



ESG Strategy



XTB – INTERNATIONAL BROKER SUPPORTING SUSTAINABLE DEVELOPMENT

XTB is, first and foremost, innovativeness and continuous development. We are the biggest regulated investment firm and FinTech in Poland, specialising in trade in financial instruments. We operate on markets in Europe, Asia, Latin America and other.

Globally, we employ over 500 people (as at the day of adoption of the ESG Strategy). We believe respect in relations with Customers, Employees, Co-workers and Contractors to be the key driver of global development of XTB.

We make all effort for our activities to strengthen organisation in the area of social responsibility, taking into consideration protection of the environment and climate as well as aware and effective management of natural resources.

OUR VALUES:

SUPPORT **TECHNOLOGY** **TRUST**

XTB is a WIG-ESG (Warsaw Stock Exchange) index-listed company.





THREE PILLARS OF XTB'S ESG STRATEGY

ENVIRONMENT

We take care of natural environment in the workplace. We have implemented a series of solutions aiming at more efficient management of natural resources.

We aim at reduction of the carbon footprint of our organisation.

We build environmental and climate awareness of our Employee and Co-workers.



SOCIAL RESPONSIBILITY

Thanks to advanced and reliable technology, we ensure immediate access to financial markets around the world.

Our main goal is economic education of the society. We continue expanding our open base of educational materials, offering a plethora of articles, videos and market commentaries.

We share our knowledge and experience willingly, cooperating with universities and other institutions.

Our qualified Team are ambitious people whom we support in continuous development and accomplishment of goals.



CORPORATE GOVERNANCE

We are one of the biggest Forex&CFD brokers listed on a stock exchange in the world.

Our business is subject to financial supervision on international financial markets: FCA, BaFin, ACPR, CySEC, IFSC.





XTB'S ACTIVITIES SUPPORTING UN SUSTAINABLE DEVELOPMENT GOALS

ENVIRONMENT

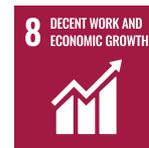
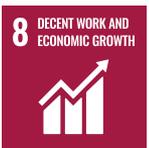
- energy-saving initiatives
- document digitalisation
- reduction of waste production as well as waste sorting and recycling
- education of Employees
- new company's seat - new location awarded with the British BREEAM certificate
- reduction of the organisation's carbon footprint, aiming at carbon neutrality target

SOCIAL RESPONSIBILITY

- XTB Foundation
- economic education
- education of Employees
- promotion of health protection and promotion of physical culture and sports
- volunteering activities performed by Employees
- XTB as a Signatory of the Diversity Charter

CORPORATE GOVERNANCE

- high corporate governance standards
- Code of Ethics
- ESG incorporated in the Company's organisational structure
- transparent communication





Environmental activities taken by the company focus mostly on:

REDUCTION OF ENERGY CONSUMPTION

- protection of natural resources through reduction of consumption and reasonable management of electricity and heat energy
- change of our seat for a modern one, with a broad range of energy-saving solutions
- reduction of business trips – meetings with Customers held mostly online
- stationary trainings replaced with webinars and additional investor meetings held online
- carbon footprint monitoring – target: in three scopes



RECYCLING OF COMPUTER EQUIPMENT

- recycling of used electronic equipment that is transferred to a certified third-party company
- the main equipment handed over to recycling facilities includes PCs, laptops, screens, telephones and printers
- replaced computer equipment meeting the relevant usefulness parameters is given to charity
- we conduct waste collection actions for the purpose of disposal and recycling



WASTE SORTING

- reduction of waste production and waste sorting in the entire office – sorting bins with full information on waste sorting methods placed in the kitchens
- collection of wastepaper and handing it over to the relevant collection point
- plastic caps are placed in separate containers marked with information on support of a specific charity action



DOCUMENT DIGITISATION

- contracts with XTB Customers are signed electronically and the investment account opening process is fully automated
- we encourage our Customers to resign from receipt of paper documents – all necessary documents connected with the investment account are posted in an electronic form in the Investor's Room
- we encourage our Employees to reduce the number of photocopies and printouts made and to reduce waste use by means of periodical information mailing and placement of information on optimum printout parameters
- we use no printed promotional materials in any marketing projects run by us





EDUCATION OF EMPLOYEES

2020



At the beginning of 2020, we launched the initiative of incorporation of environmentally-friendly solutions in the office, initially covering waste sorting, reduction of paper use and pointing Employees' attention to the need to save energy and water. We also started the process of reduction of plastic and disposable accessories as well as promotion of high quality products in the procurement process.

We send periodical mailing to our Employees regarding threats for the natural environment and actions taken by XTB headquarters for the purpose of effective management of natural resources and environmental protection.

2021



In 2021, the Company adopted the **green education programme "Natural Investment"** that is a formalisation and extension of the solutions started in 2020. The goal of this programme is encouraging the Employees to environmentally-friendly behaviours in the workplace which, concurrently, may translate into good habits in everyday life.

The Programme includes such activities as: waste sorting, collection of wastepaper, used batteries or plastic caps, promotion of green day and introduction of solutions enabling reduction of wasted food. We pay special attention to energy and water saving and we are gradually replacing plastic accessories with biodegradable and compostable ones.

We pay special attention to the products we order, we aim at elimination of plastic and disposable products, we choose high quality products with long lifecycles.

2022



Our priority is implementation of all solutions covered by the Programme in the new seat of XTB in Warsaw.

Our goal is continuous increase of environmental awareness of our Employees and the green education programme adopted by XTB headquarters is planned to be expanded in 2022 and years to come to cover branches and subsidiaries to achieve cohesion of our environmental policy in the workplace.



NEW XTB OFFICE

The Company will change its seat from January 2022 and will move to a building constructed according to the sustainable construction standard.

- the building of the new XTB seat was designed with environment in mind, as shown by the excellent level BREEAM certificate
- 100% of energy used by Skyliner originates from renewable energy sources (confirmed with the Certificate)
- the building was awarded the certificate of Innogy Polska, a member of the E.ON Group, confirming purchase of guarantee of origin of electricity from RES installations
- façade – outstanding heat transfer coefficient and sound reduction index (not heating up in the summer, not cooling down in the winter). Glass corners. Environmentally-friendly reflectivity allowing birds avoid hitting the buildings.
- lifts – lifts divided into three zones optimise the waiting time and energy consumption. Additionally, energy is recovered during lift braking.
- air conditioning system based on cooling towers with added water treatment installation. The most cost-efficient and environmentally-friendly solution adapted to the Polish weather conditions.
- 100% LED lighting. Common areas illuminated based on photocell activation.
- photocell activation-based water in toilets
- application of modern systems enabling detailed monitoring of consumption of utilities





CLIMATE

The primary object of the Company's business, i.e. providing financial services (online trade in financial instruments), results in characterisation of the Company's business, from the point of view of impact on the environment, as a typical office activity and activity related to maintenance of IT infrastructure the most important area of impact for which is consumption of purchased electrical energy.

Bearing the aforementioned in mind, the impact of the Company's business on emission of greenhouse gases is limited in comparison to such industries as production, construction or energy. Nevertheless, our intention is to take actions for the purpose of gradual reduction of our carbon footprint and, **as a target, achieving climate neutrality of our organisation understood as XTB Capital Group.**

We intended to achieve this especially through:

- initiatives reducing energy consumption, especially in relation to possessed IT infrastructure
- use of electricity from renewable energy sources
- long-term cooperation in the area of forestation
- effective management of resource consumption





CLIMATE

Climatic issues have not been taken into consideration in the decision-making processes in XTB Capital Group so far. The impact of the primary operating business (including also the product offering and source of generation of revenues and expenses) on climatic issues can be considered negligible in comparison to the impact of an organisation of similar operating scale functioning in a traditional industrial or construction sector.

Nevertheless, our intention is to reduce the impact on the natural environment (including but not limited to the climate) which has become one of the basic criteria considered in decisions in the area of business support and administration. We also intend to take initiatives building environmental awareness of our Employees and Co-workers.

Our offer includes financial instruments (ETF) enabling investments in environmentally aware entities and we assume systematic extension of this offer. At the same time, in case of broader interest in products supporting climate risk management (e.g. weather derivatives), we will carry out their in-depth analysis.

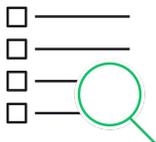


Responsibility for coordination of the impact of our organisation on climatic issues lies with ESG Manager who reports directly to XTB's Management Board.

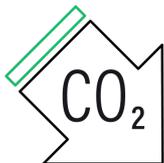
Our intention is also inclusion of the climatic risk in our risk management system functioning at the level of XTB Capital Group as soon as possible.



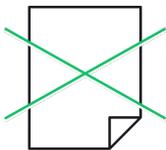
PLANNED ACTIONS



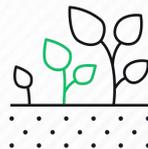
Carbon footprint monitoring for the organisation, as a target: in three scopes.



Taking actions aiming at carbon footprint reduction and, as a target, achievement of climatic neutrality.



Systematic reduction of paper use.



As part of a long-term initiative, entering into cooperation with a third-party organisation that, in cooperation with XTB Employees, will plant trees and take care of the forest. Initially, we plan to plant 1 ha of forest annually.



Building environmental awareness of Employees through implementation of the green programme “Natural Investment” in XTB Capital Group and Business Partners, incorporating the ESG area in the Company’s business strategy.

XTB Foundation

All activities in area of social responsibility are carried out XTB Capital Group and XTB Foundation.

XTB Foundation was set up in 2020.

In particular, it focuses on actions in the scope of:

- corporate social responsibility and sustainable development.
- increasing economic, financial and new technology awareness and knowledge as well as contributing to increase in trust in and respect for financial institutions.
- support and organisations of all types of initiatives connected with promotion of financial institutions and new technologies.
- promotion of employment and education as well as equal development opportunities.
- initiation and support of activities of Employees of XTB Capital Group related to the Foundation's statutory objectives, volunteering activities of Employees as well as all types of social, educational and sport activities
- charity and social activities, including but not limited to activities aiming at achievement of equal opportunities and assistance for disabled and excluded people





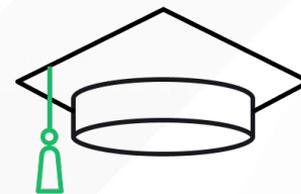
ECONOMIC EDUCATION

Since the very beginning of its existence, XTB pays special attention to education on the functioning of financial markets.

Our superior goal is continuous building of investment awareness and facilitation of access to economic knowledge to all interested parties.

We make sure that any person interested in the functioning of financial markets has access to the required knowledge. A plethora of materials prepared by our specialists are available for all who show interest in this subject.

- the educational materials prepared by us are free of charge
- dozens of open-source articles on investment and economic subjects for all advancement levels
- diverse themes adapted to individual needs
- current market news to keep you updated
- trainings and conferences with financial market experts



At the same time, we cooperate with technological companies, fintechs and universities in support of innovativeness and economic education.



EDUCATION OF EMPLOYEES

XTB makes sure that the workplace enables best possible career development of the Employees. The Company encourages and supports Employees in the process of improvement of professional qualifications and offers great opportunities to broaden their knowledge through organisation of specialised trainings with experts as well as sharing foreign language programs and courses.

XTB increases the Employees' awareness in terms of environmental protection and health promotion.

promotion of health protection through support of such actions as:
European Breast Cancer Day or Movember

organisation of meetings with doctors
specialising in prophylaxis

XTB football team playing
in the business league

physical culture and
sport promotion

support for other sport
disciplines

flu shots
in XTB

organisation of first
aid trainings

OUR PLANS

- introduction of a health day for XTB employees when they can undergo the most important prophylactic examinations
- increased commitment to promotion of other sport disciplines





XTB AS A SIGNATORY OF THE DIVERSITY CHARTER

The Company hires Employees diversified in terms of gender, age, education, qualifications, professional experience, nationality, ethnic origin, religion, creed, irreligion, political views, health condition, psychosexual orientation, family status, lifestyle, place of residence, form, scope and basis of employment, and provides all Employees with respect, tolerance and equal treatment in the workplace as well as a work environment that is conducive to utilisation of the above mentioned differences for the benefit of the organisation.

The Company has incorporated a number of regulations counteracting discrimination, mobbing and other rules setting the standards of equal treatment, protection against violence, abuse or unjustified dismissal.

All Employees and collaborators are obliged to react when they witness exclusion or harassment of Co-workers according to the effective Whistleblowing Procedure.





WORK ENVIRONMENT

We make all effort to create a friendly work environment, respecting all highest values.

We focus on development of Employees and, thus, XTB is the perfect place to gain experience and develop acquired skills. XTB offers the opportunity to become involved in interesting projects, putting emphasis on innovativeness and creativity.

XTB cares about its employees. We strive to reach the highest ratios of satisfaction and commitment of our Employees.

The Company puts emphasis on hiring Employees based on diversity of qualifications and competences in terms of education, professional experience and skills of the selected management staff to ensure comprehensive and reliable performance of the tasks entrusted to them.

The rules of equal treatment in employment are described in the company's internal documents, including but not limited to the Work Regulations, which are generally accessible to all Employees. We aim at ensuring balance of pay. One of the measures used to analyse the level of gender equality is the index of pay equality. This index is calculated for annual data and presented, for instance, in the non-financial reports of the Company.

The Company conducts periodical analysis of women and men's salaries in all Departments. If any discrepancies are identified, the Department Director is consulted and, if needed, remedial measures are taken.





WORK ENVIRONMENT

We offer a number of benefits to our Employees.



private medical care



group insurance



benefit platform



English language
course platform



modern
office



co-financing of
courses and trainings

ETHICAL WORK HOURS

One of the facilities we have implemented is our flexible work start system for Employees covered by the basic worktime system, working from Monday to Friday – frequently used by parents. The flexible work start system means that Employees start work within the time of interval from 7.00 AM to 10.00 AM and end work after the effective daily worktime ends. This solution enables balancing of roles in family and professional life, both by women and men. It is of particular importance for parents bringing their children to the kindergarten or school, and if a child gets sick, they can see a doctor without taking a leave.

SOCIAL RESPONSIBILITY



The actions taken by us contribute to corporate social responsibility.

SOCIAL COMMITMENT

- ✓ economic education
- ✓ expert training and conferences in the scope of investing on financial markets
- ✓ reliable and transparent communication with the Customers

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- ✓ content-related support for our entrepreneurs
 - ✓ cooperation with Partners (institutions, foundations) organising support programmes in the scope of finance, technology, artificial intelligence, etc.

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- ✓ charity and sponsorship
 - ✓ support of organisations contributing to social prosperity, such as Szlachetna Paczka (Noble Gift)

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- ✓ volunteering activities of employees

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- ✓ XTB Foundation

PLANNED ACTIONS

- systematic extension of the knowledge base for every advancement level
- systematic supplementation of our educational video materials with transcripts to facilitate their reception for people with impaired hearing

-
- increasing commitment in programmes supporting development and innovativeness of Polish entrepreneurs

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- systematic increase in expenditure on charity and development of the partnership area in social projects
 - continuation of the programme consisting in giving operable equipment replaced by the company to charity to remove barriers and counteract exclusion

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- increased commitment in environmental projects, such as forestation
 - increased commitment in social projects
 - systematic increase in the number of hours of volunteering activities

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- taking actions counteracting exclusion of children and youth
 - programme of economic education for children and youth as well as support of their education in natural science subjects



SAFETY AND TRUST



XTB is a company operating on the market since 2004 and Warsaw Stock Exchange-listed since 2016. As a public company and financial institution, XTB is supervised by the Polish Financial Supervision Authority.

XTB is one of the biggest FX&CFD brokers in Europe and Latin America, present in several dozen countries in the world, including but not limited to Germany, France, Spain, Portugal, Czech Republic, Belize or Chile.

Our activity is subject to financial supervision on the internal financial markets, including FCA, BaFin, ACPR, CySEC, IFSC.

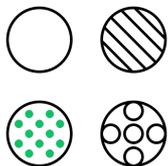
TRANSPARENT COMMUNICATION



To ensure proper communication with our Stakeholders, the Company posts information on the assumptions of its strategy on its website, including but not limited to long-term goals and planned actions. Progress, determined by means of financial and non-financial measures, is presented in ad hoc and periodical reports.

Once every quarter the Company holds a meeting for Investors, inviting shareholders, analysts, industry experts and media representatives. At the meeting, the Company's Management Board presents and comments on the adopted strategy and its implementation, financial results of the Company and its Group as well as the most important events affecting the business of the Company and its Group, accomplished results and perspectives for the future. During the organised meetings, the Company's Management Board answers questions and presents explanations publicly.

As a public company, we publish periodical reports every quarter. Reports for supervisory institutions are prepared at least once a month.



DIVERSITY AND EQUALITY

The Company follows the “*Policy of Diversity of the Management Board of X-Trade Brokers Dom Maklerski S.A.*” adopted by the Supervisory Board. The members of the Company’s corporate bodies are specialists in various areas of knowledge and have diversified industry experience corresponding with the currently held position.



BUSINESS ETHICS

XTB has a number of regulations in place in connection with its ethical approach to business, incorporated, for instance, in the Code of Ethics and AML Procedure (describing activities and processes carried out by XTB in the scope of counteracting money laundering and financing of terrorism).

The Legal and Compliance Department is managed by the Department Director who is concurrently a Member of the Management Board for Legal Affairs and who reports directly to the President of the Management Board. The Legal and Compliance Department is divided into the following four teams: Internal Control Team, Compliance Supervision Team, Operating Support Team and Anti-Money Laundering and Terrorism Financing Team.

CORPORATE GOVERNANCE

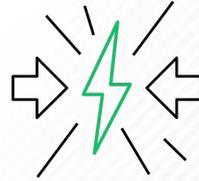


The Company has a **Code of Ethics** in place which determines the basic norms, rules of conduct and values the Employees of XTB should follow.

The Code of Ethics lays down the basic ethical principles:



in mutual relations – including provisions regarding equal treatment, use of offensive language, discrimination and mobbing



regarding loyalty, honesty and conflict of interest – including provisions determining situations where an inadmissible conflict of interest could exist



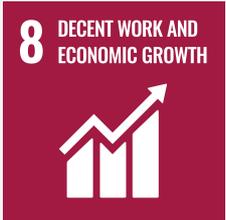
regarding gifts and loyalty to contractors, Business Partners and Retail Customers



We believe that the ESG area is a crucial element in building goodwill and, therefore, it will be incorporated in the Company's business strategy as a guarantee of highest standards.

ESG STRATEGY AS AN IMPORTANT ELEMENT IN BUILDING GOODWILL

- incorporation of the ESG area in the Company's business strategy
- transparency of ESG policy and non-financial reporting
- ESG in the Company's organisational structure – ESG Manager reporting directly to the Management Board of XTB
- ensuring proper communication with the Stakeholders in the scope of the strategy adopted in the ESG area
- high corporate governance standards
- ethics in business according to the Company's Code of Ethics
- ESG in the procurement process





XTB puts special emphasis on continuation of existing solutions and compliance with our commitments in the area of environmental protection and sustainable development. Therefore, we have set goals that we will pursue gradually. Taking various initiatives in this area will enable building of environmental awareness not only among our Employees, but also Customers and Business Partners. We will also aim at carbon footprint reduction.

At the same time, we want to continuously increase our commitment in projects in the area of social responsibility. We will enter into cooperation with new organisations, share our knowledge and experience as well as organise actions aiming at elimination of barriers and counteracting exclusion.

Implementation of the adopted ESG Strategy will be monitored and reported according to the adopted standards, at the same time taking qualitative and quantitative measures into consideration. Implementation of the ESG Strategy and initiatives in this area is coordinated by the ESG Manager who reports directly to the Management Board of XTB.