



**REPORT OF THE SUPERVISORY
BOARD OF CAPTOR
THERAPEUTICS S.A.
FOR 2022**

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1. INTRODUCTION

The Supervisory Board of Captor Therapeutics S.A. ("**Company**") ("**Supervisory Board**"), acting pursuant to Article 382 §3 of the Commercial Companies Code, §27 sec. 1 point 1 of the Company's statute ("**Statute**") and the Best Practice of WSE Listed Companies 2021 ("**Best Practice 2021**"), hereby adopted the Report on activities of the Supervisory Board and the results of assessment of the Company's financial statement and the Management Board's report on activities of the Company for the period from 1 January 2022 to 31 December 2022, and Management Board's motion concerning the manner of coverage of loss of the Company for 2022 ("**Report**"), which Report is submitted by the Supervisory Board to the Annual General Meeting Company.

The Report was prepared in accordance with the generally applicable provisions of law and the principles arising from the Best Practice 2021, on the basis of which the Supervisory Board assessed in particular:

- the Company's situation on a consolidated basis, taking into account the assessment of internal control, risk management, compliance and internal audit systems, including in particular reporting and operating activities.
- the application by the Company of corporate governance rules and the manner of fulfillment of information obligations related to the application thereof, as set out in the Regulations of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) and regulations concerning current and interim information provided by issuers of securities.
- implementation of the diversity policy with respect to the Management Board and the Supervisory Board.
- reasonableness of the sponsoring, charity or any other similar policy implemented by the Company.
- the Members of the Supervisory Board meeting the independence criteria.
- the performance by the Management Board of the duties referred to in Article 380¹ of the Commercial Companies Code.

Further, this Report presents a detailed description of activity and operation of the Supervisory Board and its committees in the fiscal year 2022.

2. OPERATIONS OF THE SUPERVISORY BOARD IN 2022

2.1. Legal grounds of the Supervisory Board's activity and composition of the Supervisory Board

In accordance with the Company's Statute the Supervisory Board consists of at least five members, including the Chairman of the Supervisory Board. The number of members of the Supervisory Board for a given term of office is determined by the General Meeting. 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 as of the date of holding the General Meeting approving the financial statement for the last full fiscal year in office as a member of the Supervisory Board.

Meetings of the Supervisory Board are held as needed, however not less frequently than once a quarter. Resolutions of the Supervisory Board are passed by an absolute majority of votes. The Supervisory Board passes resolutions if at least one half of its members are present at the meeting and all of its members have been invited to the meeting. The Supervisory Board passes resolutions in an open ballot. A secret ballot is ordered at the request of a member of the Supervisory Board and in matters related to personnel. A member of the Supervisory Board may participate in passing resolutions of the Supervisory Board through casting his vote in writing with the intermediation of another member of the Supervisory Board. Votes cannot be cast in writing in relation to any matters introduced to the agenda at the meeting of the Supervisory Board. The Supervisory Board may pass resolutions in writing or using means of direct remote communication (telefax, electronic mail), subject to the provisions of the Commercial Companies Code and other provisions of the Company's Statute.

Composition of the Supervisory Board of Captor Therapeutics as of 31 December 2022 and as of the date of publication of this report is presented in the table below.

Table 1: Composition of the Supervisory Board of Captor Therapeutics S.A. as of 31 December 2022 and as of the date of publication of this report

Composition of the Supervisory Board Captor Therapeutics S.A.	
1. Paweł Holstinghausen Holsten	- Chairman of the Supervisory Board
2. Robert Florczykowski	- Member of the Supervisory Board (from 5 January 2022)
2. Florent Gros	- Member of the Supervisory Board
3. Krzysztof Samotij	- Member of the Supervisory Board
4. Maciej Wróblewski	- Member of the Supervisory Board

New term of the Supervisory Board of Captor Therapeutics

On 30 June 2022, the Annual General Meeting elected the following persons as members of the Company's Supervisory Board for the next common term of three years: Mr. Paweł Holstinghausen Holsten; Mr. Robert Florczykowski; Mr. Florent Gros; Mr. Krzysztof Samotij and Mr. Maciej Wróblewski.

2.2. Information on Members of the Supervisory Board meeting independence criteria

To the Supervisory Board's knowledge as at the date of preparation of this Report, the following members of the Supervisory Board meet the criteria of independence provided for in Article 129 sec. 3 of the Act on Certified Accountants and in the Best Practice 2021: Krzysztof Samotij, Robert Florczykowski and Florent Gros.

2.3. Committees of the Supervisory Board

In accordance with the provisions of the Company's Statute, the Supervisory Board may appoint an Audit Committee, as well as other committees, in particular a nomination and remuneration committee. The detailed tasks and principles of appointment and operation of committees are specified in the regulations of the Supervisory Board or regulations of the relevant committee of the Supervisory Board if the Supervisory Board authorized such committee to adopt its regulations when making a decision on the creation of the committee.

In the reporting period, the following committees operate within the Supervisory Board:

- **Remuneration Committee**

The Remuneration Committee of the Company was appointed by the Supervisory Board on 7 February 2020 r.

The main tasks of the Remuneration Committee include among others: recommending to the Supervisory Board the principles of remuneration of members of the Management Board and verification of the implementation of management and employee goals and formulating recommendations for the Supervisory Board in this respect.

The following table presents the composition of the Remuneration Committee as of 31 December 2022 and as of the date of publication of this report is presented in the table below.

Table 2: Composition of the Remuneration Committee as of 31 December 2021 and as of publication of this report

Composition of the Remuneration Committee	
1.	Paweł Holstinghausen Holsten - Member of the Remuneration Committee
2.	Florent Gros - Member of the Remuneration Committee
3.	Robert Florczykowski - Member of the Remuneration Committee

Changes in the composition of the Remuneration Committee

In connection with the fact that Marek Skibiński handed in his resignation as a Member of the Supervisory Board of the Company, the composition of the Remuneration Committee also changed. After the end of the reporting period, on 17 March 2022, by Resolution no. 3 the Supervisory Board appointed Robert Florczykowski to the Remuneration Committee.

- **Audit Committee**

The Audit Committee was appointed in the Company by the Supervisory Board on 29 June 2020. In accordance with the Regulations of the Audit Committee, the Audit Committee consists of at least 3 members, appointed, and recalled by the Supervisory Board from among its members. In the fiscal year 2022 the Audit Committee supported the Supervisory Board in fulfilling its supervisory obligations with respect to its operation and risk management as well as ensuring independence of external auditors.

In performance of their duties Members of the Audit Committee held among other meetings with the certified accountant auditing the stand-alone and consolidated statement and with

employees of the Company responsible for risk management. In the reporting period the Audit Committee held 5 meetings of the Audit Committee and passed resolutions outside of meetings which were preceded by informal discussions. The table below presents the main topics handled by the Audit Committee during meetings in 2022.

Table 3: Tasks of the Audit Committee in 2022

Tasks of the Audit Committee in 2022
✓ monitoring of financial reporting process;
✓ monitoring of the effectiveness of internal control, risk management and internal audit systems, in particular with respect to financial reporting;
✓ monitoring of financial audit activities;
✓ controlling and monitoring of independence of the certified accountant and audit firm, in particular when any non-audit services are provided to the Group by the audit firm;
✓ assessment of semi-annual and annual financial statements and the Group's consolidated statements;
✓ assessment of risk identification and management systems;
✓ informing the Supervisory Board of the results of the audit of financial statements and explaining how such audit contributed to the reliability of financial reporting and what was the Committee's role in the audit.

In the course of monitoring of internal control systems, the Audit Committee may in particular but not exclusively: (i) examine the control processes and principles applied in the Group and examples of irregularities that have occurred, (ii) verify elements and scope of internal control in the Group; and (iii) formulate appropriate instructions and recommendations to be implemented. In the course of monitoring of risk management and internal audit systems the Audit Committee may in particular but not exclusively: (i) evaluate the correctness of communicating risk factors to the shareholders, (ii) review the risk management system existing in the Group and evaluate its adequacy and effectiveness; (iii) assess whether a separate internal audit unit should be created in the Group, and if so, then in the next step support the process of creation of such unit, and (iv) receive from the Group's management staff information on increased exposure to particular significant risks and information on the method of risk identification and monitoring, and evaluate the activities that have been taken by the management staff to mitigate such risk. In connection with the performance of the indicated tasks related to internal control, risk management and internal audit, the Committee, on the basis of the Regulations of the Audit Committee, was among others authorized to request the Group to provide it with interim reports on all matters related to negative events in the Company.

The Company has adopted the *"Policy for the provision to the Company of services other than the audit of financial statements of the Company by the audit firm auditing financial statements of the Company, entities related to such firm and a member of the audit firm's network"*. The policy specifies the scope of permitted services which may be provided to the Company in accordance with the requirements of the Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC. Permitted services may only be provided within the scope not related to the Company's tax policy and require the Audit Committee's consent to be issued after the Audit Committee evaluates the independence threats and safeguards. If the Company or related parties intend to entrust any permitted services to the certified accountant, audit firm or an entity related to such audit firm or a member of the audit firm's network auditing financial statements, the

Management Board of the Company is obliged to submit to the Audit Committee a request for consent to the performance of the permitted services by one of the above-mentioned entities.

After the evaluation of independence threats and safeguards, as referred to in Article 69-73 of the Act on Certified Accountants, the Audit Committee (by a resolution dated 21 January 2022) granted its consent to the evaluation of the remuneration report for 2021-2022 by the audit firm Mazars Audit Sp. z o.o.

Changes in the composition of the Audit Committee

There were no changes in the composition of the Audit Committee of the Supervisory Board during the reporting period.

The table below presents the composition of the Audit Committee as of 31 December 2022 and as of the date of publication of this Report.

Table 4: Composition of the Audit Committee as of 31 December 2022 and as of the date of publication of this Report

Composition of the Audit Committee	
1. Krzysztof Samotij	- Chairman of the Audit Committee
2. Florent Gros	- Member of the Audit Committee
3. Maciej Wróblewski	- Member of the Audit Committee

The composition of the Audit Committee of the Supervisory Board is consistent with the requirements sets out in Article 129 sec. 3 of the Act on Certified Accountants, Audit Firms and Public Supervision dated 11 May 2017. Two members of the Audit Committee meet the statutory requirements of independence, including the Chairman of the Audit Committee - Krzysztof Samotij who at the same time has knowledge and skills in the area of accounting or auditing financial statements, and Florent Gros who has knowledge and skills relevant to the sector in which the Company's group operates.

Krzysztof Samotij's knowledge and skills in the area of accounting or auditing financial statements and Florent Gros's knowledge and experience relevant to the sector in which the Company operates are presented below:

Krzysztof Samotij - Independent member within the meaning of Article 129 sec. 3 of the Act on Certified Accountants, Audit Firms and Public Supervision dated 11 May 2017 (Journal of Laws 2017 item 1089)

Krzysztof Samotij graduated from the Wrocław University of Technology, Faculty of Basic Technical Problems, and the State University of New York at Albany. In 1981 he obtained a PhD in mathematical sciences (analysis and probability theory) and started working at the Wrocław University of Technology. He also lectured at the State University of New York at Albany and at the University of Delaware. He is the author of many academic works about mathematics (functional and complex analysis). In 1996 he obtained investor advisor license no. 87. Since July 1997 he was employed in WBK AIB Asset Management S.A. as an investment advisor, bond market manager. Since February 1998 he served as the President of the Management Board of WBK AIB Towarzystwo Funduszy Powierniczych S.A. Since April 2001 he worked as the Research and Development Director in WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A. and investment advisor in WBK AIB Asset Management S.A. From May 2002 to January 2011 Krzysztof was the President of the Management Board of BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A. (now: Santander TFI S.A.). At the end of this period, it was the second largest (in terms of the value of assets under management) company managing investment funds in Poland.

Florent Gros - Independent member within the meaning of Article 129 sec. 3 of the Act on Certified Accountants, Audit Firms and Public Supervision dated 11 May 2017 (Journal of Laws 2017 item 1089)

Florent Gros is the founder and CEO of Handl Therapeutics, a private biotechnological company engaged in development of gene therapy for central nervous system diseases. Previously he was the Managing Director of Novartis Venture Funds in Switzerland. For almost 27 years he held various positions in the area of intellectual property and venture capital in Nestlé, Pasteur Merieux Connaught and Novartis. Florent Gros is a Kaufmann scholarship holder (class 12), holds the title of Biotechnology Engineer obtained in France.

Maciej Wróblewski - Member of the Audit Committee

Maciej Wróblewski is a lawyer and specialist in corporate law, and in particular M&A transactions and capital markets advisory. He graduated from the Warsaw University and the Warsaw School of Economics.

During his professional career he advised in public and private M&A transactions, introducing companies to the stock exchange and in secondary offerings of shares of public companies. Maciej Wróblewski is presently a partner at the law office of MJH Moskwa, Jarmul, Haładyj i Partnerzy – Adwokaci i Radcowie Prawni sp.p. Previously, he was associated with Deloitte Legal Pasternak Korba Moskwa Jarmul i Wspólnicy Kancelaria Prawnicza sp. k. and Weil, Gotshal & Manges – Paweł Rymarz sp.k.

2.4. Activity of the Supervisory Board

The Supervisory Board conducted activity on the basis of the generally applicable provisions of law, and in particular the Commercial Companies Code. The Supervisory Board's activity is also regulated by the provisions of the Statute and the Regulations of the Supervisory Board. In carrying out its activities the Supervisory Board also takes into account the Best Practice 2021. In 2022 the Supervisory Board worked on control and supervision over the Company's current activity. The Supervisory Board gave opinions on current and planned activities of the Company, based on documents and information presented by the Management Board.

In 2022 the Supervisory Board held 4 meetings. All Members of the Supervisory Board participated in most meetings. The Supervisory Board also passed resolutions by circulation, which were usually preceded by informal discussions within the Supervisory Board.

In 2022 the Supervisory Board passed a number of resolutions, including but not limited to the ones listed in the table below.

Table 5: Resolutions passed by the Supervisory Board in 2022

Resolutions passed by the Supervisory Board in 2022
✓ approval of the financial statement of Captor Therapeutics S.A. for 2021;
✓ approval of the consolidated financial statement of the Captor Therapeutics Group for 2021;
✓ approval of the Management Board's report on activities of Captor Therapeutics and the Captor Therapeutics Group for 2021;
✓ assessment of the motion of the Management Board of Captor Therapeutics concerning the manner of coverage of loss incurred in 2021;
✓ adoption of the Supervisory Board's report for 2021;
✓ to determine the number of Management Board members and their election;

Resolutions passed by the Supervisory Board in 2022

- ✓ adoption of a procedure for the periodic assessment of related party transactions;
 - ✓ giving opinions on draft resolutions for the General Meeting of the Company;
 - ✓ election of the Chairman of the Supervisory Board for the new term of office;
 - ✓ to authorise the Management Board to increase the Company's share capital within the limits of the authorised capital through the issue of shares, to set the issue price of the shares and to fully deprive existing shareholders of their pre-emptive rights to all of them.
-

The Supervisory Board also passed other resolutions concerning the Company's operations within its powers provided for by the Commercial Companies Code and the Statute. In 2022 the Supervisory Board passed 28 resolutions.

In the course of current meetings of the Supervisory Board, on initiative of Members of the Supervisory Board or the Management Board of the Company, other matters related to the operation of the Company were also discussed.

3. SELF-EVALUATION OF THE BOARD AND INDEPENDENCE OF MEMBERS OF THE SUPERVISORY BOARD

During its meetings the Supervisory Board carries out self-evaluation in an informal manner, through internal discussions and exchange of opinions with the Management Board of the Company.

Members of the Supervisory Board have appropriate qualifications to perform their functions and were fully involved in the Supervisory Board's works by participating in its meetings on which in most cases all of its members were present.

The Supervisory Board fulfilled the obligations arising both from the best interests of the Company and the provisions of the applicable law, Best Practice 2021, and internal normative acts in force in Captor Therapeutics S.A.

The Supervisory Board assesses the cooperation with the Management Board as correct and ensuring appropriate level of knowledge of the Members of the Board on topics related to the operations of the Captor Therapeutics S.A. Group. Members of the Management Board reported on particular issues on meetings of the Supervisory Board, as needed. In view of the foregoing the Supervisory Board requests the General Meeting to acknowledge that all Members of the Supervisory Board fulfilled their duties in 2022.

4. BRIEF ASSESSMENT OF THE COMPANY'S SITUATION

The Supervisory Board takes a positive view of the Company's situation as of 31 December 2022. The year 2022 was a year of dynamic progress for the Company in both research and in business. On the research side, we made major steps towards the clinic with our two most advanced pipeline programmes CT-01 and CT-03 in oncology, as well as significant progress in our two earlier projects, CT-02 and CT-05 in autoimmunity. On the business side, we were delighted to announce in November 2022 the signature of an international Research collaboration with Ono Pharmaceutical Co. Ltd. ("**Ono**"). which aims to develop small-molecule compounds capable of degrading a selected molecular target with applications primarily in the field of neurodegenerative diseases with inadequate treatment options.

The agreement with Ono not only strengthens the Company's financial position with payments already received, funding for ongoing R&D and potential payments when milestones are reached, but also confirms the Company's scientific achievements and R&D potential. Collaborations with degradation players in the field of neurodegenerative diseases will also strengthen the competence and experience of our scientists.

Looking back to January 2022 in our CT-01 project, dedicated to the treatment of hepatocellular carcinoma therapy, we obtained spectacular results from key animal studies, which demonstrated highly significant anti-tumour activity of our lead compounds and throughout the year we continued to release strong data in more complex models, culminating in the nomination of our clinical candidate compound CPT-6281 in August 2022. In the Autumn we started manufacturing scale up and IND/CTA enabling studies that will form the basis of our future submission of a Clinical Trial Authorisation for this exciting drug candidate. All activities in this lead project are being carried out according to the approved schedule and we have been preparing since last year for the transition to a clinical stage company by building out our clinical, development, and manufacturing teams and advisors.

CT-03 is our second most advanced project and should be the second project to reach clinical studies. In contrast to CT-01, which is a Molecular Glue type of degrader, the CT-03 series of compounds are Bifunctional Degraders. We believe this ability to develop both types of degraders give the Company additional flexibility in being able to choose the best type of degrader for each disease or target. In the case of CT-03, we believe that we have potential first-in-class degraders of the MCL1 target which could have broad application in haematological and in solid tumours and we are planning to start clinical studies in 2024.

The Supervisory Board does not identify any risk to the continuation of the Company's activity.

5. SUPERVISORY BOARD'S REPORT ON THE RESULTS OF THE ASSESSMENT OF

5.1. Financial statements for 2022

Pursuant to Article 382 § 3 of the Commercial Companies Code the Supervisory Board of Captor Therapeutics S.A. assessed the stand-alone financial statement of the Company and the consolidated statement of the Company's group for 2022.

The Supervisory Board notes that the assessed stand-alone financial statement of the Company for 2022, which consists in particular of:

- stand-alone statement of financial position prepared as of 31 December 2022, which on the side of assets and liabilities indicates PLN 110,599 thousand.
- stand-alone statement of performance and other comprehensive income showing a net loss for the period between 1 January and 31 December 2022 of PLN 35,746 thousand,
- stand-alone statement on cash flows and statement of changes in equity,

was prepared in accordance with the books and documents as well as the facts, which is confirmed in particular by a report of an independent certified accountant on the audit of the annual stand-alone financial statement, prepared by Mazars Audyt sp. z o.o.

Further, the Supervisory Board notes that the assessed consolidated financial statement of the Company's group for 2022, which consists in particular of:

- consolidated statement of financial position prepared as of 31 December 2022, which on the side of assets and liabilities indicates PLN 113,00 thousand;
- consolidated statement of performance and other comprehensive income showing a net loss for the period between 1 January and 31 December 2022 of PLN 35,894 thousand,
- consolidated statement on cash flows and statement of changes in equity,

was prepared in accordance with the books and documents as well as the facts, which is confirmed in particular by a report of an independent certified accountant on the audit of the annual consolidated financial statement, prepared by Mazars Audyt sp. z o.o.

Consequently, the Supervisory Board notes that the Company's and the Group's books and Accounts were kept in accordance with the applicable accounting standards and request the General Meeting to approve the above-described financial statement for 2021 and the consolidated statement for 2022.

5.2. Management Board's report on activities of the Company for the fiscal year 2022

Pursuant to Article 382 § 3 of the Commercial Companies Code the Supervisory Board of the Company assessed the Management Board's report on the Company's and Company's group activities for the fiscal year 2022 included in the stand-alone annual statement of the Company for the period from 1 January to 31 December 2022 and in the annual statement of the Company's group for the period from 1 January to 31 December 2022.

The Supervisory Board notes that information included in the Management Board's reports on activities of the Company and the Company's group for 2022 is consistent with the financial statements. In the opinion of the Supervisory Board the Management Board's report on

activities of the Company and the Company's group for 2022 was prepared in accordance with the books and documents as well as the facts.

In the light of assessments included in points 5.1 and 5.2 above, the Supervisory Board recommends to the Annual General Meeting to acknowledge that Members of the Management Board of the Company fulfilled their duties in the fiscal year 2022 and approve the Management Board's report on activities of the Company and the Company's group for the fiscal year 2022.

5.3. Management Board's motion concerning the coverage of loss incurred by the Company in the fiscal year 2022

Pursuant to Article 382 § 3 of the Commercial Companies Code the Supervisory Board of the Company assessed the Management Board's motion concerning the coverage of the Company's loss in the fiscal year 2022.

The Supervisory Board takes a positive view of the Management Board's motion to the Annual General Meeting to cover the Company's loss in the fiscal year 2022 of PLN 35,746 thousand from future profits.

6. SITUATION OF THE COMPANY TAKING INTO ACCOUNT THE ASSESSMENT OF INTERNAL CONTROL, RISK MANAGEMENT, COMPLIANCE, AND INTERNAL AUDIT SYSTEMS

The Management Board of the Company is responsible for the internal control system in the Group and its effectiveness in the process of preparation of financial statements and interim reports which are prepared and published in accordance with the applicable provisions of law, and for risk management. An independent auditor is appointed by the Supervisory Board. Financial statements, both prior their review by the auditor and after such review, will be sent to the Supervisory Board among others for the purposes of preparation of a Supervisory Board's report with assessment of the Company's situation and a report on the results of assessment of the financial statement.

Due to the activity conducted by the Company and the level of development of such activity, the Company does not have an organizationally separated internal audit unit and no individual responsible for internal audit has been appointed (the same applies to risk management or internal control). However, it cannot be excluded that as the Company develops the Company will consider appointing such unit or individual. The Company does not presently see any need to create an organizationally separated unit or hire any further employees of the Company in this respect. If such need arises, the Supervisory Board will recommend taking such actions.

Due to the activity conducted by the Company and the level of development of such activity, the Supervisory Board takes a positive view of the Company's situation with respect to the matters described above.

7. FULFILLMENT BY THE COMPANY OF INFORMATION OBLIGATIONS CONCERNING THE APPLICATION OF CORPORATE GOVERNANCE RULES SPECIFIED IN THE REGULATIONS OF GIEŁDA PAPIERÓW WARTOŚCIOWYCH W WARSZAWIE S.A. AND IN THE REGULATIONS CONCERNING CURRENT AND INTERIM INFORMATION PROVIDED BY ISSUERS OF SECURITIES

Captor Therapeutics S.A. applies corporate governance rules, in particular through providing shareholders, investors, analysts, media and all interested entities with appropriate access to information, inter alia through the website or regular meetings with the Company's representatives of the Company. With respect to corporate governance rules, the Company submitted, at an appropriate time, statements on application of such rules and the scope and manner of application thereof. Accordingly, as part of the Report on activities of the Management Board in 2022, a statement on application of corporate governance rules arising from the Best Practice 2021 was submitted, as a separate part thereof.

Further, the Company publishes information arising from corporate governance rules adopted by it on the following website: <https://www.captortherapeutics.com/investor-relations/corporate-documents-and-governance/corporate-documents>

The Supervisory Board assesses that the Company correctly and duly fulfils information obligations concerning corporate governance rules set out in the Regulations of WSE.

The Company fulfils information obligations of a public company through publishing, on the dates and within the scope required by the provisions of law, current and interim reports, and insider information within the meaning of the regulations related to trading in financial instruments.

The Supervisory Board assesses that the Company correctly and duly fulfils information obligations arising from the generally applicable provisions of law, in particular concerning publication of current and interim reports required of issuers of securities admitted or introduced to trading on an organized market.

The Supervisory Board, in order to make the above assessment, monitors performance of disclosure obligations by the Company and in case it is deemed appropriate discusses certain events with the Management Board.

8. REASONABLENESS OF THE SPONSORING, CHARITY OR ANY OTHER SIMILAR POLICY IMPLEMENTED BY THE COMPANY

In 2022 the Company did not have the policy related to matters indicated above in place. In 2022 the Company also did not conduct such activity.

9. DIVERSITY POLICY WITH RESPECT TO THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

The Company has not developed and does not implement a diversity policy for the Management Board and the Supervisory Board of the Company. Due to the specificity of the Company's activity and the necessity to recruit and retain individuals having specialist knowledge, the decisive criteria used by the Company in selecting members of management bodies (and other collaborators) are their qualifications and professional experience, irrespective of any non-substantive criteria, such as age or gender. Notwithstanding the foregoing, with respect to human resources policy, including members of the management bodies, the Company applies the principles of equal treatment and non-discrimination. The Supervisory Board takes a positive view of the Company's personnel policy.

10. INFORMATION ON DEVIATIONS FROM THE IMPLEMENTATION OF THE REMUNERATION POLICY AND FROM THE APPLICATION OF THE REMUNERATION POLICY

To the knowledge of the Supervisory Board, during the period covered by this report, there were no deviations from the procedure for implementing the Policy or deviations applied in accordance with Article 90f of the Act on Offering.

11. ASSESSMENT OF THE IMPLEMENTATION BY THE COMPANY'S MANAGEMENT BOARD OF THE DISCLOSURE OBLIGATIONS INDICATED IN ART. 380¹ OF THE COMMERCIAL COMPANIES CODE IN 2022

Pursuant to the provisions of Article 380¹ of the Commercial Companies Code (this provision entered into force on 13 October 2022), the Management Board is obliged to provide the Supervisory Board with information on:

- 1) Board resolutions and their subject matter.
- 2) the situation of the company, including with regard to its assets, as well as significant circumstances in the conduct of the company's affairs, in particular in the operational, investment and personnel areas.
- 3) progress in the implementation of the set directions of the company's activities, whereby it should indicate deviations from the previously set directions, at the same time providing justification for the deviations.
- 4) transactions and other events or circumstances which materially affect or may affect the company's assets, including its profitability or liquidity.
- 5) changes to information previously provided to the Supervisory Board if these changes materially affect or may affect the company's situation.

In the opinion of the Supervisory Board, during the period in which the above regulation was in force, the Management Board correctly fulfilled the information obligations set out in Article 380¹ of the Commercial Companies Code

12. EVALUATION OF THE WAY IN WHICH THE MANAGEMENT BOARD PREPARES OR TRANSMITS TO THE SUPERVISORY BOARD THE REQUESTED INFORMATION, DOCUMENTS, REPORTS OR EXPLANATIONS IN ACCORDANCE WITH ART. 382 § 4 CCC IN 2022

In the opinion of the Supervisory Board, the information prepared and provided to the Supervisory Board by the Management Board in 2022 was prepared in a fair, transparent, and comprehensive manner. The Management Board did not restrict the members of the Supervisory Board from accessing any information, documents, reports, or explanations, as well as from contacting and meeting with employees or associates of the company. In view of the above, the Supervisory Board positively assesses the manner in which the Management Board prepared and provided the Supervisory Board with the requested information, documents, reports or explanations; however, the Supervisory Board in 2022 did not formally request the Management Board to provide certain information or documents pursuant to Article 382 § 4 of the Commercial Companies Code, as there was no need to do so.

13. INFORMATION ON THE TOTAL REMUNERATION PAYABLE BY THE COMPANY FOR ALL EXAMINATIONS COMMISSIONED BY THE SUPERVISORY BOARD DURING THE 2022 FINANCIAL YEAR IN ACCORDANCE WITH ART. 382¹ CCC

During the 2022 financial year, the Company's Supervisory Board did not exercise the powers conferred on it by Article 382¹ of the Commercial Companies Code to appoint a Supervisory Board adviser, and therefore no costs were generated in this respect.

Paweł Holstinghausen Holsten - Chairman of the Supervisory Board


Robert Florczykowski - Member of the Supervisory Board


Florent Gros - Member of the Supervisory Board

Krzysztof Samotij - Member of the Supervisory Board

Maciej Wróblewski - Member of the Supervisory Board



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