



Captor Therapeutics S.A.

(joint stock company with its registered office in Wrocław, address ul. Duńska 11, 54-427 Wrocław, registered in the Business Register of the National Court Register, under number KRS 0000756383)

Remuneration Policy for Members of the Management Board and the Supervisory Board of Captor Therapeutics S.A.

§1

Methodology and Purposes of the Policy

1. The policy was created taking into consideration the Company's economic situation, market standards applicable in comparable companies, in particular from pharmaceutical and biopharma sectors, and the scope of duties of particular Members of the Management Board and the Supervisory Board.
2. The adoption of this Policy is intended to contribute to the implementation of the business strategy, long-term interests and stability of the Company. The Policy also sets out measures aimed at avoiding conflicts of interests with respect the remunerations and their management.

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Definitions

The following phrases and abbreviations used in the Policy shall have the following meaning:

- 1) **Captor Group** means the Company and Subsidiaries;
- 2) **Royalty** means the remuneration for the assignment of economic copyrights, granting of a license, assignment of rights to a data base, assignment of rights to obtain a patent or any other protection right, vested in any member of the Management Board on the basis of arrangements made with the Company or any of the Subsidiaries, which are however not related to serving on the Management Board; for the avoidance of any doubt, a Royalty does not include a share in license fees payable to the Captor Group by the transferee/licensee of the intellectual property rights of the Captor Group;
- 3) **Remuneration Committee** means an advisory body appointed and operating within the Supervisory Board, performing some tasks of the Supervisory Board related to the development of the remuneration system in the Company;
- 4) **Subsidiaries** means subsidiaries within the meaning of Article 4 point 15 of the Public Offering Act, i.e. entities with respect to which the Company is a parent entity, whereas all subsidiaries of any subsidiary shall also be considered as subsidiaries of the relevant parent entity, in particular Captor Therapeutics GmbH, with its registered office in Switzerland, 4123 Allschwil, Gewerbestrasse 24;
- 5) **Policy** means this remuneration policy for members of the Management Board and the Supervisory Board of Captor Therapeutics S.A.;
- 6) **Incentive Scheme** means the long-term incentive plan based on the Company's shares, created under Resolution no. 14 of the Ordinary General Meeting of the Company dated 16 May 2019 and amended by Resolution no. 22 of the Ordinary General Meeting of the Company dated 26 June 2020;
- 7) **Supervisory Board** means the Supervisory Board of the Company;
- 8) **Company** means the company operating under the business name: Captor Therapeutics S.A., with its registered office in Wrocław, registered in the Business Register of the National Court Register kept by the District Court for Wrocław-Fabryczna in Wrocław, VI Commercial Division of the National Court Register, under number KRS: 756383, NIP: 8943071259, REGON: 363381765;
- 9) **Public Offering Act** means the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading System and of Public Companies dated 29 July 2005 (Journal of Laws 2005 no. 184, item 1539, as amended);

- 10) **General Meeting** means an annual or extraordinary General Shareholders Meeting of the Company;
- 11) **Management Board** means the Management Board of the Company.

§3

Individuals Covered and Scope of Application

1. This Policy sets out remuneration principles applicable to members of the Management Board and Supervisory Board and it was adopted taking into account the following criteria:
 - a) nature of the position of a member of the Management Board and the scope of his duties, powers and level of expertise;
 - b) role played by particular members in the Management Board and the in the Company;
 - c) specific tasks and goals assigned to particular members of the Management Board or members of the Supervisory Board;
 - d) experience and knowledge necessary to perform such tasks;
 - e) time and commitment required to perform them;
 - f) the level of involvement of members of the Management Board or Supervisory Board in the Subsidiaries of the Company;
 - g) specifics of the structure of Captor Group; and
 - h) level of salaries in the Company for persons not serving on the Management Board and the Supervisory Board of the Company.
2. The Company shall pay remuneration to members of the Management Board and the Supervisory Board exclusively in accordance with this Policy which has supremacy over all regulations concerning the principles of remuneration of members of the Management Board and the Supervisory Board.
3. This Policy shall not affect the remuneration principles applicable to persons employed in the Company or in any of the Subsidiaries other than members of the Management Board and the Supervisory Board, irrespective of the legal nature of such employment, and shall not affect any remuneration rules (if any) being in force in the Company or in any of its Subsidiaries, unless expressly stated otherwise.
4. All employees of the Company and persons otherwise associated with it, including persons being members of the Company's governing bodies, are obliged to observe the provisions of this Policy, if responsibility for any processes described herein has been assigned to them hereunder.

§4

Components of Remuneration of Members of the Management Board

1. Remuneration structure

- 1.1. Remuneration of members of the Management Board should guarantee their full commitment to the roles played in the Company and the Captor Group, motivate them to achieve business goals assumed by the Company and promote their continuous association with the Company and the Captor Group. The amount of the remuneration should reflect the contribution of particular members Management Board to the results of the Company and the Captor Group, ensure the stability of the Company (in particular by reducing excessive risk-taking by members of the Management Board and the Supervisory Board), implementation of the business strategy of the Company and its long-term interests.
- 1.2. Members of the Management Board can be remunerated on the basis of:

- a) resolutions of the Supervisory Board;
 - b) employment contract;
 - c) civil law agreement;
 - depending on the situation, the role in the Management Board and duties fulfilled in the Company.
- 1.3. If a member of the Management Board performs any creative works or works consisting of creation of data bases subject to protection, which works belong to the objects of the Company or a Subsidiary and are conducted on request of the Company or a Subsidiary, irrespective of the remuneration arising from the sources referred to in § 4 sec. 1.2 above, such member of the Management Board is entitled to receive a Royalty.
- 1.4. The total remuneration received by a member of the Management Board under all legal titles in the Company, excluding the Royalty, cannot in any case exceed the limit of remuneration determined by the Supervisory Board in accordance with § 10 sec. 2.2. letter d) below. In determining the limit of the total remuneration the Supervisory Board may refer to the recommendations of the Remuneration Committee, if issued.
- 1.5. Members of the Management Board holding any office in Subsidiaries (if applicable) can receive from such Subsidiaries remuneration proportional to the role played by them. The total remuneration received by a member of the Management Board from the Company and Subsidiaries, excluding the Royalty, cannot in any case exceed the limit of remuneration determined by the Supervisory Board in accordance with § 10 sec. 2.2. letter d) below. In determining the limit of the total remuneration the Supervisory Board may refer to the recommendations of the Remuneration Committee, if issued.
- 1.6. In accordance with the Policy, remuneration of members of the Management Board can consist of the following components:
- d) fixed monthly basic salary;
 - e) variable remuneration, including a financial bonus depending on the level of achievement of objectives, one-off discretionary bonuses and remuneration in the form of financial instruments pursuant to the Incentive Scheme;
 - f) additional cash and non-cash benefits;
 - g) contractual severance pays;
 - h) compensations for non-competition obligation in force after the expiry of the legal relationship with the Company; and
 - i) remuneration from Subsidiaries.
- 1.7. Irrespective of the components specified in § 4 sec. 1.6 above and subject to § 4 sec. 1.3 above, a member of the Management Board can receive Royalties.
- 1.8. If members of the Management Board are granted variable remuneration of a long-term nature, it will be possible to determine the conditions on which the Company may seek repayment of variable components of the remuneration (claw-back), and the mechanism and periods of deferment of payment thereof.
- 1.9. On the basis of Article 90d sec. 7 of the Public Offering Act, the General Meeting hereby authorizes the Supervisory Board to:
- a) detail the provisions of the Remuneration Policy with respect to fixed and variable components of the remuneration (in particular with respect to key performance indicators (KPI), financial and non-financial goals), as well as additional cash and non-cash benefits, on the terms described in this Policy;

- b) specify clear, comprehensive and diversified criteria with respect to financial and non-financial results, concerning the awarding of variable components of the remuneration, taking into account compliance with regulations, fair treatment of customers, social interests, the Company's contribution to the protection of environment and actions aimed at preventing and negative social effects of the Company's activity and eliminating them; and
 - c) determine the principles of assessment of the level of fulfilment of the above criteria.
- 1.10. In determining the conditions of awarding and payment of benefits in accordance with the authorization referred to in sec. 1.9 above, the Supervisory Board is obliged to observe the criteria specified in this Policy.
- 1.11. The remuneration of members of the Management Board, excluding Royalties, should not exceed fifteen times the median salary in the Company unless the Supervisory Board decides otherwise. The amount of particular components of the remuneration of members of the Management Board is justified by the scope of responsibility and the risk related to the membership in the Company's governing bodies.

2. Fixed monthly basic salary

2.1. A fixed monthly basic salary of members of the Management Board is determined on an individual basis, taking into account the market standards applicable to the position held, relevant professional experience and organizational responsibility as well as any recommendations of the Remuneration Committee.

2.2. A basic salary of a member of the Management Board responsible for scientific research may be further linked to grants received by the Company as part of research projects carried out by it.

3. Variable remuneration

3.1. Members of the Management Board other than the Company's founders may be entitled to participate in the Incentive Scheme.

3.2. On the basis of Incentive Scheme, eligible persons (i.e. persons employed in the Company or in Subsidiaries, on the basis of an employment contract or otherwise, indicated by the Management Board, after the obtainment of the Supervisory Board's consent, as well as Members of the Supervisory Board indicated by the General Meeting) are entitled to acquire the existing or newly issued shares of the Company for a price (issue price) equal to the nominal value of the shares.

3.3. The number of shares of the Company to be offered to a person joining the Incentive Scheme shall depend on the decision of the Management Board and the Supervisory Board, which shall be guided by such criteria as the employee's position, length of service, assessment of the employee's contribution to the value of the Company to date and the importance of the employee's position to the achievement of the objectives of the Company.

3.4. Acquisition (or subscription for) shares under the Incentive Scheme in accordance with the principles set out in other documents, including an agreement on participation in the Incentive Scheme, shall be spread over four years such that it will take place, as a matter of principle, in four equal tranches, falling on the first, second, third and fourth anniversary of the execution of the agreement on participation in the Incentive Scheme. The condition for acquiring the right to successive tranches is that the person covered by the Incentive Scheme remains employed on the dates of successive anniversaries of signing the agreement on participation in the Incentive

Scheme. An exception from the above rule is a situation when, after the Company becomes a public company, a tender for the sale or exchange of the Company's shares is announced within the meaning of the Public Offering Act. Then a scheme participant shall become entitled to all shares not acquired thus far, from tranches which have not been implemented as of the date of announcement of such tender, provided that such participant remains employed from the date of execution of the agreement on participation in the Incentive Scheme until the date of announcement of the tender.

3.5. Participants of the Incentive Scheme are obligated towards the Company not to transfer the shares acquired under the Incentive Scheme for one year from the date of acquisition of the respective tranche of shares.

3.6. Remuneration awarded in the form of financial instruments (shares) under the Incentive Scheme significantly contributes to the implementation of the business strategy, long-term interest and stability of the Company, by motivating the participants, including highly qualified scientific staff of the Company, to remain employed in the Company and jointly build the Company's value, which translates into the value of the Company's shares and consequently into the profit of the participant of the Incentive Scheme in a long term four-year perspective.

3.7. Members of the Management Board may be entitled to an annual financial bonus depending on the degree of achievement of the set financial and non-financial goals. The maximum amount of such bonus and the goals (both financial and non-financial) on which it depends are determined by the Supervisory Board on an individual basis taking into account the role played by a member of the Management Board in accordance with sec. 1.9 above.

3.8. Financial goals are determined with reference to financial indicators of the Company, financial results of the Company or results of the Company's sales.

3.9. Non-financial goals (if applicable) are determined with reference to the price of Company's shares or based on business tasks, in particular in the area of development of particular segments of the Company's activity; the number of grants received; effectiveness of the conducted activity; timeliness of projects; sale or purchase of specific assets or parts of a business enterprise; creation or change of organizational structures of the Company; increase in employment effectiveness and work efficiency in subordinate teams; effective implementation of specific organizational, technological or business solutions.

3.10. Irrespective of the participation in the Incentive Scheme and the annual financial bonus, in particularly justified cases, at the sole discretion of the Supervisory Board, members of the Management Board may be granted a discretionary bonus. In taking a decision on granting a discretionary bonus the Supervisory Board shall be guided by the guidelines included in this Policy. The discretionary bonus is granted to members of the Management Board on an individual basis. The discretionary bonus cannot be higher than six times the average monthly basic salary received by the member of the Management Board from the Company and the Subsidiaries in the aggregate. For the purposes of calculation of the above limit of the discretionary bonus, the average monthly basic salary paid to member of the Management Board in the period of 12 calendar months preceding the month of payment of the bonus is used, and if the salary was paid for a shorter period of time – in the period in which it was paid.

4. Additional cash and non-cash benefits

4.1. Members of the Management Board may be entitled to certain additional cash and non-cash benefits, including but not limited to life insurance, company car and mobile phone for private use,

private medical care, Multisport card and benefits for members of the Management Board not having a permanent place of residence in Poland: reimbursement (coverage) of accommodation costs, relocation costs or education costs. Some of the above-mentioned benefits may also be granted to dependents of members of the Management Board or – with respect to members of the Management Board not having a permanent place of residence in Poland – persons who in connection with the commencement of carrying out functions in Poland by such member moved to Poland together with him.

4.2. The type and value of additional cash and non-cash benefits awarded to members of the Management Board shall be determined on an individual basis, taking into account market standards and circumstances applicable to a particular member of the Management Board, as well as recommendations of the Remuneration Committee.

5. Remuneration from Subsidiaries

5.1. Members of the Management Board may be entitled to receive remuneration for performing work or carrying out functions in Subsidiaries, proportionally to the scope of duties of a particular member of the Management Board in the relevant Subsidiary.

5.2. The total amount of the remuneration which Subsidiaries can in total pay to members Management Board for the functions carried out, excluding Royalties, cannot exceed the limit determined for such purpose by the Supervisory Board, in accordance with § 10 sec. 2.2. letter d) below.

6. Proportions of components of the remuneration

The maximum ratio of variable components of the remuneration to fixed components of the remuneration members of the Management Board in a given year without taking into account the Incentive Scheme should not exceed 100%. The maximum amount of variable components of the remuneration of members of the Management Board in a given year taking into account the Incentive Scheme should not exceed twenty times the fixed components of the remuneration.

§5

Components of Remuneration of Members of the Supervisory Board

1. Remuneration Structure

Remuneration of members of the Supervisory Board shall consist of the following components:

- a) fixed monthly basic salary; and
- b) variable remuneration in the form of financial instruments (shares of the Company).

2. Fixed monthly salary

Each member of the Supervisory Board is entitled to a monthly remuneration in the amount specified by a resolution of the General Meeting.

3. Variable remuneration

3.1. Members of the Supervisory Board may be entitled to participate in the Company's Incentive Scheme, the terms of which are described in § 4 sec. 3 above and in separate documents concerning the Incentive Scheme.

3.2. The right of a member of the Supervisory Board to participate in the Incentive Scheme and, consequently, to acquire or subscribe for shares of the Company under the Incentive Scheme, is granted at the discretion of the General Meeting of the Company by a separate resolution.

4. Remuneration from Subsidiaries

Members of the Supervisory Board may be entitled to receive remuneration for performing work or carrying out functions in Subsidiaries, proportionally to the scope of duties of a member of the Supervisory Board in the relevant Subsidiary.

§6

Description of Legal Relationship with Members of the Management Board and the Supervisory Board

1. Members of the Management Board

- 1.1. Members of the Management Board are appointed to fulfil their duties on the basis of resolutions of the Supervisory Board, in accordance with the provisions of the Company's Articles of Association.
- 1.2. The Management Board is appointed for a common term of office which lasts 3 (three) years. Mandates of members of the Management Board expire as of the date of holding the General Meeting approving the financial statement for the last full fiscal year of serving as a member of the Management Board.
- 1.3. Irrespective of the corporate relationship, members of the Management Board of the Company can be bound by contractual relationships with the Company, as the case may be.
- 1.4. Notice periods preceding the dismissal from the position as a member of the Management Board are determined on an individual basis, and their length may differ with respect to particular members of the Management Board. The maximum notice period cannot exceed six months.
- 1.5. A member of the Management Board may be subject to a non-competition obligation after the expiry of the legal relationship with the Company. In exchange for the observance of the non-competition obligation after the expiry of the legal relationship with the Company, a member of the Management Board may be entitled to compensation in an amount determined on an individual basis. The maximum non-compete period after the termination of the legal relationship with the Company may differ with respect to particular members of the Management Board, however it cannot exceed twelve months.
- 1.6. After the end of the term of office or in the event of termination of an agreement between a member of the Management Board and the Company, the member of the Management Board may be entitled to a severance pay. Conditions for acquisition of rights in this respect and the amount of the severance pay are determined on an individual basis. The maximum amount of the severance pay cannot exceed the value of six monthly salaries.
- 1.7. The Company shall inform the Supervisory Board of all agreements concluded by the Company with a member of the Management Board, being in force on the date of entry into force of this Policy, or with a candidate for a member of the Management Board which will be in force on the anticipated date of appointment of such persons as a member of the Management Board, on the basis of which a member Management Board or a candidate for a member of the Management Board, as the case may be, is entitled to receive any remuneration, including the Royalty. Such information includes the date of execution of the agreement, the subject matter thereof, the remuneration terms and the amount of the remuneration and other financial liabilities of the Company (e.g. coverage of specific costs, remuneration for the observance of the non-competition obligation, payments related to

termination, etc.), term of the agreement, agreement termination principles and notice periods.

2. Members of the Supervisory Board

2.1. In accordance with the Articles of Association of the Company, members of the Supervisory Board are appointed by a resolution of the General meeting.

2.2. Members of the Supervisory Board are appointed for a common term of office which lasts 3 (three) years. Mandates of members of the Supervisory Board expire upon holding of the General Meeting approving the financial statement for the last full fiscal year in which the member of the Supervisory Board held office.

§7

Taking into Account Work and Pay Conditions of Other Staff of the Company

1. While establishing this Policy the work and pay conditions of the Company's employees other than members of the Management Board and the Supervisory Board of the Company were taken into consideration through:

- a) the establishment of the rule in accordance with which the maximum remuneration of members of the Management Board of the Company cannot exceed a specified multiple of the median salary in the Company;
- b) the analysis of components of remuneration granted to such employees and analysis of the scope of responsibility of particular members of the Management Board and the Supervisory Board of the Company;
- c) taking into account the risk arising from serving on the Management Board and the Supervisory Board of the Company; and
- d) taking into account the rank of the Company's employees other than members of the Management Board and Supervisory Board of the Company.

2. Members of the Management Board and the Supervisory Board of the Company and other employees of the Company are entitled to receive fixed components of the remuneration and may be entitled to receive variable components of the remuneration and non-cash benefits.

3. Variable components of the remuneration of a discretionary nature are granted based on the financial situation of the Company.

§8

Retirements Plans

1. Members of the Management Board and the Supervisory Board of the Company are not covered by any additional pension schemes or early retirement plans. The Company is not planning to introduce in the future any additional pension schemes or early retirement plans.

2. Members of the Management Board and the Supervisory Board of the Company may participate in the Employee Capital Plan (ECP) being in force in the Company on the terms set out in the ECP management agreement, the ECP operation plan and the Act on Employee Capital Plans dated 4 October 2018. Participation in the ECP is voluntary, and the above-mentioned members of the Company's governing bodies can resign from it.

3. If members of the Management Board or members of the Supervisory Board participate in the ECP, the Company shall make payments in the amount stipulated for all employees, applicable at the time in the Company.

§9

Conflict of Interests

1. In order to mitigate the risk of conflict of interests, the Policy ensures that in the event that any persons are appointed to play in the Company or the Captor Group roles that have various scopes of responsibility and different interests, their remuneration is not interdependent. The terms of the Incentive Scheme, the purpose of which is to link the long-term economic interests of the members of the Management Board and the Supervisory Board with the economic interests of the Company shall be without prejudice to the foregoing.

2. The risk of a potential conflict of interest due to individual links between members Management Board and members of the Supervisory Board is additionally mitigated by the principle that all decisions taken by the Supervisory Board with respect to remuneration of members of the Management Board and the comprehensive oversight of the Supervisory Board over the operations of the Management Board consist in the entire Supervisory Board acting collegially, and any unilateral or independent decision taking in this respect by any member of the Supervisory Board is excluded.

3. This Policy was prepared taking into account the roles played by particular members of the Management Board and the Supervisory Board, in order to prevent potential irregularities in the conducted activity and the risk of conflict of interest which might adversely affect the interests of customers and shareholders of the Company.

4. Whenever there is a risk of conflict of interest caused by the manner of remunerating members of the Management Board or the Supervisory Board, the Supervisory Board is entitled to take appropriate actions in order to prevent such risk, in particular through:

- a) introducing changes to the manner of remunerating the member of the Management Board;
- b) initiation of the procedure for changing the manner of remunerating members of the Supervisory Board;
- c) initiation of the procedure for adjusting the Policy (review of the Policy), in accordance with the rules set out in §10 below; or
- d) temporary waiver of the Policy on the terms set out in §11 below.

§10

Determination, Implementation and Review of the Policy

1. Governing bodies of the Company which participate in the process of determining, implementation and approving the Policy, are guided by special concern for the Company's best interests and long term interests of the Company's shareholders.

2. Obligations of particular governing bodies of the Company in the process of determining, implementation and review of the Policy are distributed as follows:

2.1. The General Meeting shall:

- a) carry out an annual review of the Supervisory Board's report on remunerations;
- b) pass a resolution providing an opinion on the annual report on remunerations;
- c) at least once in four years, adopt, by way of a resolution, a remuneration policy for members of the Management Board and the Supervisory Board.

2.2. The Supervisory Board shall:

- a) approve the Policy prepared by the Management Board;
- b) periodically review the Policy;
- c) decide about the amount of the remuneration of members of the Management Board and its components (it also applies to the granting of a discretionary bonus members of the Management Board);
- d) determine the limits of remuneration which members of the Management Board may receive on a basis other than pursuant to a resolutions of the Supervisory Board (e.g. from Subsidiaries);
- e) once a year prepare and submit to the General Meeting an annual report on remunerations, in accordance with the applicable provisions of law;
- f) take appropriate actions in order to prevent the risk of conflict of interest caused by the manner of remunerating of members of the Management Board or the Supervisory Board.

2.3. The Remuneration Committee shall:

- a) analyse and issue opinions on the principles of remuneration of members of the Management Board;
- b) accept recommendations concerning limits and components of remunerations of members of the Management Board (such limits also apply to the remuneration received by members of the Management Board from Subsidiaries);
- c) analyse and monitor the amount of variable remuneration paid to members of the Management Board and the ratio of variable components of the remuneration to the total remuneration received by such members (including the discretionary bonus, if granted);
- d) monitor the relations between the roles played by each member of the Management Board in the Company and in Subsidiaries and their remuneration received therefor.

§11

Temporary Waiver of Policy

1. If it is necessary to pursue long-term interests and for financial stability of the of the Company or in order to guarantee its profitability, and in any case when there is a risk of conflict of interests caused by the manner of remunerating members of the Management Board or the Supervisory Board, a decision on temporary waiver of the Policy may be taken with respect to particular members of the Management Board or the Supervisory Board.

2. The decision to temporarily waive the Policy shall be taken by the Supervisory Board by way of a resolutions.

3. Grounds justifying temporary waiver of the Policy include in particular matters related to the implementation of the Company's strategy or actions the failure to perform which could adversely affect the fulfilment of the Company's due monetary liabilities or the prevention or removal of effects of the conflict of interest caused by the manner of remunerating members of the Management Board or the Supervisory Board.

4. Temporary waiver of the Policy may be requested by the Management Board. A request in this respect may be submitted in the form of a resolution. The request should indicate the grounds for and the justification of such waiver. For the avoidance of any doubt, it is agreed that the Supervisory Board shall not be bound by such request of the Management Board.

5. In the resolution of the Supervisory Board on temporary waiver of the Policy, the Supervisory Board shall specify in particular:

- a) the period for which the waiver of the Policy shall apply;
- b) the scope of waiver of the Policy, i.e. elements (or provisions) of the Policy which were waived,
- c) grounds for temporary waiver.

6. Temporary waiver of the Policy may apply to all or only some provisions of the Policy.

7. If the Supervisory Board considers that grounds justifying temporary waiver of the Policy no longer have a temporary and transient nature, the Supervisory Board shall initiate a procedure for adjusting the Policy (review of the Policy), in accordance with the terms set out in §10 above.