



INFORMATION DISCLOSURE POLICY AT XTB S.A.

1. GENERAL PROVISIONS

XTB S.A. (hereinafter: "XTB" or "brokerage house") in accordance with Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (hereinafter: the "Regulation" or "IFR") shall publicly disclose information including:

- risk management objectives and policies;
- governance;
- own funds;
- own funds requirements;
- remuneration policy and practices;
- investment policy;
- environmental, social and corporate governance risks.

The Information Disclosure Policy at XTB S.A. (hereinafter: the "Policy") specifies the scope and manner of providing the above information. XTB, according to the IFR methodology, does not meet the conditions for qualifying as small and non-interconnected investment firms specified in Article 12(1) of the Regulation.

2. TIMING OF INFORMATION DISCLOSURE

XTB publicly discloses the information referred to in point 1 on the date it publishes its annual financial statements.

3. METHOD OF INFORMATION DISCLOSURE

XTB publicly discloses the information referred to in point 1 on the Company's official website.

4. RISK MANAGEMENT OBJECTIVES AND POLICIES

XTB discloses its risk management objectives and policies separately for each category of risk specified in the IFR, i.e.:

- a) Risk to Client (RtC);
- b) Risk to Market (RtM);
- c) Risk to Firm (RtF);
- d) Concentration risk;
- e) Liquidity risk.

In addition, XTB provides, as part of its disclosure policy, a concise statement on the risk of the brokerage house, briefly describing the overall risk profile associated with the business strategy.

5. INFORMATION REGARDING GOVERNANCE

XTB discloses the following information regarding internal governance arrangements:

- a) the number of directorships held by members of the management body;
- b) the diversity policy applied to the selection of members of the management body, the objectives of this policy and any relevant assumptions of this policy, and the extent to which these objectives and assumptions have been met;
- c) the fact that XTB has established a separate risk committee and the number of meetings of the committee held in a given year.

6. INFORMATION REGARDING OWN FUNDS

XTB discloses the following information regarding own funds:

- a) a full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items, as well as applicable filters and deductions applied to own funds and the balance sheet in the audited financial statements;
- b) a description of the main features of the Common Equity Tier 1 instruments, Additional Tier 1 instruments and Tier 2 instruments issued by XTB;
- c) a description of all restrictions applied to the calculation of own funds and the instruments and deductions to which those restrictions apply.

7. INFORMATION REGARDING OWN FUNDS REQUIREMENTS

XTB discloses the following information regarding compliance with capital adequacy requirements:

- a) a summary of the approach to assessing internal capital adequacy to support current and future activities;
- b) K-factor requirements calculated, in accordance with Article 15 of the IFR, in aggregate form for Risk to Market (RtM), Risk to Firm (RtF) and Risk to Client (RtC), based on the sum of the applicable K-factors;
- c) the fixed overheads requirement determined in accordance with Article 13 of the IFR.

8. INFORMATION REGARDING REMUNERATION POLICY AND PRACTICES

XTB discloses the following information regarding remuneration policy and practices, including aspects related to gender neutrality and the gender pay gap, for those categories of staff whose professional activities have a material impact on the risk profile of the brokerage house:

- a) key information on the characteristics of the remuneration system, including information on the level of variable remuneration and the criteria for granting it, the policy on payout in instruments, the deferral policy and the vesting criteria;
- b) the ratios between fixed and variable remuneration;
- c) aggregate quantitative information on remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of XTB, indicating the following:
 - i. the amounts of remuneration awarded in the financial year, split into fixed remuneration, including a description of the fixed components, and variable remuneration, and the number of beneficiaries;
 - ii. the amounts and forms of variable remuneration awarded, split into cash, shares, share-linked instruments and other types of remuneration components separately for the part paid upfront and the deferred part;
 - iii. the amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years;
 - iv. the amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments;
 - v. the guaranteed variable remuneration awards during the financial year and the number of beneficiaries of those awards;

- vi. severance payments awarded in previous periods, that have been paid out during the financial year;
 - vii. the amounts of severance payments awarded during the financial year, split into paid upfront and deferred, the number of beneficiaries of those payments and the highest such payment awarded to a single person;
- d) information on whether the derogation laid down in Article 32(4)(a) and/or (b) of Directive (EU) 2019/2034 has been applied. In addition, in the case of applying the derogation referred to above, an indication of the remuneration principles to which the derogations apply, the number of staff members benefiting from the derogations and their total remuneration, split into fixed and variable remuneration.

9. INFORMATION REGARDING INVESTMENT POLICY

XTB discloses the following information regarding the investment policy:

- a) the proportion of voting rights attached to shares held directly or indirectly by XTB, broken down by Member State and sector;
- b) a complete description of voting behaviour in the general meetings of companies, an explanation of the votes, and the ratio of proposals put forward by the administrative or management body of the company which XTB has approved;
- c) an explanation of the use of proxy advisor firms;
- d) the voting guidelines regarding the companies.

The requirements referred to in points (b) and (d) shall apply to each company whose shares are admitted to trading on a regulated market and to which voting rights are attached, and only to voting rights held directly or indirectly by XTB that exceed the threshold of 5% of all voting rights attached to shares issued by that company. Voting rights shall be calculated on the basis of all shares to which voting rights are attached, even if the exercise of those voting rights is suspended.

10. INFORMATION REGARDING ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE RISKS

From 26 December 2022, XTB shall disclose information regarding environmental, social and corporate governance risks, including physical risks and transition risks defined in the report referred to in Article 35 of Directive (EU) 2019/2034.

The information referred to above shall be disclosed once a year in the first year and biannually thereafter.