positive financial performance;
- The amount of fixed remuneration components makes it possible to engage at the Company people whose competencies ensure proper management and supervision of the Company; this remuneration is determined in accordance with market practice, as well as in keeping with the principle resulting from the Policy, which makes the maximum amount of fixed remuneration of members of the Management Board and Supervisory Board dependent on the average monthly remuneration of employees of the Company who are not members of the Company's Management Board or Supervisory Board, from the period of 12 consecutive calendar months directly preceding the date of appointment of a given member of the Supervisory/ Management Board (max. 10 times this remuneration);
- The principles of paying remuneration are in line with the Company's corporate culture and values.

In addition, **the total remuneration of the members of the Management Board and Supervisory Board contributes to the achievement of the Company's long-term results**, among others by paying remuneration in an amount sufficient to attract, retain and motivate persons with the competences necessary for the proper management and supervision of the Company, determined in accordance with market practice, as well as corresponding to the size of the enterprise and remaining in a reasonable relation to the economic results of the Company, which contributes to ensuring long-term relations of the members of the bodies with the Company and, consequently, the stability of the Company and the liquidity and effectiveness of management.

4. Application of performance criteria

In accordance with the Remuneration Policy, the Company may pay variable remuneration to members of the Management Board in the form of:

- (1) Reward for patent applications; and
- (2) financial instruments (subscription warrants or shares of the Company) under the Incentive Scheme.

(1) Reward for patent applications are granted based on achievements relating to innovation, and their purpose is to reward members of the Company's Management Board submit their own scientific ideas and to realize their scientific professional potential, so that in this way they can contribute to the increase in the Company's market value also in the scientific area. In accordance with Section 7.3 of the Remuneration Policy, rewards are granted to the author or a team of authors of the Company's patent application submitted to the patent office. The award is a one-time prize established at a fixed amount, which is divided among the authors of the patent application, in accordance with the individual percentage contribution of each author.

In 2024, no awards were granted for patent applications.

(2) In accordance with the Remuneration Policy applicable until June 28, 2024, financial instruments are awarded based on performing a function in the Management Board in conjunction with the Supervisory Board's assessment of the legitimacy of awarding variable remuneration in the form of financial instruments.

The program was used from 2019 to 2021. The purpose of the program was to create additional motivation for them to implement the Company's strategy so as to ensure a steady increase its market value, and thus the value of shares held by the Company's shareholders. The program ended in 2021 and in the reporting year no rights to acquire shares were awarded and no subscription warrants were allocated. The Management Board members also did not submit a declaration on the exercise of rights under the subscription warrants granted to them in previous years, in accordance with the rules in force until June 28, 2024.

In accordance with the update of the Remuneration Policy, introduced pursuant to Resolution No. 16/06/2024 of the Annual Meeting of Shareholders, the amount of variable remuneration in the form of financial instruments has been made dependent on the fulfilment of the objectives set by the Supervisory Board of the Company, which should refer to at least one of the financial or non-financial criteria (section 6.3).

Verification of compliance with financial criteria is based on financial data presented by the Company in a financial report or in the Company's financial statements for the relevant period to which a given criterion applies, or other reliable financial data, including that resulting from financial and management accounting systems.

Verification of compliance with non-financial criteria includes obtaining data confirming compliance with standards and objective measures of the implementation of a specific task, allowing for the assessment of the effectiveness of actions taken by a Management Board member in meeting such criteria and their results.

If a member of the Management Board is granted variable remuneration in the form of financial instruments under an incentive scheme in a given financial year, the value of the benefit granted in a given year may not exceed 100 times the fixed remuneration.

Pursuant to Resolution No. 17/06/2024 of the Annual General Meeting of XTPL S.A. of June 28, 2024, a new incentive scheme adopted for members of the management board and top management staff, on whose actions the achievement of the financial objective provided for in the incentive scheme directly depends.

The incentive scheme will be implemented based on financial objectives that can be achieved in any of the three consecutive years, coinciding with the Company's financial years, i.e. 2024, 2025 and 2026 (each separately as the "year of achievement of financial objectives" or collectively as the "years of achievement of financial objectives").

In the reporting year no rights to acquire shares were awarded and no subscription warrants were allocated.

5. Information on annual changes in the remuneration of members of the Management Board and Supervisory Board, the Company's performance and the average remuneration of the Company's employees who are not members of the Management Board or Supervisory Board

The major changes in the amount of the remuneration of the Management Board between 2019 and 2020 and between 2020 and 2021 resulted from changes in the composition of the Management Board, and the fact that in 2020 variable remuneration was granted only to one Management Board member.

Changes in the amount of remuneration between 2022 and 2023 result from the lack of granting variable remuneration to members of the Management Board due to the termination of the program in operation at the Company in 2019-2021 and the lack of granting an award for a patent application.

Changes in the amount of remuneration of the Supervisory Board between 2023 and 2024 resulted from personal changes in the composition of the Supervisory Board and an increase in remuneration by resolution no. 22/06/2024 of the Annual General Meeting of XTPL S.A. of June 28, 2024, effective from July 1, 2024.

Figures in PLN thousand	2019	2020	2021	2022	2023	2024
Management Board's remuneration (total)	2,733.7	633.1	1,184.7	1,231.4	725.0	725.9
Annual change		-76.8%	+87.1%	+3.9%	-41.1%	+0.1%
Supervisory Board's remuneration (total)	168.0	186.3	229.4	229.3	223.0	271.0
Annual change		+10.9%	+23.1%	0%	-2.7%	+21.5%
Net revenues from sales and grants	2,063	2,294	4,702	12,817	15,475	13,865
Annual change		+11.2%	+105.0%	+173%	+20.7%	-10.4%
Gross profit	-5,253	-534	-264	5,985	7,048	-5,225
Annual change		N/A	N/A	N/A	+17.8%	N/A
Average remuneration of the Company's employees other than members of the Management Board and Supervisory Board (annual)	92.6	96.6	129.6	115.4	140.3	154.5
Annual change		+4.3%	+34.2%	-11%	+21.6%	+10.1%

6. Remuneration from entities belonging to the same corporate group

In the reported financial year, the Management Board Member Jacek Olszański received remuneration from a subsidiary of the Company for provision of services to it (the value and basis for payment of the remuneration are presented in the table below). Other members of the Management Board and Supervisory Board did not receive any remuneration from other entities from XTPL Group.

Management Board member's name and position		Paying entity	Fixed components of remuneration		Total components of remuneration
			Remuneration in respect of service provision ^[1]	Role	
Jacek Olszański, Management Board Member	2024	TPL Sp. z o.o.	14,400	advisory services	14,400
	2023		14,400	advisory services	14,400

^[1] Due to the nature of the cooperation (provision of services in the B2B model), the amount of remuneration for the provision of services was presented in net terms.

7. Number of awarded or offered financial instruments and main conditions for the exercise of rights from these instruments

In accordance with the content of the Remuneration Policy, existing until June 28, 2024, in the period 2019-2021 the Company operated a Program adopted on the basis of § 3 of Resolution of the Extraordinary General Meeting of the Company No. 04/04/2019 of April 24, 2019, under which members of the Company's Management Board could receive additional remuneration in accordance with the principles set out in the Program Regulations. The purpose of the program was to create additional motivation for them to implement the Company's strategy so as to ensure a steady increase its market value, and thus the value of shares held by the Company's shareholders. The program has now been completed and no further financial instruments were awarded or offered to members of the Management Board in the year under review.

Additionally, in the reporting year, members of the Management Board who received subscription warrants under the Program in previous financial years did not submit a declaration on the exercise of rights from subscription warrants.

In accordance with the content of the Remuneration Policy adopted by Resolution No. 16/06/2024 of the Annual General Meeting of XTPL S.A. on June 28, 2024 and on the basis of Resolution No. 17/06/2024 of the Annual General Meeting of XTPL S.A. of June 28, 2024, a new incentive scheme was adopted for members of the management board and top management, on whose actions the achievement of the financial objective provided for in the incentive program directly depends.

The incentive scheme will be implemented based on financial objectives that can be achieved in any of the three consecutive years, coinciding with the Company's financial years, i.e. 2024, 2025

and 2026 (each separately as the "year of achievement of financial objectives" or collectively as the "years of achievement of financial objectives").

In the reporting year no rights to acquire shares were awarded and no subscription warrants were allocated.

8. Information on how to use the option to claim refund of variable remuneration components

In the reporting period the Company did not claim refund of variable remuneration.

9. Information on exceptions to the Remuneration Policy, including an explanation of the rationale and procedure, and an indication of the items covered by the exception

9.1. Information on exceptions to the procedure for implementing the Remuneration Policy

In the reporting period, the Company did not apply any exception to the procedure of implementing the Remuneration Policy.

9.2. Information on derogations applied according to Article 90f of the Act on Offering

In the reporting period, the Company did not use the option of temporary derogation from the Remuneration Policy in the manner provided for in Article 90f of the Act on Offering and point 11 of the Remuneration Policy.

10. Explanation of the manner of considering the General Meeting's discussion relating to the previous remuneration report

During the Annual General Meeting on June 28, 2024, a discussion was held on the previous remuneration report. During the discussion, no additional comments or proposals were made regarding the Remuneration Policy, therefore, in the reported financial year, the Company and the XTPL Group continued to apply the practices developed so far in the area of remuneration of members of the Management Board and Supervisory Board and reporting remuneration paid.

The report was adopted by the Supervisory Board by Resolution no. 13/04/2025 of April 28, 2025 on the adoption of the report on the remuneration of the Members of the Management Board and Supervisory Board of XTPL S.A. for 2024.

The Report was assessed by a statutory auditor to see if it includes the information required under Article 90g(1-5) of the Act on Offering. The entity authorized to assess the remuneration report is 4Audyt sp. z o.o.

Prepared by:	Signature:
Wiesław Rozłucki	
Bartosz Wojciechowski	
Piotr Lembas	
Beata Turlejska	
Herbert Wirth	
Agata Gładysz-Stańczyk	
Wrocław, April 28, 2025	