



**STATEMENT REGARDING
THE IMPLEMENTATION OF CORPORATE
GOVERNANCE POLICIES AT THE CD PROJEKT
GROUP AND CD PROJEKT S.A. IN 2021**

Statement regarding the implementation of corporate governance policies at the CD PROJEKT Group and CD PROJEKT S.A. in 2021 is a supplement to the Management Board Report on the Activities of the CD PROJEKT Group and CD PROJEKT S.A. in 2021.

Disclosure of the set of corporate governance policies applicable to the Issuer

CD PROJEKT S.A. (further referred to as the Issuer and/or the Company) is subjected to corporate governance policies set forth in the 2021 Code of Best Practice for WSE Listed Companies (an annex to the Stock Exchange Council resolution of 13/1834/2021 of 29 March 2021). This document can be accessed on the Warsaw Stock Exchange website at <https://www.gpw.pl/dobre-praktyki2021>.

Information regarding the state of implementation of practices listed in the 2021 Code of Best Practice for WSE Listed Companies is available on the Company website, in the "Corporate Governance" tab at <https://www.cdprojekt.com/en/investors/corporate-governance/>.

Throughout 2021 the Company fully implemented most of the above-mentioned corporate governance policies, with exception of the following policies.

I. Disclosure policy and investor communications

[1.3.] The company also includes ESG topics in its business strategy, in particular covering:

[1.3.1.] environmental issues, including metrics and risks associated with climate change and sustainability issues;

Clarification: The Company's business strategy does not directly address environmental aspects, including indicators and risks related to climate change and sustainable development. Nevertheless, in 2022 the Company will publish its first CD PROJEKT Group Report on Sustainable Development, which lists adoption of an ESG strategy among its goals. Additionally, in 2021 the Company took steps to deploy an integrated environment management system, which also involves, among others, adoption and publication of the CD PROJEKT Group Environmental Policy. In the framework of its system, the Company will perform verification and assessment of the environmental impact of its activities, based on a set of measurable goals. In 2021 the Company begun to calculate its carbon footprint, pursuant to the GHG Protocol – scope 1 (direct emissions from combustion of fuels and emission of coolants) and scope 2 (indirect emissions resulting from consumption of electrical

and thermal energy). In 2022 the Company intends to calculate its carbon footprint pursuant to scope 3 of the GHG Protocol, and to declare its goal regarding reduction in the emission of greenhouse gases. The Company also pursues a range of initiatives which aim to reduce the environmental impact of its operations, and takes action to raise environmental awareness among members of its team by involving them in actions benefitting the environment and the climate. Reducing the Company's environmental footprint by pursuing environmentally-friendly initiatives is a long-term process, but remains a priority for the Company in the coming years insofar as non-financial activities are concerned.

[1.3.2.] social and employee factors, including among others actions taken and planned to ensure equal treatment of women and men, decent working conditions, respect for employees' rights, dialogue with local communities, customer relations.

Clarification: The Company's business strategy partly covers social and employment-related factors. In 2022 the Company will publish its first CD PROJEKT Group Report on Sustainable Development, which lists adoption of an ESG strategy among its goals. Activities related to equal treatment, proper work conditions, respect for employees' rights, diversity, inclusivity, dialogue with local communities and customer relations are an important aspect of the Company's value set. All decisions related to collaboration, employment, promotions or performance evaluation are based on objective criteria, i.e. the relevant skills, qualifications and results achieved by the employee. Based on its Strategy Update, adopted in 2021, the Company introduces changes with respect to team management policies, emphasizing the need to ensure a comfortable work environment. The Company also engages in multiple initiatives which aim to ensure appropriate work conditions with regard to competitive remuneration, which is based on market standards, well-being of team members, and training which focuses on knowledge, tools and practices for reacting to inappropriate behavior. Active management of social issues is a long-term process, yet further actions in this regard remain a priority for the Company in the coming years insofar as non-financial activities are concerned.

[1.4.] To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their website information concerning the framework of the strategy, measurable goals, including in particular long-term goals, planned activities and their status, defined by measures, both financial and non-financial. ESG information concerning the strategy should among others:

[1.4.1.] explain how the decision-making processes of the company and its group members integrate climate change, including the resulting risks;

Clarification: The Company's adopted business strategy does not directly address climate change; consequently, the Company has not thus far published the relevant information on its website. Nevertheless, the Company acknowledges the importance of environmental issues, which is why these issues are an important factor in daily business activities. Additionally, in 2022 the Company intends to adopt a formal ESG strategy, which will list measurable long-term performance indicators related to non-financial aspects of the Company operations.

[1.4.2.] present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target.

Clarification: The Company has not thus far disclosed information related to the equal pay index, on its website. Nevertheless, the issues of equal remuneration are treated as important in the Company. In 2021 the Company introduced salary spreads based on market benchmarks based on independent reports, with a view towards following objective criteria in this regard. The Company's remuneration system is based on the knowledge, experience and competences in a given position. The criteria taken into account in the valuation of a given job position do not depend on factors and non-substantive criteria, including gender. Additionally, in 2022 the Company will publish its first CD PROJEKT Group Report on Sustainable Development, which includes, among others, the Compa Ratio, reflecting differences in remuneration offered to men and women respectively. One of the Company's goals for 2022 is to adopt a formal ESG strategy, which will specify long-term goals related to non-financial aspects of the Company's operations.

II. Management Board and Supervisory Board

[2.1.] The company should have a diversity policy for the management board and the supervisory board, adopted by the supervisory board or the general meeting respectively. The diversity policy sets out diversity objectives and criteria in areas such as gender, field of study, specialist knowledge, age and work experience, among

others, and indicates when and how the achievement of these objectives will be monitored. In terms of gender diversity, the condition for ensuring the diversity of the company's bodies is that the minority participation in the respective body is no less than 30%.

Clarification: Thus far, the Company has not implemented formal diversity regulations related to its official bodies, which would be adopted by the Supervisory Board and the General Meeting of Shareholders. Nevertheless, since 2018 a Diversity Policy has been in force at the Company. Pursuant to this policy, a general non-discrimination principle applies to members of the Management Board and Supervisory Board, as well as to all team members. Furthermore, the Company is a signatory to the Diversity Charter, which prohibits workplace discrimination and obligates its signatories to engage in activities which foster and promote diversity. Diversity, equality and respect for human rights are all basic values enshrined in the CD PROJEKT Group Business and Ethics Standards, formally adopted in 2021 by way of a Management Board resolution. In its annual non-financial reports the Company provides diversity statistics related to age, gender and educational background. Appointments to the Company's managerial bodies and to other top positions are based on professional qualifications, experience, knowledge and education.

[2.2.] The persons deciding on the election of the members of the company's management or supervisory board should ensure the comprehensiveness of these bodies by selecting diversity in their composition, making it possible, inter alia, to achieve the target ratio of a minimum minority shareholding set at not less than 30%, in line with the objectives set out in the adopted diversity policy referred to in principle 2.1.

Clarification: In line with existing practices at the Company, appointment of Management Board and Supervisory Board members has been based on factors which include professional experience, knowledge and education. Compliance with the presented policy depends on the diversity of available candidates and the outcome of votes held by the Supervisory Board or the General Meeting. As of the submission date of this statement, the Company does not ensure minority involvement on a level greater than 30% with regard to gender, and cannot ensure that in the future members of its Supervisory Board or shareholders who take part in General Meetings will pass resolutions consistent with this policy. Nevertheless, the Company

regards diversity as important, as evidenced by the official bodies of its two domestic subsidiaries, where the gender diversity ratio exceeds 30%.

[2.11.1.] In addition to its activities under the law, once a year the supervisory board draws up an annual report and submit it to the ordinary general meeting for approval. The report referred to above includes at least:

[2.11.5.] an assessment of the validity of the expenditure referred to in principle 1.5;

Clarification: Thus far, the Supervisory Board has not assessed the validity of expenditures referred to in principle 1.5., i.e. the Company expenses incurred by the Company and its Group i.a. to support culture, sports, charities, and community organizations. Nevertheless, the Company declares that it will submit to the Supervisory Board a request to perform such an assessment while preparing its next report, following which the Company will be in compliance with this principle.

[2.11.6.] information on the extent to which the diversity policy is implemented in relation to the management board and the supervisory board, including the achievement of the objectives referred to in principle 2.1.

Clarification: The Company has not adopted internal regulations related to diversity among members of the Management Board and the Supervisory Board pursuant to principle 2.1. Consequently, reports submitted by the Supervisory Board do not specify the extent to which the diversity policy is implemented in relation to these bodies, including the achievement of the corresponding objectives. Should the Company decide to adopt the corresponding regulations, the Supervisory Board's report will include information on the implementation of the diversity policy in relation to the Management Board and the Supervisory Board itself.

III. Internal systems and functions

[3.1.] A listed company maintains effective internal control, risk management and compliance systems and an effective internal audit function appropriate to the size of the company and the nature and scale of its business, which is the responsibility of the management board.

Clarification: The Company partially deviates from this principle insofar that it has not established a distinct internal audit function. Internal control at the Company is implemented on the basis of its existing managerial framework, including the finance and accounting departments. Control processes include, among others, bookkeeping based on internal systems deployed at the Company; analysis and validation of the generated results, including in the context of internal projections and expectations, ongoing monitoring of expenditures and contracts concluded by the Company, as well as assessment of the economic viability of anticipated projects. Certain internal control processes are carried out by legal departments, and – where development of videogames is concerned – by the Studio’s development team. Since 2021 the Company also operates an information security department and a distinct unit – part of the legal department – which monitors compliance. In discharging its internal control obligations the Company also enlists the help of external experts by commissioning independent audits of specific areas of its activity. In 2021 the Company introduced a formalized risk management process, based on a Risk Management Procedure instituted by way of a Management Board resolution. Risks are identified on an ongoing basis, based on analysis of external and internal factors which may affect the likelihood of irregularities arising in the course of the Company’s daily activities. Identification and monitoring of risk factors is the responsibility of the Risk Management Committee, which comprises directors and managers at the Company (referred to as risk owners). Regarding compliance monitoring, the Company has instituted a Compliance Management Policy, which names a Chief Compliance Officer. The Privacy and Compliance department – part of the Company’s legal team – is responsible for ongoing monitoring of daily activities with regard to compliance, and for discharging formal obligations incumbent upon the Company. Moreover, the Company has a number of formal procedures which uniformize control over key managerial and organizational processes within each department. There is no distinct internal audit unit. The Company declares that should it decide to establish such a unit as part of its organizational framework, it will comply with this principle.

[3.3.] A company included in the WIG20, mWIG40 or sWIG80 index appoints an internal auditor heading the internal audit function, who acts in accordance with internationally recognised standards of professional practice for internal auditing. In other companies where no internal auditor meeting the aforementioned requirements has been appointed, the audit committee (or the supervisory board if it performs the

functions of an audit committee) annually assesses whether there is a need to appoint such a person.

Clarification: There is currently no internal auditor or dedicated audit unit in place at the Company. The Supervisory Board report of the condition of the Company have not expressed the need to make such an appointment so far. Information on the separation of the internal control function within the structures of the Company is included in the explanation to rule 3.1.

[3.4.] Remuneration of risk managers, compliance officers and the head of internal audit should be based on the fulfilment of assigned tasks and not on short-term company performance.

Clarification: Remuneration of risk managers and compliance officers is fixed and follows existing market standards. An incentive scheme is also in force at the Company, enabling all employees to partake in the Company's earnings through annual bonuses (subjects to the relevant internal terms and conditions). Given the specific nature of the Company's activities, internal audit has not been disaggregated in the Company's structure as a distinct organizational unit; hence the Company is unable to comment upon the remuneration provided to such a unit.

[3.6.] Those responsible for risk management and compliance report directly to the president or another member of the management board.

Clarification: Thus far, internal audit has not been disaggregated in the Company's structure as a distinct organizational unit. The Company declares that should it decide to appoint an internal auditor, it will comply with this principle.

[3.7.] Principles 3.4 – 3.6 also apply to entities within the company's group that are material to the company's business, if they have designated persons to perform these tasks.

Clarification: The Company's subsidiaries have restricted organizational frameworks which are adapted to the size of each such entity. These frameworks do not include disaggregated internal audit, risk management and compliance units.

[3.10.] At least every five years, a company included in the WIG20, mWIG40 or sWIG80 index has its internal audit function reviewed by an independent auditor selected with the participation of the audit committee.

Clarification: Given the lack of a distinct internal audit function, the Company has not heretofore subjected it to review by an independent auditor. The Company declares that should it decide to appoint an internal auditor, it will comply with this principle.

IV. General Meeting and relations with shareholders

[4.8.] Draft resolutions of the general meeting on items on the agenda of the general meeting should be tabled by shareholders at least 3 days before the general meeting.

Clarification: With regard to submission of draft resolutions to the General Meeting in matters put on the meeting agenda, the Company applies the provisions of Art. 401 § 5 of the Commercial Companies Code, whereby any shareholder may, during the course of the General Meeting, submit draft resolutions in matters put on the meeting agenda. Nevertheless, the Company declares that it will undertake suitable action at the earliest available opportunity, i.e. while organizing the upcoming General Meeting, and will appropriately communicate to its shareholder its intent to comply with the presented principle.

[4.9.] Where the subject of the general meeting is to be an appointment to the supervisory board or the appointment of a new supervisory board:

[4.9.1.] nominations for supervisory board members should be made in sufficient time to enable the shareholders attending the general meeting to take a decision with due deliberation, but no later than 3 days before the general meeting; the nominations, together with a set of materials concerning them, should be published on the company's website without delay;

Clarification: According to the Company Articles, the General Meeting elects Supervisory Board members for a new term of office. Information regarding candidates for members of the Supervisory Board, along with their resumes, is published by the Company on its corporate website in advance. In parallel, the Company publicly discloses the candidates' intent to seek election to the Supervisory Board. This is done in the form of a current report. Given the fact that this principle applies specifically to the General Meeting, the Company has not heretofore

communicated to shareholders its intent to comply therewith. Nevertheless, the Company will undertake the necessary actions and declares that it will – at the earliest opportunity – communicate to shareholders its intent to comply with this principle in order to maintain compliance.

Internal control and risk management mechanisms pertaining to preparation of financial statements and consolidated financial statements

The management board of each company belonging to the CD PROJEKT Group is responsible for instituting internal control systems at their respective companies and ensuring efficient preparation of financial statements. Material supervision of the Company's financial and periodic reporting procedures is the responsibility of the Company's Management Board. The internal control system in place at the Company encompasses:

- Operational control;
- Bookkeeping and accounting based on internally deployed systems;
- Audits of financial statements performed by an independent auditor;
- Performance control, including projections, preparation of financial plans (including with regard to cash flows) as well as financial analysis and monitoring KPIs;
- Electronic document flow and approval system;
- Ownership supervision.

In 2021 the Company's accounts were managed by an internal accounting department, charged with performing daily accounting services, bookkeeping, preparing statutory reports and preparing additional reports for the Management Board, including separate financial statements. Supervision of the preparation of financial statement is the duty of the Company's Accounting Officer and Chief Financial Officer.

Risk management is based on a formal Risk Management Procedure instituted by way of a Management Board resolution. Risks are identified on an ongoing basis, based on analysis of external and internal factors which may affect the likelihood of irregularities arising in the

course of the Company's daily activities. Identification and monitoring of risk factors is the responsibility of the Risk Management Committee, which comprises directors and managers at the Company (referred to as risk owners). Risk related to preparation of financial statements are mitigated in a variety of ways, including through deployment of IT security systems.

Financial data presented in the Issuer's financial statements is derived from a financial and accounting system which is compliant with the Issuer's accounting policies and with the International Accounting Standards. Consolidated statements include data submitted by the Group's subsidiaries.

The Issuer's financial statement is submitted to the Management Board for verification. Once approved by the Board, the statement is submitted to the Supervisory Board for actions determined by the Commercial Companies Code, i.e., financial audits.

Annual financial statements are subject to audits and semi-annual statements are subject to review carried out by an independent auditor contracted by the Supervisory Board. The report on review of semi-annual financial statement is forwarded to the shareholders, and the report on the audit of the annual financial statement is forwarded to the shareholders and the General Meeting.

As the Issuer's subsidiaries do not appoint separate Supervisory Boards, their separate financial statements, once verified by the management board of each of the subsidiaries and – whenever mandated by law – by an external auditor, are submitted for approval by the Ordinary General Meeting of each subsidiary.

Shareholders who hold major share packages, whether directly or indirectly

The following table summarizes formal notifications received by the Company in accordance with the law, listing shareholders who control – directly or indirectly – at least 5% of votes at the General Meeting as of 31 December 2021:

Shareholder	Qty. of shares	Percentage share in share capital	Qty. of votes controlled	Percentage share in total number of votes
Marcin Iwiński	12 873 520	12.78%	12 873 520	12.78%
Michał Kiciński*	10 433 719	10.36%	10 433 719	10.36%
Piotr Nielubowicz	6 858 717	6.81%	6 858 717	6.81%

* According to the statement made on 26 May 2021.

According to the Current Report No. 49/2021 of December 29, 2021, the total percentage of votes of The Goldman Sachs Group Inc. resulting from shares held (0.63%) and other financial instruments (4.39%) amounted to 5.02% as at December 29, 2021. The above ownership has changed in accordance with the notification regarding a significant portfolio of securities disclosed in Current Report No. 1/2022 and as at January 3, 2022 it amounted to 4.57%.

Holders of securities which provide special control rights

All shares of CD PROJEKT S.A. are ordinary bearer shares which do not incorporate any special rights, including control rights.

Limitations on the exercise of voting rights

Under the CD PROJEKT S.A. Articles of Association, a restriction attaches to the exercise of voting rights by shareholders (or groups of shareholders which are either dominant or subordinate with respect to one another) who control, individually or jointly (in the case of groups of shareholders) more than 20% of the total number of votes incorporated by Company shares. When a situation arises where a shareholder (or a group of shareholders) exceeds the specified voting threshold, that shareholder (or group of shareholders) may only cast votes from 20% of the total number of Company shares. The aforementioned restriction does not apply to entities or groups of entities which jointly control more than 50% of votes as a result of having purchased shares by way of a public offer to acquire all remaining shares of the Company. Details are provided in §25a and §25b of the Company's Articles of Association.

Except for the above, no other limitations apply to the exercise of voting rights, including temporal limitations on voting or other provisions under which, in cooperation with the Company, ownership of securities is deprived of some rights incidental thereto.

Limitations on transferability of ownership rights to the Issuer's securities

The CD PROJEKT S.A. Articles of Association do not provide for any limitations on transferability of ownership rights to the Issuer's securities.

Rules regarding appointment and dismissal of management members and determining their authority

Members of the Management Board of CD PROJEKT S.A. are appointed and dismissed in accordance with the Commercial Companies Code and the Company Articles. The Management Board is comprised of one or more members appointed and dismissed by the Supervisory Board. A President of the Board may be designated. The number of Management Board

members and their responsibilities are determined by the Supervisory Board. Management Board members are appointed for four-year terms.

Management Board competences include all matters related to management of the Company not otherwise reserved to the General Meeting or the Supervisory Board in accordance with the Commercial Companies Code and the Company Articles.

Supervisory Board approval, issued in the form of a resolution, is required when incurring liabilities or purchasing or selling assets whose value exceeds 10% of the Company's equity as disclosed in its most recent financial statement, except where such activities concern sales of Company products and services.

Should a Management Board consisting of more than one person be appointed, the right to represent the Company appertains to any two members of the Management Board acting jointly, or to any member of the Management Board acting together with a holder of a commercial power of attorney (proxy). Should a sole Manager be appointed, that person may represent the Company singlehandedly.

The Management Board of CD PROJEKT S.A. is not authorized to decide to issue shares. In accordance with the existing law and with the Company Articles any issuance of shares and increase in the Company's share capital requires a suitable General Meeting resolution.

The Management Board of the Issuer is only authorized to purchase Company shares under the specific provisions of the Commercial Companies Code governing the purchase of own shares.

Disclosure of rules regarding amendment of the Issuer's Articles of Association

Any change in the Issuer's Articles of Association requires a suitable General Meeting resolution and a corresponding entry in the court register*. Any announcement of a convocation of a General Meeting whose agenda includes proposed amendments to the Company Articles should include a description of existing statutory provisions as well as the full text of any proposed amendments*. If the proposed amendments are sufficiently broad in scope, the

announcement may include the full text of the amended Articles, along with a summary of newly introduced or altered provisions.

Amendments to the Company Articles require a three-fourths majority at the General Meeting to enter into force. Additionally, any amendment which either increases benefits due to shareholders or restricts the rights expressly granted to individual shareholders must be approved by all affected shareholders*.

In 2021 the Company Articles were amended in the scope of § 5 section 1, i.e. the Company's areas of activity. The amendment was approved by the General Meeting which subsequently authorized the Supervisory Board to prepare a consolidated text of the amended Articles incorporating the aforementioned change.

* Pursuant to the provisions of the Commercial Companies Code (Art. 430 § 1, Art. 402 § 2, Art. 415 § 1, Art. 415 § 3).

Scope of empowerment of the General Meeting, its operating procedures in 2021, as well as shareholder rights and methods of exercising them

Throughout 2021, in accordance with the Commercial Companies Code, the Company Articles and the General Meeting Regulations, the General Meeting may have been called on an ordinary basis. The full text of the General Meeting Regulations is available on the Company website at www.cdprojekt.com.

The General Meeting is called to order by the Chairman or Deputy Chairman of the Supervisory Board. If neither is present, the General Meeting is called to order by the President of the Board or by the person specifically appointed for this duty by the Management Board. If none of the above mentioned persons are present, the General Meeting may be called to order by any of its participants.

The General Meeting Chairman oversees the proceedings of the General Meeting in accordance with the approved agenda, the Company Articles, the General Meeting Regulations and any

applicable legal constraints. The Chairman is responsible for ensuring efficient progress of the Meeting, respecting the rights and interests of all Shareholders. In particular, the Chairman should counter any abuse of rights by General Meeting participants and ensure that the rights of minority interests are respected. The Chairman should not resign his/her function without a compelling reason and may not delay signing the General Meeting minutes without due cause. The Chairman may call procedural breaks in addition to any breaks ordered by the General Meeting under art. 408 §2 of the Commercial Companies Code. Procedural breaks should be called in justifiable cases and in such a way as to ensure that the General Meeting can conclude on the day of its convocation. Under no circumstances can breaks called by the Chairman serve to hinder the exercise of Shareholders' rights.

The Chairman may append procedural matters to the General Meeting agenda. In procedural matters, meeting participants may appeal the Chairman's decisions to the General Meeting.

Additional duties of the Chairman include: signing the attendance list immediately upon being appointed Chairman, directing the list to be displayed in the meeting room, confirming that the General Meeting has been validly convened, calling a vote on the meeting agenda, allocating floor time to General Meeting participants, Company representatives and invited persons, assisting (as needed) in drafting resolutions which are to be submitted to a vote, calling votes, informing General Meeting members of their rights and obligations and of the manner in which resolutions are approved, announcing the results of voting, directing the work of secretaries who prepare attendance lists, committees of the General Meeting and any auxiliary personnel, as well as formally closing the General Meeting once its agenda has been exhausted.

The General Meeting may approve the proposed agenda without changes, reorder its items or remove some items under the condition that any resolution to strike an item from the meeting agenda is well justified and stems from a compelling reason, and that the parties who originally placed or demanded the placement of the given item on the agenda agree to the change. The General Meeting may also add new items to the meeting agenda and discuss them without voting on a resolution. Should the General Meeting approve a resolution to strike a given item from the agenda, any motions made in relation to that item are left unresolved. The General Meeting Chairman is not authorized to single handedly strike items from the agenda or change their order. Following a brief presentation of each item on the agenda, the General Meeting

Chairman opens the debate, yielding the floor to each registered speaker in succession. The General Meeting may vote to hold a joint debate on several points of the agenda.

The Chairman may yield the floor to members of the Management Board, Supervisory Board and invited experts upon request, even if these parties were not originally registered to take part in the debate. The General Meeting chairman may call for requests to take part in the debate to be submitted in writing, specifying the name of the participant or the organization he/she represents. The Chairman is authorized to close the debate at any point. Speakers must not deviate from the meeting agenda or the subject of the ongoing debate. The Chairman may caution a speaker who is deviating from the subject at hand or has exceeded their time allotment. Speakers who refuse to comply with the Chairman's cautions may be deprived of their right to address the General Meeting. Following the close of the debate on each item of the agenda the Chairman announces the contents of motions and draft resolutions filed by the entitled parties in relation to that item. Voting priority is accorded to draft resolutions submitted by the entity which convened the General Meeting, or – when the given agenda item was placed on the agenda by or upon request of another entity – to draft resolutions submitted by that entity. Up until a vote has been called, the entity which originally submitted the draft resolution may amend its contents, in which case the General Meeting votes on the amended draft. Any other motions filed in relation to the given item are voted upon in order of submission unless such motions have been rendered immaterial by the outcome of earlier votes.

In procedural matters the Chairman may yield the floor to selected speakers outside the order of submission. Procedural motions may concern the following: limiting, adjourning or closing the debate, closing the list of speakers, adjourning the meeting, limiting the speakers' time allotment or changing the order of voting. Procedural motions should be debated immediately upon submission. In each procedural matter only two speakers are allowed to take the floor – one speaker who supports the motion and one who opposes it – unless the General Meeting decides otherwise. The Chairman calls a vote on the procedural motion immediately after the close of the debate. The company respects shareholders' rights as set forth in the Commercial Companies Code and the Company Articles.

Composition of the Issuer's management and supervisory bodies and their committees in 2021

Management Board of CD PROJEKT S.A.

In 2021 the Management Board of the Company acted in accordance with the Commercial Companies Code, the Company Articles and the Management Board Regulations. The Management Board Regulations, as instituted by the Supervisory Board, are available on the Company website at www.cdprojekt.com.

In 2021, the Management Board operated with the following members:

Name	Position
Adam Kiciński	President of the Board
Marcin Iwiński	Vice President of the Board
Piotr Nielubowicz	Vice President of the Board
Adam Badowski	Board Member
Michał Nowakowski	Board Member
Piotr Karwowski	Board Member

The composition of the Management Board remained unchanged throughout 2021. In 2022 two new persons were appointed to the Management Board as Management Board Members: Paweł Zawodny and Jeremiah Cohn, effective on 1 February 2022 in both cases.

The Management Board, acting in the interest of the Company, determines its overall strategy and business objectives, submits them for approval to the Supervisory Board and subsequently oversees their implementation. The Management Board is responsible for the efficiency and clarity of managerial procedures in place at the Company as well as for their compliance with legal regulations and best practices for WSE listed companies.

Management Board members are required to act in the scope of a justified economic risk, taking into account all information, analyses and opinions which, in the Board's sound judgement, should be acknowledged when making decisions in the Company's interest. In determining what constitutes the Company's interest the Board should consider reasonable long-term interests of Company shareholders, creditors, employees and other parties cooperating with the Company. Members of the Management Board should remain loyal to the Company and avoid actions which serve only their own material benefits. When conducting transactions with shareholders and other parties whose own interests are linked to the interests of the Company the Management Board must apply due diligence, ensuring that any such transactions are carried out under market conditions. Shares of the Company, its subsidiaries or parent companies should only be held by a Board Member as a long-term investment.

The Management Board Regulations stipulate that, when the Board consists of multiple persons, all Board Members are empowered and obligated to jointly oversee Company affairs. Communication of an informal nature with other Company organs or external parties may be conducted singly by any Board Member as long as such communication does not entail any declarations of will on behalf of the Company.

Management Board meetings should be held as needed. Meetings are convened by the President of the Board on his/her own initiative or upon request of another Board Member. Each meeting is chaired by the Board Member who convened that meeting or by another Board Member appointed thereby.

Management Board resolutions are recorded. Each Management Board resolution is issued in the form of a separate document specifying the number of votes cast for the resolution and the outcome of voting. Resolutions are signed by all Management Board members attending the session during which the given resolution was adopted. In justifiable cases, in order to facilitate business operations, the Management Board may adopt resolutions outside of meetings, either in writing or via remote communication facilities enabling simultaneous participation of all Management Board members. If a resolution is to be adopted in this manner, it must first be submitted in draft form to all Management Board members via registered mail, fax, direct delivery or e-mail with confirmation of receipt. This must occur no later than one business day prior to the resolution's projected adoption date. All resolutions

adopted in this manner must be presented at the nearest Management Board session, along with the outcome of voting on each such resolution, and be duly included in the session's minutes in the form of appendices. A resolution adopted in this manner may consist of several materially identical documents, each of which is signed by one or more Management Board members.

Management Board meetings are minuted by the person appointed for this task by the meeting chairman. Meeting minutes shall include the date of the meeting, the meeting agenda, the names of attending Management Board members, a description of the proceedings, the number of votes cast on each resolution and a summary of dissenting opinions, if any. Meeting minutes must be signed by all attending Management Board members not later than during the subsequent Management Board meeting. Meeting minutes are entered in a dedicated repository which is maintained at the Company office. The repository should assume the form of a binder containing the minutes along with all relevant appendices. Management Board members who do not attend a given meeting must familiarize themselves with the minutes and contents of any adopted resolutions, and provide a signed declaration that they have acknowledged these resolutions. If a Management Board member who has not attended a given Management Board meeting objects to any resolution adopted at that meeting, they must formulate their dissent in writing, with the document annexed to the corresponding meeting minutes.

Supervisory Board of CD PROJEKT S.A.

In 2021 the Supervisory Board of the Company acted in accordance with the Commercial Companies Code, the Company Articles and the Management Board Regulations. The Supervisory Board Regulations are available on the Company website at www.cdprojekt.com.

In 2021, the composition of the Supervisory Board changed. The Board operated with the following members:

Name	Position
Katarzyna Szwarc	Chairwoman of the Supervisory Board
Piotr Pągowski	Deputy Chairman of the Supervisory Board
Maciej Nielubowicz	Secretary of the Supervisory Board
Michał Bień	Supervisory Board Member
Krzysztof Kilian*	Supervisory Board Member
Łukasz Wejchert**	Supervisory Board Member

* Tendered his resignation on 17 May 2021, effective on the date of the General Meeting convened on 25 May 2021.

** Appointed to the Supervisory Board by the Ordinary General Meeting convened on 25 May 2021.

The Supervisory Board oversees Company activities on a regular basis. A detailed list of Supervisory Board competences is set forth in the Company Articles and the Supervisory Board Regulations. Supervisory Board resolutions require a qualified majority of votes cast in the presence of at least half the incumbent Supervisory Board Members. Voting is public, although the Supervisory Board may institute secret ballots if requested by at least one Supervisory Board Member and in matters specified in the CCC.

The Supervisory Board adopts resolutions at meetings. Each meeting is minuted, and the minutes are signed by all Supervisory Board Members present at the meeting. Meeting minutes are archived at the Company registered office.

The Supervisory Board is also authorized to adopt resolutions outside the meeting in writing or using means of electronic communication, ensuring simultaneous communication among all Supervisory Board members. Adopting a resolution in this manner requires that the corresponding draft resolution be presented to all members of the Supervisory Board, by registered mail, fax, personal delivery or e-mail. Adoption of a resolution is confirmed by drawing up a protocol of adopting the resolution, signed by the Chairman of the Supervisory Board or the Secretary, immediately after the end of voting. Resolutions adopted in the manner specified above must be entered into the minutes of the next meeting. Should the Supervisory Board Chairman become aware of any issues regarding the content or means of adoption of resolutions voted upon outside of meetings, the Chairman may instead direct the resolution to be voted upon at the next Supervisory Board meeting, or convene an additional meeting for this purpose.

Audit Committee of CD PROJEKT S.A.

Acting in compliance with Art. 128 section 1 of the Act on Licensed Auditors, Audit Firms and Public Supervision of 11 May 2017, on 11 October 2017 the Supervisory Board appointed an Audit Committee.

The Audit Committee Regulations are available on the Company website at www.cdprojekt.com.

In 2021, the composition of the Audit Committee changed. The Committee operated with the following members:

Name	Position
Michał Bień	Chairman of the Audit Committee meeting independence criteria under Art. 129 section 3 of the Act*
Katarzyna Szwarc	Member of the Audit Committee meeting independence criteria under Art. 129 section 5 of the Act*
Maciej Nielubowicz	Member of the Audit Committee possessing knowledge and skills in the area of accounting or auditing financial statements
Krzysztof Kilian**	Member of the Audit Committee meeting independence criteria under Art. 129 section 3 of the Act*
Piotr Pągowski	Member of the Audit Committee meeting independence criteria under Art. 129 section 3 of the Act and under Art. 129 section 5 of the Act*
Łukasz Wejchert***	Member of the Audit Committee meeting independence criteria under Art. 129 section 3 of the Act*

* Act of 11 May 2017 on licensed auditors, audit firms and public supervision.

** Tendered his resignation on 17 May 2021, effective on the date of the General Meeting convened on 25 May 2021.

*** Appointed to the Audit Committee on 25 May 2021.

The Audit Committee is a permanent body which acts in compliance with the norms and regulations applicable to the Company, including in particular the above mentioned act. The Audit Committee consists of at least three members, one of whom must be appointed Chairman. The Audit Committee is elected by the Supervisory Board in an open ballot and its term is equivalent to the term of the Supervisory Board. Audit Committee members must be

elected from among incumbent members of the Supervisory Board and must fulfill specific criteria set forth in the Act on Licensed Auditors, Audit Firms and Public Supervision. The Supervisory Board is empowered to appoint Audit Committee Members and to freely dismiss any Audit Committee Member by adopting a suitable resolution. The term and mandate of the Audit Committee expires along with the corresponding term of the Supervisory Board. The Audit Committee fulfills duties specified in the abovementioned act, and provides advice to the Supervisory Board in its area of responsibility.

The Audit Committee is a collegial body. An Audit Committee meeting must take place prior to publication of any periodic report by the Company or its Group. The Audit Committee Chairman is authorized to convene the meeting and specify its date. In exceptional circumstances an Audit Committee meeting may be convened by the Chairman or Deputy Chairman of the Supervisory Board. Additional meetings may be convened by the Chairman of the Audit Committee on request of another Audit Committee member, any Supervisory Board Member, the Management Board or a Company auditor, whether internal or external. The person who convenes the meeting is also responsible for setting its agenda. Audit Committee meetings are scheduled in the same manner as Supervisory Board meetings. The date and venue of each meeting should be communicated to all members of the Supervisory Board and the Management Board who have the right to attend the meeting. In justifiable cases the Chairman of the Audit Committee may convene a meeting without Management Board participation; however, at least once a year Audit Committee members should meet with the Company auditors, both external and internal (if appointed). In the course of discharging its official duties the Audit Committee may also meet with employees of the Company or other members of its Group without Management Board participation. Audit Committee meetings may be attended in person or using electronic communication means. The Audit Committee issues decisions, opinions, motions, recommendations and reports which are submitted to the appropriate Company organs. If a unanimous decision cannot be reached, the corresponding Audit Committee meetings submitted to the Supervisory Board must include any dissenting opinions filed by Audit Committee Members.

Audit Committee meetings are concisely minuted. The minutes are signed by the Committee Members participating in the meeting and immediately submitted, along with any opinions issued by the Audit Committee, to the Supervisory Board and Management Board. Audit

Committee minutes are subject to the same regulations as Supervisory Board minutes. Organizational and technical support for the Audit Committee is provided by the Company.

The Audit Committee submits reports on its activities to the Supervisory Board. Each report should include the composition of the Audit Committee and the number of meetings held during the given fiscal year. Reports should be submitted in a timely manner so as to enable the Supervisory Board to include their content in its own annual report.

Five meetings of the Audit Committee were held in 2021.

Information on the entity authorized to audit financial statements

Permitted non-audit services

Over the course of 2021, the audit firm contracted to audit the Company's financial statements provided the Company with permitted services other than audits of financial statements. This was done on the basis of a decision by the Audit Committee of the Supervisory Board of CD PROJEKT S.A. concerning approval of procurement from the entity contracted to perform audits of financial statements of services other than audits or reviews of financial statements, which are not otherwise prohibited and which do not affect the tax policy of CD PROJEKT Group member companies – specifically, an audit of the CD PROJEKT S.A. Supervisory Board report on remuneration of members of the Management Board and the Supervisory Board for 2019-2020.

Key assumptions of the adopted policy of contracting an audit firm to conduct an audit of the financial statement

In accordance with the "Policy governing selection and rotation of entities charged with auditing financial statements and procurement of other permissible services from entities authorized to perform audits of financial statements" in force at CD PROJEKT S.A., the competences of the Supervisory Board of the Company include selection of an entity contracted to audit financial statements of the Company. The decision to select an entity authorized to audit financial statements is issued in the form of a Supervisory Board resolution.

Based on Article. 130 of the Act of May 11, 2017 on statutory auditors, audit firms and public oversight (Journal of Laws 2017, item 1089), the tasks of the Audit Committee include, among others, submitting recommendations to the Supervisory Board regarding the selection, appointment, re-appointment and dismissal of the statutory auditor as well as the terms and conditions for establishing cooperation with statutory auditors. If it is necessary to select an entity authorized to audit the financial statements of companies from the CD PROJEKT Group, the Audit Committee carries out a formal procedure of selecting a statutory auditor through a tender procedure, based upon the following rules:

- a) The Audit Committee indicates audit firms that meet the selection criteria and sends them an inquiry. The inquiry is directed to at least 4 audit companies. The company prepares tender documentation which: enables these companies to learn about the activities of CD PROJEKT S.A. and the CD PROJEKT Group; contains an indication of the financial statements subject to audit; it contains transparent and non-discriminatory selection criteria that are used by the Company to evaluate offers submitted by audit firms.
- b) The Audit Committee performs an initial analysis of the bids and prepares a list of potential candidates for the statutory auditor of financial statements of companies belonging to the CD PROJEKT Group.
- c) The Audit Committee carries out interviews and / or meetings with potential candidates.
- d) The Audit Committee may delegate or use the assistance of the Management Board of CD PROJEKT S.A. in order to carry out the above activities.
- e) The selection of the statutory auditor is made taking into account the principles of impartiality and independence of the audit firm and the analysis of the works performed by it in the Company, which go beyond the scope of the audit of the financial statements in order to avoid a conflict of interest. The Audit Committee assesses the independence of the audit companies that were on the list of potential candidates for the statutory auditor of the financial statements of the companies of the CD PROJEKT Group.

- f) The Company and the Audit Committee take into account all findings or conclusions contained in the annual report of the Audit Oversight Commission referred to in art. 90 sec. 5 of the Act, which may affect the selection of the audit firm.
- g) The Company evaluates the bids submitted by the audit firms in accordance with the adopted selection criteria specified in the tender documentation and prepares a report containing the conclusions of the selection procedure approved by the Audit Committee.
- h) The Audit Committee prepares a recommendation for the Supervisory Board. The recommendation of the Audit Committee includes at least two audit firms with justification and an indication of the Audit Committee's justified preference for one of them.
- i) The Supervisory Board selects an entity authorized to audit financial statements on the basis of the Audit Committee's recommendations.
- j) If the decision of the Supervisory Board regarding the selection of the audit firm deviates from the recommendation of the Audit Committee, the Supervisory Board justifies the reasons for non-compliance with the recommendations of the Audit Committee and communicates such justification to the body approving the financial statements of CD PROJEKT S.A.

In accordance with the adopted "Policy governing selection and rotation of entities charged with auditing financial statements and procurement of other permissible services from entities authorized to perform audits of financial statements", the first audit agreement with an auditing company is signed for a minimum period of 2 years with the possibility of extension for at least two-year subsequent periods. In the event that the recommendation of the Audit Committee regarding the selection of an entity authorized to audit concerns the extension of the audit agreement, the Audit Committee may withdraw from collecting offers from entities other than the entity with which it recommends extending the agreement for the audit of financial statements. In 2020, the Audit Committee adopted the recommendation of the Supervisory Board regarding the extension of the contract with the existing auditing company regarding the review of the Company's financial statements for the years 2020-2021.

According to the adopted principles governing rotation of statutory auditors, a key statutory auditor may perform audit activities for a period not longer than 5 years, and the uninterrupted duration of statutory audit engagements carried out by the same audit firm may not exceed 10 years. After the expiry of the maximum duration of the engagement, the audit firm does not undertake the statutory audit of the Company for the next 4 years.

Key assumptions of the policy of procurement from the audit firm contracted to perform an audit, entities affiliated therewith and members of the audit firm's network, of other permissible services which do not involve auditing the financial statement

The main assumptions governing procurement of permitted non-audit services from the audit firm contracted to perform an audit are set out in the "Policy governing selection and rotation of entities charged with auditing financial statements and procurement of other permissible services from entities authorized to perform audits of financial statements" in force at CD PROJEKT S.A. In accordance with the adopted Policy, an entity authorized to audit financial statements may provide companies of the CD PROJEKT Group with services other than auditing or review of financial statements, which do not constitute prohibited services under Art. 5 sec. 1, second paragraph of Regulation No 537/2014, and are included in the catalog of permitted services referred to in Art. 136 sec. 2 of the Act and only to the extent unrelated to the tax policy of the companies of the CD PROJEKT Group, after the Audit Committee assesses the threats and safeguards to the independence of the audit firm and the key statutory auditor and the Audit Committee approves their provision.

Recommendation regarding the selection of an audit firm to perform an audit









The recommendation regarding the selection of an audit firm was prepared as a result of a selection procedure organized by the Company that meets the applicable criteria. The Audit Committee, by decision No. 1 of 13 May 2020 on the adoption of the recommendation on the extension of the contract with an auditing firm concerning the review and audit of the separate and consolidated financial statements of CD PROJEKT S.A. for the years 2020-2021, presented to the Supervisory Board a recommendation regarding the selection of an audit firm. By Resolution No. 1 of 14 May 2020 of the Supervisory Board of CD PROJEKT S.A. on the selection of an auditor to audit financial statements for 2020 and 2021, the Supervisory Board selected Grant Thornton Polska sp. z o.o. sp. k. with a registered office in Poznań to perform a review and audit of the separate and consolidated financial statements of CD PROJEKT S.A. for the years 2020-2021.

Description of the diversity policy

The Company has adopted a Diversity Policy, which defines the basic values in relations with team members, key managers and representatives of the Management Board and Supervisory Board.

In line with the Diversity Policy, for all team members, including the Management Board, the Supervisory Board of CD PROJEKT S.A. and among the Company's key managers the general principle of non-discrimination of team members and bodies, is applied. The company has pursued a policy of appointing competent, creative people with appropriate professional experience and education to the group of authorities and key managers. Members of the Management Board and Supervisory Board are educated in such areas as management and marketing, finance, law and IT. All members of the Management Board of CD PROJEKT S.A. also possess many years of experience in discharging managerial duties at the CD PROJEKT Group.

In addition to the above, the Company is a signatory to the Diversity Charter, which prohibits workplace discrimination and obligates its signatories to engage in activities which foster and promote diversity. Diversity, equality and respect for human rights are all basic values enshrined in the CD PROJEKT Group Business and Ethics Standards.

			
Adam Kiciński President of the Board	Marcin Iwiński Vice President of the Board	Piotr Nielubowicz Vice President of the Board	Adam Badowski Board Member
			
Michał Nowakowski Board Member	Piotr Karwowski Board Member	Paweł Zawodny Board Member	Jeremiah Cohn Board Member



WATERM



HEALTH WARNING



VED A NEW EARNING



TOUGH MORNING?

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