

Report on the activities of the Supervisory Board of XTPL S.A. for the financial year 2024

Table of contents

1. General Information	3
2. Composition of the Supervisory Board and its committees (principle 2.11.1. of Good Practice)	3
3. Activities of the Supervisory Board and its committees (principle 2.11.2. of Good Practice)	5
4. Assessment of work of the Supervisory Board	6
5. Information on the degree of implementation of the diversity policy in the Management Board and Supervisory Board (principle 2.11.6. of Good Practice)	7
6. Results of the assessments of the Company's financial statements for the financial year 2024, the Management Board's report on the Company's operations in the financial year 2024, and the Management Board's proposal regarding the method of covering the Company's loss for 2024 (pursuant to Article 382 §31 ⁽¹⁾ of the Commercial Companies Code).	7
7. Assessment of the Management Board's fulfillment of information obligations referred to in Article 380 ¹ of the Commercial Companies Code (Article 382 § 3 ¹ point 3 of the Commercial Companies Code)	9
8. Assessment of the manner in which the Management Board prepares or provides information, documents, reports, or explanations requested by the Supervisory Board pursuant to the procedure specified in Article 382 § 4 of the Commercial Companies Code (Article 382 § 31 point 4 of the Commercial Companies Code).	9
9. Information on the total remuneration payable by the Company for all audits commissioned by the Supervisory Board during the financial year under the procedure specified in Article 382 ¹ of the Commercial Companies Code (Article 382 § 3 ¹ point 5 of the Commercial Companies Code)	9
10. Assessment of XTPL S.A.'s situation, taking into account the adequacy and effectiveness of the internal control systems, risk management, compliance assurance with applicable standards or practices, and internal audit within the Company (Article 382 § 3 ¹ point 2 of the Commercial Companies Code and principle 2.11.3 Best Practice)	9
11. An assessment of the application by the company of the corporate governance principles and the manner of fulfilling information obligations concerning their application, as defined in the Stock Exchange Regulations and regulations concerning current and periodical information provided by issuers of securities, together with information on actions taken by the supervisory board in order to perform this evaluation (principle 2.11.4 of Best Practice)	11
12. Assessment of the rationality of the Company's sponsorship policy (principle 2.11.5. of Best Practice)	12



1. General Information

XTPL S.A. is a joint-stock company operating on the basis of the Polish law, in particular the Act of September 15, 2002 – Commercial Companies Code (“Company”).

XTPL S.A. was established through a transformation of XTPL sp. z o.o., a limited liability company with its registered office in Wrocław, under Resolution No. 1 of the Extraordinary General Meeting of Shareholders of XTPL sp. z o.o. of April 25, 2016. The transformation was registered by the District Court for Wrocław Fabryczna in Wrocław, 6th Commercial Division of the National Court Register, on 1 June 2016. XTPL S.A. was entered in the National Court Register under number KRS 0000619674, while XTPL sp. o.o. was entered under number KRS 0000565209.

The District Court for Wrocław-Fabryczna in Wrocław, 6th Commercial Division of the National Court Register, is the appropriate registry court for XTPL S.A. This court maintains the registry files of XTPL S.A. and has received all documents of XTPL S.A. which by law need to be included in registry files.

2. Composition of the Supervisory Board and its committees (principle 2.11.1. of Good Practice)

I. Supervisory Board

Pursuant to §17 section 1 of the Company's Articles of Association, the Supervisory Board consists of 5 (five) to 7 (seven) members. Members of the Supervisory Board shall be appointed and removed by the General Meeting. Members of the Supervisory Board, in accordance with § 17 section 3 of the Company's Articles of Association, are appointed for a joint five-year term of office, counted in full financial years.

As of December 31, 2024, the Supervisory Board was composed of:

- 1) Wiesław Rozłucki – Supervisory Board Chairman
- 2) Bartosz Wojciechowski – Deputy Chairman of the Supervisory Board
- 3) Piotr Lembas – Supervisory Board Member
- 4) Beata Turlejska – Supervisory Board Member
- 5) Herbert Wirth – Supervisory Board Member.
- 6) Agata Gładysz-Stańczyk – Supervisory Board Member

On June 28, 2024, the Annual General Meeting of the Company appointed Agata Gładysz-Stańczyk as a Supervisory Board Member.

Independence criteria

The members of the Supervisory Board who meet the independence criteria specified in the Act of May 11, 2017 on statutory auditors, audit firms and public supervision (the “Act on Statutory Auditors”) are: Wiesław Rozłucki, Piotr Lembas, Herbert Wirth and Agata Gładysz-Stańczyk.

No actual or material relationships with a shareholder holding at least 5% of the total voting rights. Wiesław Rozłucki, Piotr Lembas, Herbert Wirth and Agata Gładysz-Stańczyk are the Supervisory Board members who have no real or significant connections with any shareholder having at least 5% of the total number of votes in the Company.

Information on the diversity of the Supervisory Board's composition

Pursuant to § 29 section 3 of the Rules of the Warsaw Stock Exchange, the Company disclosed information regarding the application of the 2021 Good Practice in Current Report EBI No. 1/2021 dated July 30, 2021 and Current Report EBI No. 1/2023 dated January 17, 2023, stating that the Company does not comply with sections 2.1 and 2.11.6. of 2021 Good Practice.

Independent of the above, the Company's Supervisory Board includes both women and men, with the composition of the Supervisory Board as of the reporting date as follows:

- 1) Wiesław Rozłucki – Supervisory Board Chairman;
- 2) Bartosz Wojciechowski – Deputy Chairman of the Supervisory Board
- 3) Piotr Lembas – Supervisory Board Member
- 4) Beata Turlejska – Supervisory Board Member
- 5) Herbert Wirth – Supervisory Board Member.
- 6) Agata Gładysz-Stańczyk – Supervisory Board Member

II. Supervisory Board Committees

The Company has one committee of the Supervisory Board – the Audit Committee – which was established by a resolution of the Supervisory Board dated June 5, 2018. The brief of the Audit Committee is set out in the “Terms of Reference of the Audit Committee of XTPL S.A.” adopted by the Supervisory Board by Resolution of June 5, 2018.

The Audit Committee consists of three members. As at December 31, 2024 and as at the date of preparation of the Audit Committee report, the Audit Committee performed its duties in the following composition:

- Piotr Lembas – Chairman of the Audit Committee
- Wiesław Rozłucki – Audit Committee Member
- Herbert Wirth – Audit Committee Member

Independence criteria

All current members of the Audit Committee meet the independence criteria specified in the Act on Statutory Auditors as at the date of the report. They also met the criteria as at December 31, 2024.

The criterion of having knowledge and experience in the industry in which the Company operates

As at December 31, 2024 and as at the date of the report, the Audit Committee member who has knowledge and skills relating to the Company's sector (within the meaning of the Act on Statutory Auditors) is Herbert Wirth.

Herbert Wirth gained knowledge and skills in the Company's sector, i.e. knowledge of the materials technology industry (Master of Science, PhD, AGH University of Science and Technology in Kraków and current professor at the Wrocław University of Technology) and in the business administration industry (completed postgraduate studies in project management at George Washington University, School of



Business and Public Management). Further to this, he has skills relating to the technology sector as well as international trade and management of global corporations (e.g. acquired while serving as the CEO of KGHM). In addition, he has experience in research and development – he held managerial functions at Cuprum sp. z o.o. (R&D Center) and served as Head of Development and Project Management at KGHM). In addition, Herbert Wirth has a number of certificates and qualifications related to quality management, including quality auditor No. 2 5 / DA/PC01-BLXV-6/2000, issued by the Polish Center for Testing and Certification (PCBC) and EOQ Quality Auditor certificate No. PCBC01A-313, issued by European Organization for Quality.

The criterion of possessing knowledge and experience in accounting and auditing of financial statements

As at December 31, 2024 and as at the date of the report, the Audit Committee member who has knowledge and skills of accounting (within the meaning of the Act on Statutory Auditors) is Piotr Lembas. Piotr Lembas has a degree in Finance and Accounting, the Faculty of Management, Computer Science and Finance of the University of Economics in Wrocław; he also holds a master's degree in Master Studies in Finance – CFA affiliate program and a Chartered Financial Analyst (CFA) licence (no. 200403). In addition, for nearly two years (2013–2015), he worked with EY Corporate Finance as a senior consultant, and in 2015–2017 worked in the financial department of the Adiuvo Investments S.A. Group (a public company), where he supported the financial director in the preparation of financial statements for the purpose of fulfilment of the obligations of WSE listed entities.

3. Activities of the Supervisory Board and its committees (principle 2.11.2. of Good Practice)

I. Activities of the Supervisory Board

In 2024, the Supervisory Board of XTPL S.A. acted in accordance with the Articles of Association of XTPL S.A. and applicable laws – including, in particular, the Act of September 15, 2000 – Commercial Companies Code. When taking its decisions, the Supervisory Board was guided by the legitimate interest of XTPL S.A. and the interests of its shareholders. In 2024, members of the Supervisory Board were in constant contact with members of the Company's Management Board, supervising and engaging in consultations on individual areas of the Company's operations.

In 2024, the Supervisory Board of XTPL S.A. exercised constant supervision over XTPL S.A. in all areas of activity carried on by XTPL S.A. The activities described above included, inter alia, analysis and assessment of current financial results and the annual financial statements, analysis of information received from the Management Board regarding the activities of XTPL S.A. and meetings of the Supervisory Board and the Management Board to discuss the position of XTPL S.A. including implementation of information obligations imposed on XTPL S.A. as a public company in 2024. Furthermore, the Supervisory Board monitored the effectiveness of the systems and functions referred to in principle 3.1 of the 2021 Good Practice (in accordance with Principle 3.9 of the 2021 Good Practice).

In 2024, the Supervisory Board held 8 meetings. The Company's Management Board was invited to the meetings of the Supervisory Board.



The matters addressed in the resolutions adopted and during the meetings concerned the entirety of issues related to the operation of the Company and the group.

Furthermore, in 2024, the Supervisory Board fulfilled its duties related to the proper preparation and review of the documents referred to in Article 382 § 3 points 1 and 2 of the Commercial Companies Code (for the financial year 2023), i.e., it performed the obligations set out in Article 382 § 7 of the Commercial Companies Code. As part of fulfilling these duties, the Supervisory Board, in particular, notified the key statutory auditor who conducted the audit of the Company's financial statements at least one week in advance of the meeting addressing matters specified in Article 382 § 3 of the Commercial Companies Code and enabled their participation in this meeting to present the audit report (including the assessment of the basis for the statement regarding the Company's ability to continue as a going concern) and to respond to questions from the members of the Supervisory Board. In a similar manner, the Supervisory Board acted in the process of overseeing the accuracy and assessing the financial statements (both standalone and consolidated), the report on the activities of the Company and the group, as well as the Management Board's proposal regarding the coverage of the loss for the year 2024.

II. Activities of the Audit Committee

During the reporting period, the Audit Committee primarily performed the tasks specified in Article 130(1) of the Act of May 11, 2017 on Statutory Auditors, Audit Firms and Public Supervision. In particular, it carried out duties related to the proper application by the Company of financial reporting principles, the effectiveness of the internal control systems of the Company and its group – including in the area of financial reporting – and the monitoring of audit activities, in particular the statutory audit conducted by the audit firm.

In 2024, 6 meetings of the Audit Committee were held.

In addition, the Audit Committee performed its duties related to monitoring the effectiveness of the systems and functions referred to in Principle 3.1 of the 2021 Best Practice for GPW Listed Companies (in accordance with Principle 3.9 of the 2021 Best Practice).

III. Assessment of the Audit Committee's work

The Supervisory Board is of the opinion that all members of the Audit Committee have demonstrated due care in the performance of their duties, using their knowledge and experience in the process. In the analyzed period, the Audit Committee fulfilled all the obligations arising from applicable laws and internal regulations.

4. Assessment of work of the Supervisory Board

In the opinion of the Supervisory Board of XTPL S.A., all its members have demonstrated due care in the performance of their duties, using their knowledge and experience in the process. The Supervisory



Board of XTPL S.A. requests that discharge be granted to all its members for performance of their duties in 2024.

5. Information on the degree of implementation of the diversity policy in the Management Board and Supervisory Board (principle 2.11.6. of Good Practice)

Pursuant to § 29 section 3 of the Rules of the Warsaw Stock Exchange, the Company disclosed information regarding the application of the 2021 Good Practice in Current Report EBI No. 1/2021 dated July 30, 2021 and Current Report EBI No. 1/2024 dated January 17, 2024, stating that the Company does not comply with sections 2.1 and 2.11.6. of 2021 Good Practice.

The Company does not have a diversity policy and does not apply principle 2.11.6. of 2021 Good Practice. The Company employs people with appropriate qualifications and professional experience, without differentiating them by age or gender. When selecting candidates for members of the supervisory and management bodies, the Company's competent bodies follow the best interest of the Company and its shareholders, taking into account the candidates' qualifications, skills and performance.

In the opinion of the Supervisory Board, past experience indicates that, despite the absence of a formal diversity policy, the Company's governing bodies include individuals with diverse competencies.

6. Results of the assessments of the Company's financial statements for the financial year 2024, the Management Board's report on the Company's operations in the financial year 2024, and the Management Board's proposal regarding the method of covering the Company's loss for 2024 (pursuant to Article 382 §31⁽¹⁾ of the Commercial Companies Code).

I. Result of assessment of the standalone financial statements of XTPL S.A. for the financial year 2024

The Supervisory Board of XTPL S.A. has established that the standalone financial statements for the financial year 2024 meet the applicable legal requirements and does not raise reservations about their contents.

The Supervisory Board recommends that the Annual General Meeting of Shareholders of XTPL S.A. approve the standalone financial statements of XTPL S.A. for the financial year 2024.

The Supervisory Board has established that the standalone financial statements:

- give a true and fair picture of the Company's assets and financial position as well as its financial result and cash flows, in accordance with the applicable International Financial Reporting Standards approved by the European Union and the adopted accounting policy;
- are in substance and form consistent with the laws applicable to the Company and the Company's Articles of Association;
- were duly prepared based on properly maintained books of account, in accordance with Chapter 2 of the Accounting Act of September 29, 1994.



II. Result of assessment of the consolidated financial statements of XTPL S.A. for the financial year 2024

The Supervisory Board of XTPL S.A. has established that the consolidated financial statements for the financial year 2024 meet the applicable legal requirements and does not raise reservations about their contents.

The Supervisory Board recommends that the Annual General Meeting of Shareholders of XTPL S.A. approve the consolidated financial statements of XTPL S.A. for the financial year 2024.

The Supervisory Board has established that the consolidated financial statements:

- give a true and fair picture of the Company's assets and financial position as well as its financial result and cash flows, in accordance with the applicable International Financial Reporting Standards approved by the European Union and the adopted accounting policy;
- are in substance and form consistent with the laws applicable to the Company and the Company's Articles of Association;
- were duly prepared based on properly maintained books of account, in accordance with Chapter 2 of the Accounting Act of September 29, 1994.

III. Result of assessment of the Management Board's report on XTPL S.A. and XTPL Group activities for the financial year 2024

The Supervisory Board of XTPL S.A. has established that the Management Board's report on XTPL S.A. and the XTPL Group activities for the financial year 2024 meets the applicable legal requirements and does not raise reservations about its contents. The Supervisory Board recommends that the Annual General Meeting of Shareholders of XTPL S.A. approve the Management Board's report on XTPL S.A. and the XTPL Group activities for the financial year 2024.

The Supervisory Board recommends to the Annual General Meeting of Shareholders of XTPL S.A. the grant of discharge to the Management Board Members of XTPL S.A. for performance of their duties in 2024.

IV. Result of assessment of the Management Board's proposal regarding the covering of the loss of XTPL S.A. for the financial year 2024

The Supervisory Board of XTPL S.A. gives a positive opinion on the Management Board's proposal to cover the net loss of XTPL S.A. for the financial year 2024, amounting to PLN -20,865,152.36 (minus twenty million eight hundred and sixty-five thousand one hundred fifty-two zlotys and 36/100), from the supplementary capital of XTPL S.A.

The Supervisory Board, considering the Management Board's proposal to be justified, recommends that the Annual General Meeting of XTPL S.A. adopt a resolution whereby the net loss of XTPL S.A. for the financial year will be covered from the supplementary capital of XTPL S.A.

7. Assessment of the Management Board's fulfillment of information obligations referred to in Article 380¹ of the Commercial Companies Code (Article 382 § 3¹ point 3 of the Commercial Companies Code)

The Supervisory Board positively assesses the fulfillment by the Management Board of XTPL S.A. in 2024 of the obligations to provide information about the resolutions adopted by the Management Board and their subject matter, the company's situation, including its assets, as well as significant circumstances related to the management of XTPL S.A. Furthermore, the Management Board provided the Supervisory Board with information on the progress in implementing the defined directions for the development of XTPL S.A.'s activities, as well as on transactions and other events and circumstances that have had or could have a material impact on the financial position of XTPL S.A.

8. Assessment of the manner in which the Management Board prepares or provides information, documents, reports, or explanations requested by the Supervisory Board pursuant to the procedure specified in Article 382 § 4 of the Commercial Companies Code (Article 382 § 31 point 4 of the Commercial Companies Code).

In 2024, the Management Board of XTPL S.A. diligently and promptly fulfilled its obligations related to providing the Supervisory Board with information, documents, reports, and explanations concerning XTPL S.A.

9. Information on the total remuneration payable by the Company for all audits commissioned by the Supervisory Board during the financial year under the procedure specified in Article 382¹ of the Commercial Companies Code (Article 382 § 3¹ point 5 of the Commercial Companies Code)

In 2024, the Supervisory Board did not adopt any resolutions regarding audits concerning the operations or assets of XTPL S.A. at the expense of XTPL S.A. Therefore, the Supervisory Board did not use the services of a supervisory board advisor. Therefore, no remuneration is due from XTPL S.A. in this regard.

10. Assessment of XTPL S.A.'s situation, taking into account the adequacy and effectiveness of the internal control systems, risk management, compliance assurance with applicable standards or practices, and internal audit within the Company (Article 382 § 3¹ point 2 of the Commercial Companies Code and principle 2.11.3 Best Practice)

After reviewing the Company's development plans as well as the strategy adopted by the Management Board and approved by the Supervisory Board, the Supervisory Board assesses the Company's situation as adequate for its current stage of development, size, type, and scale of operations. It notes that in 2024, the Company faced two main challenges significantly impacting the long-term realization of its business plans: concluding further commercial agreements and ensuring stable financing.

In addition, the Supervisory Board believes that taking into account the current stage of development and size of the company, the Management Board has taken sufficient measures to ensure an appropriate level of security, including proper internal control.

In the area of risk management, the Supervisory Board assesses that the risks presented by the Management Board (alongside the methods of mitigating and preventing risks) constituted an appropriate approach at the current stage of the Company's development.

Taking into account the Company's internal regulations (including the information circulation policy, the policy on preventing conflicts of interest, the remuneration policy and whistleblowing rules. The Supervisory Board is of the opinion that in 2024 the Company had appropriate compliance and internal control systems in place. However, it should be noted that due to the increase in business it was necessary to expand internal control systems and set up an internal audit unit or outsource those tasks. In connection with this, a decision was made to use outsourcing and to engage the services of the Polish Auditing Group.

In addition, the Supervisory Board notes that the Company has internal rules for the circulation of inside/ sensitive information at XTPL S.A. The Supervisory Board has no objections regarding these rules.

Moreover, the Company has a remuneration policy for members of the management board and the supervisory board.

Furthermore, the Company has rules in place for the prevention of conflicts of interest at XTPL S.A., and a procedure for assessing related party transactions, documents adopted by the Supervisory Board.

In addition, the Supervisory Board became acquainted with the whistleblowing rules.

In 2024 the Company had a Finance Department in place, which supported internal control processes.

The Company has a policy and procedure on selection of an audit firm to audit standalone and consolidated financial statements. In 2025, that is, after the end of the 2024 financial year, the Supervisory Board, following a recommendation from the Audit Committee regarding the extension of the agreement with the current auditing firm, selected an auditing firm to audit the standalone and consolidated financial statements for the years 2025 and 2026, as well as to review the standalone and consolidated half-year financial statements for the periods from January 1, 2025, to June 30, 2025, and from January 1, 2026, to June 30, 2026.

The Supervisory Board also declares that the Company complies with the applicable regulations concerning the selection and rotation of the auditing firm and the key statutory auditor, as well as the mandatory cooling-off periods. Furthermore, the auditing firm and the members of the audit team have met the conditions necessary to prepare an impartial and independent audit report on the Company's annual financial statements and the consolidated annual financial statements of the group. The Supervisory Board continuously monitors the auditing firm and the members of the audit team to ensure compliance with these regulations.

The Supervisory Board positively assesses the Company's situation, including the internal control systems, risk management, compliance with applicable standards or practices, and internal audit functioning within XTPL S.A. and XTPL S.A. group. In the opinion of the Supervisory Board, the systems applied in the Company are appropriate to the size of the Company, the nature and scale of its operations, and the level of risk associated with its activities.

11. An assessment of the application by the company of the corporate governance principles and the manner of fulfilling information obligations concerning their application, as defined in the Stock Exchange Regulations and regulations concerning current and periodical information provided by issuers of securities, together with information on actions taken by the supervisory board in order to perform this evaluation (principle 2.11.4 of Best Practice)

In the financial year 2024, XTPL S.A. was a public company listed on the regulated (parallel) market operated by the Warsaw Stock Exchange. The Company applies the corporate governance principles set out in the Good Practice, which came into effect on July 1, 2021. The Company provided up-to-date information on the status of compliance with the Good Practices on January 17, 2023, and according to the information held by the Supervisory Board, this information remains current as of the date of preparation of this report.

According to the current status of compliance with the Best Practice, the Company does not apply 12 principles: 1.3.1., 1.3.2., 1.4., 1.4.1., 1.4.2., 2.1., 2.2., 2.11.6., 3.4., 3.5., 4.1., 4.3. The Company's decision to deviate from the specified principles has been justified in the relevant comments. The Supervisory Board, after reviewing these principles and the Company's justification for their non-compliance, considered these explanations to be sufficient and appropriate. In the opinion of the Supervisory Board, the Principles of Good Practice applied by the Company enable the achievement of the overarching objectives of corporate governance principles.

In the opinion of the Supervisory Board, in 2024 the Company complied with the rules set out in the Best Practice for GPW Listed Companies in the scope declared by the Company.

Further to this, XTPL S.A. provided current and financial information in the scope determined by relevant domestic laws (Finance Minister's on current and financial reports).

The reports were issued through the ESPI system.

In the opinion of the Supervisory Board, in 2024 the Company complied with the legal provisions relating to current and financial information.

In addition, XTPL S.A. used the ESPI system to provide information specified in Article 70 of the Act on Public Offering, and the Market Abuse Regulation (MAR).



In the opinion of the Supervisory Board, in 2024 the Company complied with the Act on Public Offering and the MAR in relation to current and inside information.

The above assessment was based on current and financial reports published in the financial year 2024 (including Q1, H1, Q3 2024 and 2023 reports). In carrying out the assessment of XTPL’s fulfillment of its information obligations concerning the application of corporate governance and regarding current and periodic reports, the Supervisory Board maintained regular contact with the Management Board of XTPL S.A. and received the necessary information.

12.Assessment of the rationality of the Company’s sponsorship policy (principle 2.11.5. of Best Practice)

Not applicable. Currently, the Company does not pursue any sponsorship, charity or other similar activities in 2024. The Company also does not have a defined policy in this area.

Wrocław, April 28, 2025

Wiesław Rozłucki _____

Bartosz Wojciechowski _____

Piotr Lembas _____

Herbert Wirth _____

Beata Turlejska _____

Agata Gładysz-Stańczyk _____