



Independent auditor's report on engagement on the assessment of a remuneration report

XTPL S.A.

prepared for the years 2019–2020

Wrocław, 11 June 2021

INDEPENDENT AUDITOR'S REPORT ON A REASONABLE ASSURANCE ENGAGEMENT ON THE ASSESSMENT OF A REMUNERATION REPORT

for the General Meeting and Supervisory Board of XTPL S.A.

We were engaged to assess the attached remuneration report of XTPL SA (the "Company") for the years 2019–2020 in terms of completeness of the information contained therein under Article 90g(1)–(5) and (8) of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organized trading and public companies (i.e. Journal of Laws of 2020, item 2080) ("Public Offering Act").

Identification of the criteria and description of the subject matter of the engagement

The remuneration report was drawn up by the Supervisory Board to meet the requirements of Article 90 g(1) of the Public Offering Act. The requirements applicable to the remuneration report are laid down in the Public Offering Act. The requirements described in the preceding sentence set out the basis for the preparation of a remuneration report and, in our opinion, constitute appropriate criteria for us to make a conclusion that provides reasonable assurance.

In accordance with the requirements of Article 90g(10) of the Public Offering Act, the remuneration report is subject to evaluation by a statutory auditor in terms to check if it contains the information required under Article 90 g(1)–(5) and (8) of the Public Offering Act.

This report satisfies the above requirement. The auditor's assessment, which is referred to in the preceding sentence and forms the basis for us to make a conclusion that provides reasonable assurance, as referred to in the preceding sentence, shall be understood as an assessment of whether the scope of information presented in the remuneration report is complete, in all material respects, and whether the information has been disclosed in sufficient detail, as required by the Public Offering Act

Responsibility of the Supervisory Board Members

Under the Public Offering Act, Members of the Company's Supervisory Board are responsible for preparing a remuneration report in accordance with applicable law. In particular, they are responsible for the completeness of and the information contained in the report.

The Supervisory Board's responsibility also includes the design, implementation and maintenance of an internal control system ensuring the preparation of a complete remuneration report free from material misstatements due to fraud or error.

Auditor's responsibility

Our objective was to assess the completeness of the information contained in the attached remuneration report in relation to the criterion set out in the *Identification of the criteria and description of the subject matter of the engagement* section, and to express, on the basis of the evidence obtained, an independent conclusion on the performed reasonable assurance engagement.

We carried out the engagement in accordance with the National Standard for Assurance Engagements other than Audits or Reviews 3000 (R) corresponding to the (revised) International Standard on Assurance Engagements (ISAE) 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information, adopted by resolution of the National Chamber of Statutory Auditors No. 3436/52e/2019 of 8 April 2019, as amended (“NSAE 3000 (R)”).

The standard imposes on a statutory auditor an obligation to plan and perform procedures in such a manner as to obtain reasonable assurance that a remuneration report has been prepared in accordance with the specified criteria. Reasonable assurance means a high level of assurance, but it does not guarantee that an engagement performed in accordance with NSAE 3000 (R) would always detect an existing material misstatement.

The selection of the procedures depends on the statutory auditor's judgement, including their estimation of the risks of material misstatement, whether due to fraud or error. When assessing the risk, the statutory auditor takes into account internal control associated with the preparation of a complete report in order to plan relevant procedures which are to provide the auditor with sufficient and appropriate evidence. The assessment of the functioning of the internal control system was not carried out for the purpose of expressing a conclusion on the effectiveness of its operation.

Summary of work performed and limitations of our procedures

The procedures planned and performed by us included in particular:

- a) Reading the content of the remuneration report and comparing the information contained therein with the applicable requirements;

- b) Reading the resolutions of the Company's General Meeting concerning the remuneration policy for Members of the Management Board and the Supervisory Board, as well as the Supervisory Board's resolutions that elaborate on the above resolutions;
- c) Preparation (by comparison with corporate documents) of a list of persons for whom information is required to be included in the remuneration report and determining (by enquiring the persons responsible for preparing the report and, where we deemed it appropriate, also directly the persons subject to the requirement to include information) whether all information required in the criteria has been disclosed.

Our procedures were only aimed at obtaining evidence that the information provided by the Supervisory Board in the remuneration report complies – in terms of its completeness – with the applicable requirements. Our work was not intended to assess the sufficiency of the information contained in the remuneration report in terms of the purpose of preparation of the remuneration report. Likewise, it was not intended to assess correctness or accuracy of the information contained therein, in particular as regards the amounts disclosed, including the previous years' estimates, figures, dates, inclusion in the breakdown, allocation methods, or compliance with the adopted remuneration policy. The remuneration report was not audited within the meaning of the National Auditing Standards. During our assurance procedures, we did not audit or review the information used to prepare the remuneration report and, therefore, we are not responsible for issuing or updating any reports or opinions on the Company's historical financial information. We believe that the evidence we have obtained provides sufficient and appropriate basis for us to express the following conclusion.

Ethical requirements, including independence

In performing the engagement, the statutory auditor and the audit firm complied with the requirements of independence and other ethical requirements provided for in the International Code of Ethics for Professional Accountants (including the International Independence Standards) of the International Ethics Standards Board for Accountants, adopted by Resolution No. 3431/52a/2019 of the National Chamber of Statutory Auditors of 25 March 2019 on the principles of professional ethics of statutory auditors ("IESBA Code"). The IESBA Code is based on fundamental principles relating to integrity, objectivity, professional competence and due diligence, confidentiality and professional conduct. We also complied with other independence and ethical requirements that apply to this assurance engagement in Poland.

Quality control requirements

The audit firm applies the National Quality Control Standards in the wording of the International Quality Control Standard 1 – "Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements", adopted by resolution No 2040/37a/2018 of the National Chamber of Statutory Auditors of 3 March 2018, as amended (NQCS).



In accordance with the NQCS requirements, the audit firm maintains a comprehensive quality control system that includes documented policies and procedures for compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements

Conclusion

The statutory auditor's conclusion is based on the considerations described above. For this reason, the conclusion should be read taking into account these considerations. In our opinion, the attached remuneration report contains, in all material respects, all the elements listed in Article 90g(1)–(5) and (8) of the Public Offering Act.

Limitation of use

This report has been prepared by 4AUDYT sp. z o.o. for the General Meeting and the Supervisory Board, and is intended solely for the purpose described in the *Identification of the criteria and description of the subject matter of the engagement* section, and should not be used for any other purposes.

Therefore, 4AUDYT sp. z o.o. assumes no liability associated with this report, arising out of any contractual or non-contractual relationship (including due to negligence) towards third parties in the context of this report. This does not release us from liability in situations where such release is excluded by operation of law.

Signed with a qualified electronic signature

Krzysztof PierścioneK

Statutory auditor No. 11150

performing the engagement on behalf of 4AUDYT sp. z o.o. entered in the list of audit firms under No. 3363.

Wrocław, 11 June 2021