



**CD PROJEKT S.A.**  
**Supervisory Board Report**  
**for 2024**

*Disclaimer*

*This English language translation has been prepared solely for the convenience of English speaking readers. Despite all the efforts devoted to this translation, certain discrepancies, omissions or approximations may exist. In case of any differences between the Polish and the English versions, the Polish version shall prevail. CD PROJEKT, its representatives and employees decline all responsibility in this regard.*

## ASSESSMENTS PERFORMED BY THE SUPERVISORY BOARD

### **ASSESSMENT OF THE FINANCIAL STATEMENT OF CD PROJEKT S.A. FOR THE PERIOD BETWEEN 1 JANUARY 2024 AND 31 DECEMBER 2024**

The audit concerned the Financial Statement of CD PROJEKT S.A. with a registered office in Warsaw (“the Company”) covering the period between 1 January and 31 December 2024, prepared on 24 March 2025.

The Supervisory Board of the Company (“the Supervisory Board”), in its resolution adopted on 4 July 2024 concerning selection of an audit firm to perform audits of financial statements and attestation of sustainability disclosures, among others selected Grant Thornton Polska PSA with a registered office in Poznań as the audit firm contracted to perform an audit of the financial statement of the Company for the period between 1 January 2024 and 31 December 2024.

The Supervisory Board familiarized itself with the audit report prepared by a licensed auditor, and furthermore held a meeting during which a representative of the audit firm presented the audit report, including an assessment of the basis for its statement concerning the Company’s ability to carry on with its activities, and replied to inquiries from Members of the Supervisory Board.

On 24 March 2025 the licensed auditor issued an opinion declaring that the relevant financial statement of the Company for the period between 1 January 2024 and 31 December 2024, comprising numerical data and supplementary information:

- presents a truthful and clear description of the material and financial standing of the Company as of 31 December 2024, along with its financial results and cash flows for the financial year ending on that date, in line with the International Accounting Standards, International Financial Reporting Standards, interpretations associated therewith as published in the relevant European Commission regulations, as well as the adopted accounting practices,
- is based on properly maintained accounting records,
- is formally and materially consistent with the legal requirements applicable to the Company as well as its Articles of Association.

The abovementioned opinion is consistent with the supplementary report provided to the Audit Committee on 24 March 2025.

**The abovementioned outcome of the audit formed the basis for the Supervisory Board assessment of the Financial Statement of the Company for the period between 1 January 2024 and 31 December 2024, in which the Supervisory Board declares that the Financial Statement of the Company is materially consistent with existing accounts and documents, as well as factually correct, and that the financial data contained therein is truthful and accurate, and that it was prepared and presented in line with the applicable statutory requirements, and that, consequently, the Supervisory Board recommends that the General Meeting approve the said financial statement.**

### **ASSESSMENT OF THE CONSOLIDATED FINANCIAL STATEMENT OF THE CD PROJEKT GROUP FOR THE PERIOD BETWEEN 1 JANUARY 2024 AND 31 DECEMBER 2024**

The audit concerned the Consolidated Financial Statement of the CD PROJEKT Group covering the period between 1 January and 31 December 2024, prepared on 24 March 2025.

The Supervisory Board of the Company (“the Supervisory Board”), in its resolution adopted on 4 July 2024 concerning selection of an audit firm to perform audits of financial statements and attestation of sustainability disclosures, among others selected Grant Thornton Polska PSA with a registered office in Poznań as the audit firm

contracted to perform an audit of the consolidated financial statement of the CD PROJEKT Group for the period between 1 January 2024 and 31 December 2024.

The Supervisory Board familiarized itself with the audit report prepared by a licensed auditor, and furthermore held a meeting during which a representative of the audit firm presented the audit report, including an assessment of the basis for its statement concerning the Company's ability to carry on with its activities, and replied to inquiries from Members of the Supervisory Board.

On 24 March 2025 the licensed auditor issued an opinion declaring that the relevant consolidated financial statement of the CD PROJEKT Group for the period between 1 January 2024 and 31 December 2024, comprising numerical data and supplementary information:

- presents a truthful and clear description of the material and financial standing of the CD PROJEKT Group as of 31 December 2024, along with its financial results and cash flows for the financial year ending on that date, in line with the International Accounting Standards, International Financial Reporting Standards, interpretations associated therewith as published in the relevant European Commission regulations, as well as the adopted accounting practices,
- is formally and materially consistent with the legal requirements applicable to the CD PROJEKT Group as well as the Company's Articles of Association.

The abovementioned opinion is consistent with the supplementary report provided to the Audit Committee on 24 March 2025.

**The abovementioned outcome of the audit formed the basis for the Supervisory Board assessment of the Consolidated Financial Statement of the CD PROJEKT Group for the period between 1 January 2024 and 31 December 2024, in which the Supervisory Board declares that the aforementioned statement is materially consistent with existing accounts and documents, as well as factually correct, and that the financial data contained therein is truthful and accurate, and that it was prepared and presented in line with the applicable statutory requirements, and that, consequently, the Supervisory Board recommends that the General Meeting approve the said financial statement.**

#### **ASSESSMENT OF THE MANAGEMENT BOARD REPORT ON CD PROJEKT GROUP ACTIVITIES FOR THE PERIOD BETWEEN 1 JANUARY 2024 AND 31 DECEMBER 2024**

The Supervisory Board, in its resolution adopted on 4 July 2024 *concerning selection of an audit firm to perform audits of financial statements and attestation of sustainability disclosures*, selected Grant Thornton Polska PSA with a registered office in Poznań as the audit firm contracted to also perform attestation of the sustainability disclosures for the period between 1 January 2024 and 31 December 2024. In its assessment of the Management Board report on CD PROJEKT Group activities for the period between 1 January and 31 December 2024, which includes the CD PROJEKT Group's sustainability statement, the Supervisory Board took into account documentation prepared by the aforementioned audit firm. In particular, the Supervisory Board took into account the licensed auditor's attestation report concerning sustainability disclosures (contained in the Management Board report on CD PROJEKT Group activities for the period between 1 January and 31 December 2024).

In the course of attestation procedures and based on the available evidence, the licensed auditor did not identify any circumstances which would indicate that:

- the sustainability disclosures of the CD PROJEKT Group are not consistent, in all material aspects, with the requirements arising under Section 6c of the Accounting Act of 29 September 1994, including with the European Sustainability Reporting Standards ("**ESRS**"),
- the materiality assessment carried out by the CD PROJEKT Group in order to identify information to be included in its sustainability disclosures ("**the Materiality Assessment**") is not consistent, in all material aspects, with ESRS,

- the sustainability disclosures of the CD PROJEKT Group are not consistent, in all material aspects, with the requirements arising under Art. 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

The Supervisory Board concluded that the aforementioned report is consistent with the available accounting records and documents, as well as being factually correct, and that it provides the required synthetic information concerning the activities of the Company and the CD PROJEKT Group in 2024.

**The Supervisory Board recommends that the General Meeting of the Company approve the Management Board report on CD PROJEKT Group activities which contains the CD PROJEKT Group's sustainability statement for the financial year ending on 31 December 2024.**

### **ASSESSMENT OF THE RECOMMENDATION OF THE MANAGEMENT BOARD OF CD PROJEKT S.A. CONCERNING ALLOCATION OF NET PROFIT FOR 2024**

The Supervisory Board in the resolution no. 13/2025 of 20 May 2025, having performed an assessment of the Financial Statement of the Company for the period between 1 January 2024 and 31 December 2024 and the Management Board's recommendation concerning allocation of net profit for 2024, expressed in CD PROJEKT S.A. Management Board resolution no. 14/2025 of 7 May 2025 *on the adoption and on submission of a recommendation to the Supervisory Board and the Ordinary General Meeting of a motion regarding the allocation of the net profit*, hereby recommends to the next Ordinary General Meeting that the Company's net profit for 2024 amounting to PLN 470,672,657.32, to be allocated as follows:

- the Supervisory Board proposes to transfer the amount of **PLN 370,762,147.32** to the **reserve capital** of the Company;
- the Supervisory Board proposes to distribute the amount of **PLN 99,910,510.00** among the shareholders of the Company as a dividend, i.e. the dividend in the amount of **PLN 1.00** per one share of the Company.

The Supervisory Board furthermore endorses the schedule submitted by the Management Board:

- **the dividend date: 30 June 2025,**
- **the dividend payment date: 9 July 2025.**

## **REPORT ON SUPERVISORY BOARD ACTIVITIES IN 2024**

### **I. INTRODUCTION**

In the course of discharging its obligations stemming from the Code of Commercial Companies ("**CCC**"), Best Practices for WSE Listed Companies, 2021 edition, as annexed to Resolution no. 13/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange of 29 March 2021, ("**BP2021**"), the Company Articles and the Company Supervisory Board Regulations, the Supervisory Board of the Company **hereby submits to the Ordinary General Meeting the Supervisory Board Report for the period between 1 January 2024 and 31 December 2024** (principle 2.11 of BP2021), including:

- information regarding the composition of the Supervisory Board and its committees, including the independence of members of the Supervisory Board, along with information regarding the composition of the Supervisory Board in the context of diversity (principle 2.11.1 of BP2021),
- summary of the activities of the Supervisory Board and its committees (principle 2.11.2 of BP2021),

- consolidated assessment of the condition of the Company, along with its internal control, risk management, compliance and internal audit systems (principle 2.11.3 of BP2021; Art. 382 §3<sup>1</sup> of CCC),
- assessment of the observance, by the Company, of corporate governance policies and discharge of disclosure obligations related thereto, as specified in the Stock Exchange Regulations and regulations concerning current and periodic disclosures required from issuers of securities (principle 2.11.4 of BP2021),
- assessment of expenditures incurred by the Company and the CD PROJEKT Group in the context of supporting culture, sports, charities, media, NGOs and trade unions (principle 2.11.5 of BP2021),
- assessment of the observance, by the Company, of corporate governance policies and discharge of disclosure obligations related thereto, as specified in the Stock Exchange Regulations and regulations concerning current and periodic disclosures required from issuers of securities (principle 2.11.4 of BP2021),
- assessment of the degree of implementation of the diversity policy with regard to the Management Board and the Supervisory Board (principle 2.11.6 of BP2021),
- assessment of the discharge, by the Management Board, of duties specified in Art. 380<sup>1</sup> of CCC; assessment of the means by which the Management Board prepares or submits to the Supervisory Board information, documentation, reports and clarification sought in accordance with Art. 382 § 4 of CCC; information on the total remuneration payable by the Company in association with audits commissioned by the Supervisory Board during the given financial year, as specified in Art. 382<sup>1</sup> of the CCC (Art. 382 § 3<sup>1</sup> of CCC),

## II. COMPOSITION OF THE SUPERVISORY BOARD IN 2024

Between 1 January 2024 and 31 December 2024 the following persons held membership of the Supervisory Board:



**Marcin Iwiński**  
CHAIRPERSON  
OF THE SUPERVISORY  
BOARD



**Katarzyna Szwarc**  
DEPUTY CHAIRPERSON  
OF THE SUPERVISORY  
BOARD\*



**Maciej Nielubowicz**  
SECRETARY  
OF THE SUPERVISORY  
BOARD\*



**Michał Bień**  
MEMBER  
OF THE SUPERVISORY  
BOARD\*  
INDEPENDENT MEMBER



**Jan Łukasz Wejchert**  
MEMBER  
OF THE SUPERVISORY  
BOARD\*  
INDEPENDENT MEMBER

\* Until 31.12.2024

In 2024 two members of the Supervisory Board (Michał Bień and Jan Łukasz Wejchert) fulfilled independence criteria specified in the Act of 11 May 2017 on licensed auditors, audit firms and public supervision (“**the Act**”), and had no actual and material links to any shareholder controlling at least 5% of votes in the Company.

During 2024 the composition of the Supervisory Board included one woman.

### Changes in the composition of the Supervisory Board during the financial year and up until the preparation date of this Report

On 17 October 2024 a meeting of the Supervisory Board of the Company took place, during the course of which:

- Mr. Adam Kiciński notified members of the Supervisory Board of his resignation from membership of the Management Board, effective at the end of 2024, along with his intent to seek appointment to the Supervisory Board of the Company;
- In light of the foregoing, Mr. Marcin Iwiński, Chairperson of the Supervisory Board and eligible shareholder of the Company, announced his intent to submit a request to convene an Extraordinary General Meeting of the Company, i.a. in order to consider Mr. Adam Kiciński's candidature for membership of the Supervisory Board of the Company, effective on 1 January 2025.
- Members of the Supervisory Board discussed the target composition of the Supervisory Board, and in the course of this discussion, arrived at the conclusion that, given the foregoing, and also considering the applicable legislation governing composition of supervisory boards and changes therein, along with their intent to enable shareholders to appoint additional independent members of the Supervisory Board, it would be beneficial for the Company to facilitate appointment of a new Supervisory Board.
- As a result of the above, the following members of the Supervisory Board submitted their resignation – all of which become effective at end of day on 31 December 2024.
  - Ms. Katarzyna Szwarz submitted her resignation from the functions of Vice-Chair and Member of the Supervisory Board of the Company,
  - Mr. Michał Bień submitted his resignation from the functions of Member of the Supervisory Board of the Company and Chair and Member of the Audit Committee of the Company,
  - Mr. Maciej Nielubowicz submitted his resignation from the functions of Secretary and Member of the Supervisory Board of the Company and Member of the Audit Committee of the Company,
  - Mr. Jan Łukasz Wejchert submitted his resignation from the functions of Member of the Supervisory Board of the Company and Member of the Audit Committee of the Company.

On the same day the Company received a notification from Mr. Marcin Iwiński requesting convocation, by the Management Board, of an Extraordinary General Meeting, and including in its agenda a vote on the candidatures of Ms. Beata Cichocka-Tylman, Mr. David Gardner, Mr. Adam Kiciński and Ms. Agnieszka Słomka-Gołębiowska for membership of the Supervisory Board, as well as dismissal of Mr. Marcin Iwiński from the Supervisory Board for the current term, and his reappointment, along with all remaining candidates, to the Supervisory Board for a new joint four-year term beginning on 1 January 2025.

As a result of the above, on 28 November 2024 a General Meeting of the Company took place, and adopted, among others, the following resolutions:

- dismissal (effective at end of day on 31 December 2024) and reappointment (effective on 1 January 2025) of Mr. Marcin Iwiński as Member of the Supervisory Board of the Company,
- appointment of Ms. Beata Cichocka-Tylman, Mr. David Gardner, Mr. Adam Kiciński and Ms. Agnieszka Słomka-Gołębiowska as Members of the Supervisory Board for a new term – in each case, effective as of 1 January 2025.

Consequently, a new joint four-year term of the Supervisory Board of the Company commenced on 1 January 2025. Since that date the Supervisory Board consists of: Mr. Marcin Iwiński, Ms. Beata Cichocka-Tylman, Mr. David Gardner, Mr. Adam Kiciński and Ms. Agnieszka Słomka-Gołębiowska.

Three members of the new Supervisory Board – Ms. Beata Cichocka-Tylman, Mr. David Gardner and Ms. Agnieszka Słomka-Gołębiowska – meet independence criteria specified in the Auditor Act, and have no actual and material links to any shareholder controlling at least 5% of the total number of votes at the Company.

Resumes of incumbent Supervisory Board Members as well as information concerning membership of the governing bodies of other companies, are available on the Company's website under the *Supervisory Board* tab.

On 8 January 2025, at the first meeting of the new Supervisory Board:

- Mr. Adam Kiciński and Mr. Marcin Iwiński were appointed Chairpersons of the Supervisory Board for the new term; consequently, under § 18 section 1 of the Company Articles, they will share the title of Joint Chairperson of the Supervisory Board;
- Mr. David Gardner was appointed Deputy Chairperson of the Supervisory Board for the new term.

### **III. SCOPE OF ACTIVITIES OF THE SUPERVISORY BOARD DURING THE REPORTING PERIOD, INCLUDING DISCHARGE OF DUTIES OF THE AUDIT COMMITTEE**

#### **Assessment of the Supervisory Board's activities in 2024**

In the course of discharging its legal and statutory obligations in 2024 the Supervisory Board conducted active oversight of all matters related to Company activities. In particular, the Supervisory Board performed analyses of the Management Board's plans concerning the strategy of the Company and the CD PROJEKT Group, and provided ongoing assessment of the Company's operating and financial status.

In 2024 the Supervisory Board properly discharged all duties incumbent upon the supervisory board of a public company under the relevant legislation, the Company Articles of Association and the Supervisory Board Regulations.

The Supervisory Board held six meetings in 2024. Additionally, the Supervisory Board conducted its affairs by adopting resolutions outside of meetings. In total, the Supervisory Board adopted 22 resolutions in 2024.

In line with its prerogatives, in 2024 the Supervisory Board furthermore observed a significant portion of the Best Practices for WSE Listed Companies insofar as such practices apply to supervisory board of public companies.

In 2024 the supervisory activities of the Supervisory Board were exercised on an ongoing basis and with due diligence. The Supervisory Board carefully monitored all significant matters related to the Company's activities. As requested by the Supervisory Board, the Management Board provided up-to-date reports regarding the legal condition of the Company and activities undertaken in all of the Company's activity areas.

In discharging its supervisory duties, the Supervisory Board relied on written documentation submitted by the Management Board as well as current information and explanations provided by Board Members during Supervisory Board meetings. As a rule, Supervisory Board meetings were attended by the Management Board.

The Supervisory Board also discharged its duties using remote communication tools.

**In the Supervisory Board's opinion it discharged its duties faithfully in 2024, fulfilling its legal and statutory obligations. In the Supervisory Board's opinion its activities should be regarded as effective and ensuring proper supervision of the Company. Consequently, the Supervisory Board hereby applies to the General Meeting of the Company to grant Members of the Supervisory Board who had held membership thereof between 1 January 2024 and 31 December 2024 discharge on the execution of their respective duties.**

## Assessment of the Audit Committee's activities in 2024

An **Audit Committee** operated within the framework of the Supervisory Board between 1 January 2024 and 31 December 2024, with the following composition:



**Michał  
Bień**  
CHAIRPERSON  
OF THE AUDIT  
COMMITTEE\*



**Maciej  
Nielubowicz**  
MEMBER  
OF THE AUDIT  
COMMITTEE\*



**Jan Łukasz  
Wejchert**  
MEMBER  
OF THE AUDIT  
COMMITTEE\*

\* Until 31.12.2024

### 1. Michał Bień – Chairperson of the Audit Committee

- a) meeting independence criteria specified in Art. 129 section 3 of the Act,
- b) meeting the criteria specified in Art. 129 section 5 of the Act, i.e. possessing knowledge and expertise in the Company's primary area of activity,

### 2. Maciej Nielubowicz – Member of the Audit Committee

- a) meeting the criteria specified in Art. 129 section 1 of the Act, i.e. possessing knowledge and expertise in the area of accounting or auditing financial statements,
- b) meeting the criteria specified in Art. 129 section 5 of the Act, i.e. possessing knowledge and expertise in the Company's primary area of activity,

### 3. Jan Łukasz Wejchert – Member of the Audit Committee

- a) meeting independence criteria specified in Art. 129 section 3 of the Act,
- b) meeting the criteria specified in Art. 129 section 1 of the Act, i.e. possessing knowledge and expertise in the area of accounting or auditing financial statements,
- c) meeting the criteria specified in Art. 129 section 5 of the Act, i.e. possessing knowledge and expertise in the Company's primary area of activity.

The Audit Committee held five meetings during the reporting period. Additionally, the Audit Committee performed its work outside of meetings.

In the course of discharging its duties, the Audit Committee, among others, monitored the financial reporting and financial audit activities, i.a. by analyzing the Company's periodic financial statements prior to their publication and organizing periodic meetings with auditors.

**In the Supervisory Board's opinion the Audit Committee discharged its duties faithfully in 2024, fulfilling its legal and statutory obligations. In the Supervisory Board's opinion its activities should be regarded as effective and ensuring proper supervision of the Company.**

## Changes in the composition of the Audit Committee during the financial year and up until the preparation date of this Report

As described in more detail in the section devoted to changes in the composition of the Supervisory Board, all incumbent members of the Audit Committee tendered their resignations on 17 October 2024, effective at and of day on 31 December 2024.

On 8 January 2025, at the first meeting of the Supervisory Board for the new term:

- a new Audit Committee was appointed, with the following composition:
  - **Ms. Agnieszka Słomka-Gołębiowska** – meeting the independence criteria specified in the Act (Art. 129 section 3 of the Act), along with the criterion specified in Art. 129 section 1 of the Act, i.e. possessing knowledge and skills in the area of accounting or auditing financial statements, gained in the course of higher education and professional experience at other entities;
  - **Ms. Beata Cichocka-Tylman** – meeting the independence criteria specified in the Act (Art. 129 section 3 of the Act), along with the criterion specified in Art. 129 section 1 of the Auditor Act, i.e. possessing knowledge and skills in the area of accounting or auditing financial statements, gained in the course of higher education and professional experience at other entities, and also meeting the criteria specified in Art. 129 section 5 of the Act, i.e. possessing knowledge and skills related to the Company's main business segment, gained in the course of professional experience at other entities;
  - **Mr. Adam Kiciński** – meeting the criteria specified in Art. 129 section 5 of the Act, i.e. possessing knowledge and skills related to the Company's main business segment, gained in the course of his professional experience at the Company, including as member of its Management Board;
- The chair of the Audit Committee was entrusted to Ms. Agnieszka Słomka-Gołębiowska.

#### **IV. SUMMARY ASSESSMENT OF THE COMPANY'S CONDITION, INCLUDING ITS INTERNAL CONTROL SYSTEM, RISK MANAGEMENT, COMPLIANCE AND INTERNAL AUDIT MECHANISMS**

Based on analysis of the financial statement of the Company for the year 2024, the consolidated financial statement of the CD PROJEKT Group for 2024, and the Management Board report on internal control, risk management, compliance and internal audit systems at CD PROJEKT S.A. in 2024, in addition to information received directly from the Management Board, **the Supervisory Board concludes that the Company's condition is stable.**

Despite the lack of major new releases, the CD PROJEKT Group generated a net profit of PLN 469,874 thousand in 2024.

Moreover, throughout 2024, the Group invested 274,373 thousand as expenditure on development projects related to new projects and allocated 99,911 thousand to be distributed as dividend. In this period the total amount of financial reserves of the Group (understood as the sum of cash, bank deposits, treasury bonds, bonds secured with a guarantee of foreign governments) increased by 162,576 thousand to 1,472,034 thousand as of 31 December 2024.

The company is working intensively on new projects and products that should be a source of revenue in the future. In 2024 it was conducting:

- **development activities** mainly in the framework of the following projects: (1) The Witcher 4 (previously codenamed Polaris) – the first instalment in the upcoming Witcher trilogy - in November the project entered the phase of full-scale production; (2) Project Sirius which is part of The Witcher franchise; (3) Project Orion – a game set in the Cyberpunk universe, which research progressed to the development phase in September 2024 (from that point onward its development expenses are capitalized); (4) an animation project set in the Cyberpunk universe;
- **research activities** mainly in the framework of the following projects: (1) Project Orion – a game set in the Cyberpunk universe, which wrapped up its research phase at the end of August 2024; (2) The Witcher Remake – a game being developed in collaboration with the Fool's Theory studio; (3) internal conceptual work on a third franchise, codenamed Hadar, within which we eventually plan to develop a videogame.

**In line with the foregoing, the Supervisory Board hereby expresses a positive assessment of the Company's condition, including the adequacy and effectiveness of its internal control systems, risk management, compliance with applicable norms and regulations, and internal audit mechanisms.**

In assessing the condition of the Company in 2024, the Supervisory Board analyzed key risks faced by the Company and did not identify any circumstances which would jeopardize continuation of the Company's activities.

Internal control and risk management systems at the Company are fully controlled by the Management Board, which, in the course of publishing its periodic reports, conducts periodic assessment of risk factors relevant to the Company during each financial year.

## **1. INTERNAL CONTROL SYSTEM**

### **1.1. Internal procedures**

A comprehensive control system is in place at the Company, particularly with regard to preparation of financial statements of the Company and consolidated financial statements of the CD PROJEKT Group, with the aim to ensure that the Company meets its stated goals related to operational effectiveness and efficiency, reliability of financial statement, and legal compliance.

The Management Board takes part in daily business activities at the Company and remains in contact with persons charged with managing the Company's subsidiaries. Control activities are rooted in internal regulations (including policies, procedures and manuals) which specify the duties and responsibilities of each member of the team, thereby mitigating the risk of errors in each activity area of the Company.

Security, accessibility, confidentiality and integrity of information processed by the Company's IT system is the responsibility of the appropriate teams. Security, accessibility, confidentiality and integrity of information processed at the Company is supervised by the IT & Security Department, and particularly by the Cybersecurity Team which is a subunit thereof. The applicable standards are set forth in the CD PROJEKT Group Information Security Policy and related by-laws. Additionally, the IT Operations & Business Systems team bears responsibility for maintaining and developing the Company's internal systems. Secure processing of personal data in the Company's IT systems is the responsibility of the Privacy & Compliance Team, along with an external Data Protection Officer. In this scope, the Company observes a range of internal regulations related to privacy protection, particularly as expressed in the CD PROJEKT Group Personal Data Protection Policy, the CD PROJEKT S.A. Privacy Policy and the CD PROJEKT S.A. Data Protection Officer Regulations.

A structural division of responsibilities is in place at the Company, ensuring hierarchical assignment of duties, minimizing the risk of significant business decisions being undertaken by a single individual. Recruitment procedures are structured in such a way as to ensure selection of optimal candidates for each open position. The Company employs competent individuals and provides them with career development opportunities and incentives to remain part of the organization.

Internal control duties significantly involve Finance, Accounting and HR Departments, the latter of which develops human talent management strategies and implements initiatives aimed at achieving a desirable level of retention. Information concerning new regulations and processes is disseminated internally with help from the Internal Communication Department, which works to ensure that such information remains accessible and understandable for all team members.

### **1.2. Financial and accounting control**

Regarding financials, the internal control system mandates monthly assessment of results against the background of earlier projections within each activity segment of the CD PROJEKT Group.

As part of its reporting and review scheme, the Management Board of the Company, assisted by directors who hold the position of VP, performs monthly analyses of results and how they compare to earlier estimates. In addition, periodic (i.e. quarterly or depending on the schedule production milestones) analyses of costs incurred in each segment are performed against the backdrop of adopted plans, with involvement of persons responsible for the segments in which the aforementioned costs are incurred. The meetings also provide an opportunity to discuss important developments affecting each segment and the likelihood of meeting projections in future months.

Approval of expenditures incurred by the Company is based on formalized approval procedures, and utilizes an electronic document flow and authorization system. The approval process also involves the Legal Department and – in selected cases – the Tax Department and the Procurement Department. Financial control is carried out by representatives of the Finance Department (including the Financial Control Team). All payments remitted by the Company are based on properly filed accounting documents. Maintenance of the Company's accounts, along with verification and filing of accounting documents, is the responsibility of the Accounting Department. A document may only be filed if:

- it meets all the applicable accuracy and justifiability criteria,
- it has been approved by the person appointed for this purpose in the Company's internal electronic document flow system.

In 2024, the books were kept at the Company's registered office on the IFS APPLICATION 8 computer system. On 1 April 2025, the Company completed the implementation of a new ERP system provided by Microsoft: Dynamics 365 Finance and Operation.

On a day-to-day basis, payments are handled by the Treasury Department, which is a subunit of the Finance Department, in collaboration with the Accounting Department. Employee remuneration is handled by the Employment & Payroll Department in collaboration with the Compensation & Benefits Department. Any deviations from this rule must be authorized by a Member of the Management Board.

### **1.3. Financial and non-financial reporting**

Supervising the preparation of financial statements is the responsibility of the CFO who is also a Board Member, and the Chief Accountant.

Financial statements of the Company and consolidated financial statements of the CD PROJEKT Group are prepared in accordance with International Financial Reporting Standards (IFRS), the Accounting Act of 29 September 1994 (JL 2023, item 120, as amended; "**Accounting Act**") and the CD PROJEKT S.A. Accounting Policy.

To ensure alignment between the CD PROJEKT S.A. Accounting Policy and other applicable regulations – IFRS in particular – the Policy is subject to periodic updates, the responsibility for which rests with the Management Board of the Company. The last update to CD PROJEKT S.A. Accounting Policy was introduced by the resolution of the Management Board no. 15/2024 of 25 May 2024 and included a change in the criteria for exclusion from consolidation.

The separate financial statement of the Company and the consolidated financial statement of the CD PROJEKT Group are subject to reviews and audits performed by an independent licensed auditor, in line with the applicable regulations, including the Act and the Company's internal policy for selection and rotation of the entity authorized to perform audits of financial statements, and procurement of other permissible services which do not constitute audits of financial statements from the entity authorized to perform such audits at the CD PROJEKT Group.

Preparation of the Sustainability Report is based on a survey of material aspects of sustainability at the CD PROJEKT Group, carried out in accordance with the double materiality principle described in ESRS. The survey involves a broad

community of stakeholders, both internal and external. An ESG Management Group has been established in the Company's organizational structure, consisting of VPs and directors whose competences cover sustainability aspects identified in the materiality survey. Members of the Group are responsible for gathering and verifying, in a timely fashion, data concerning sustainability, which is supplied to the ESG Team in the framework of our annual reporting cycle. This process also covers subsidiary companies subjected to consolidation. The resulting draft statement is approved by ESG Management Group members, depending on their specific scopes of responsibility, and subsequently by the Chief Compliance Officer and VP for Investor Relations. Finally, the statement is submitted for approval to the CFO (who is also a Board Member). Following approval by the CFO, it is subjected to external attestation (beginning with the statement for 2024).

In addition, a stock-taking instruction is in force at the Company, specifying the means of preparing, conducting, evaluating and settling assets and liabilities, along with any off-balance sheet conditional liabilities and sureties. This instruction is consistent with the provisions of the Accounting Act.

## **2. RISK MANAGEMENT**

A formalized Risk Management Procedure is in force at the Company, along with strategic risk management procedures based thereupon. The risk management process at the Company permits assessment of each risk, determining ways to handle risk factors, and monitoring existing risks.

The goal of the aforementioned procedure is to retain an acceptable level of risk for each identified threat, and thereby mitigate the consequences of potential events which may negatively impact the activities and financial stability of the Company.

In the Management Board Report on the activities of the CD PROJEKT Group in 2024 the Company identified and described risk factors relevant to business, legal, team-related, financial and environmental areas.

The risk management process involves:

- Risk Owners, i.e. holders of directorial positions who possess the required competences to manage risks in their assigned areas of responsibility,
- Risk Custodians, i.e. persons appointed by Risk Owners to monitor specific risks on an ongoing basis.

Risk Owners determine the materiality of their assigned risks by plotting their impact and likelihood of occurrence on a Risk Value Matrix. Further handling of each risk may involve its acceptance, reduction, transfer or avoidance.

In 2023 the Company updated its Risk Management Policy, among others by rolling out a new risk monitoring system based on the concept of Key Risk Indicators (KRI). KRIs are used to quantify the status of each threat or opportunity in relation to the given risk. By setting specific thresholds for reacting to threats (or opportunities) the Company can initiate timely remedial actions.

## **3. COMPLIANCE – ensuring compliance with applicable norms and practices**

Management of compliance with the applicable norms and practices is based on legal regulations, market standards, BP2021, and recommended compliance standards in the area of counteracting corruption and whistleblower protection for companies traded on the regulated markets of the Warsaw Stock Exchange.

In this scope, activities undertaken by the Company aim to foster a culture of compliance and minimize the risk of noncompliance. Compliance management is based on the Deming cycle (Plan, Do, Check, Act), which permits monitoring and progressive optimization.

In line with its internal Compliance Policy, the Company has appointed a Chief Compliance Officer (CCO). The CCO, assisted by the Privacy & Compliance Team (which is a subunit of the Legal Department) monitors regulatory and compliance-related risks, along with the Company’s emerging needs in this regard. An important role in this process is entrusted to compliance teams operating within the framework of individual departments, such as the Tax Department, the ESG Team (for environmental and climate-related issues), and the IT & Security Department.

The compliance management process also entails participation of departments and teams charged with monitoring and deploying compliance-related solutions, whether mandated by the law or based on voluntarily accepted standards.

The CD PROJEKT Group has enacted a set of [Rules of the Game: Business and Ethics Standards at the CD PROJEKT Group](#), which clarify the CD PROJEKT Group’s approach to human rights protection, conservation of resources, privacy protection, compliance with legal and ethical norms, open internal communications and whistleblowing.

An [Anti-Corruption Policy](#) is also in force at the CD PROJEKT Group, with the aim to establish ground rules for recognizing, counteracting and mitigating the risk of corruption and related irregularities in the daily operations of Group member companies. These policies apply to the Group’s business dealings as well as to its interaction with public authorities. The CD PROJEKT Group embraces a “zero tolerance” approach towards all symptoms of corruption. The Anti-Corruption Policy contains regulations applicable to giving and receiving gifts, third-party relations (in business and administrative matters) as well as precautions which should be taken in circumstances where a conflict of interest may arise – including seeking additional employment, becoming involved in the activities of entities which compete or collaborate with CD PROJEKT, and making personnel-related decisions.

The aforementioned standards express the Company’s and its team members’ pledge to abide by ethics norms, legal acts and values which guide the CD PROJEKT Group in its daily work.

Changes in the Company’s regulatory environment are monitored on an ongoing basis by the Privacy & Compliance team, which analyzes draft laws and newly introduced regulations, announcements and guidelines issued by public authorities, and reports commissioned from external law firms.

The Company introduces internal regulations, including policies and procedures, as required given the scale of its activities and its specific organizational structure. Internal regulations are posted in an intranet repository available to all team members, and are subject to periodic reviews and updates. Developing internal regulations is the responsibility of the department to which the given regulation pertains. The Privacy & Compliance team issues opinions and assists in the development of new regulations to ensure that they remain consistent with the applicable laws and with other regulations in force at the Company.

The following internal regulations were introduced or updated in 2024:

NEW REGULATIONS	UPDATED REGULATIONS
<ul style="list-style-type: none"> <li>▪ Policy: Social engagement in CD PROJEKT</li> <li>▪ Rules: Competitive activity</li> <li>▪ Procedure: Transferring donations in CD PROJEKT S.A.</li> <li>▪ Rules: Trusted Persons</li> <li>▪ Instruction: How to use your own tools or assets at CD PROJEKT</li> </ul>	<ul style="list-style-type: none"> <li>▪ Work Rules at CD PROJEKT S.A.</li> <li>▪ Rules: Financing of glasses or contact lenses in CD PROJEKT S.A.</li> <li>▪ Access management procedure concerning IT systems operated by CD PROJEKT S.A.</li> <li>▪ Rules: Company phones at CD PROJEKT S.A.</li> <li>▪ Rules: Settlement of expenses in CD PROJEKT S.A.</li> </ul>

- Procedura: Settlements between related parties of the CD PROJEKT Group
- Procedure: Agreements without payment of monetary remuneration in CD PROJEKT S.A.

Several internal regulations at the Company concern whistleblowing. One of them is the Procedure for reporting irregularities, which governs reports of infringement, or suspected future infringement, of laws, ethical norms or internal regulations.

In 2024 28 reports were filed under this procedure, concerning, among others, alleged irregularities in the procurement process, alleged irregularities in the recruitment process, and alleged irregularities in the process of identifying infringements of CD PROJEKT S.A.'s intellectual property rights.

Following separate investigations covering each case the Company determined that two minor irregularities did, in fact, occur: one irregularity in the recruitment process and one irregularity in the process of identifying IPR infringements. While it was determined that these irregularities had no negative impact on the Company's operations, action was nevertheless taken to alleviate them.

In the scope of its whistleblowing procedures the Company monitors the potential for irregularities and improper conduct. When such irregularities arise, action is undertaken to mitigate their potential consequences.

#### **4. INTERNAL AUDIT**

Internal audit has not been entrusted to a dedicated organizational unit at the Company; however, the Company aims to ensure that internal audit tasks are handled by its existing units, as appropriate.

#### **5. CONSOLIDATED SUMMARY ASSESSMENT OF THE COMPANY'S CONDITION, ALONG WITH ITS INTERNAL CONTROL, RISK MANAGEMENT, COMPLIANCE AND INTERNAL AUDIT SYSTEMS**

The Supervisory Board regards the internal control and material risk management procedures in force at the Company as consistent.

**The Supervisory Board hereby expresses a positive assessment of the internal control and material risk management procedures in force at the Company in 2024, and declares that they mitigate key risks faced by the Company in the course of its activities.**

#### **V. ASSESSMENT OF EXPENDITURES INCURRED BY THE COMPANY AND ITS GROUP IN THE CONTEXT OF SUPPORTING CULTURE, SPORTS, CHARITIES, MEDIA, NGOS AND TRADE UNIONS**

CD PROJEKT S.A. works to have a positive effect on its social environment, integrate employees around a shared set of values and assist others with the resources and skills at its disposal. The Company engages in social projects, national charity drives and global activities which aim to assist the needy – this is done through material donations, financial support or knowledge sharing. The Company also implements projects addressed at the youth, helping participants gain skills and experience in the gaming industry.

Pursuant to regulations enacted in 2024 – the CD PROJEKT Group social engagement policy and the CD PROJEKT S.A. donations policy – a total of 366 267 PLN was donated to charity in 2024. Beneficiaries included *Fundacja Ocalenie*, *Trans-Fuzja Fundacji na rzecz Osób Transpłciowych* and The Japanese Red Cross Society.

**The Supervisory Board of the Company regards the Company's actions in this regard as commensurate with its resources and justifiable given the Company's social involvement.**

**VI. ASSESSMENT OF THE OBSERVANCE, BY THE COMPANY, OF CORPORATE GOVERNANCE POLICIES AND DISCHARGE OF DISCLOSURE OBLIGATIONS RELATED THERETO, AS SPECIFIED IN THE STOCK EXCHANGE REGULATIONS AND REGULATIONS CONCERNING CURRENT AND PERIODIC DISCLOSURES REQUIRED FROM ISSUERS OF SECURITIES**

The Supervisory Board familiarized itself with the information published by the Company concerning its compliance with BP2021 principles, as well as with the statement on applying corporate governance principles, contained in the Management Board report on CD PROJEKT Group activities in 2024. In the Supervisory Board's opinion, the scope of application of BP2021 principles reflects the Company's specific circumstances, and furthermore reflects the corporate governance policies implemented on the basis of the corresponding internal corporate regulations, while also taking into account the practical feasibility of implementing BP2021 principles.

The Company, as indicated in the statement in this regard, does not apply principles 2.1, 2.2. and 2.11.6 of BP2021, taking into account the fact that a formal diversity regulation related to our corporate bodies has not been adopted. At the time of this declaration the Company has not achieved the minority gender ratio of 30% on the Management Board of the Company, while from 1 January 2025 the ratio of the underrepresented gender on the Supervisory Board is 40%. The Company also monitors legislative changes concerning gender diversity and plans to take actions, which will be necessary to ensure compliance with the requirements arising from such provisions of law.

Moreover, in 2019 the Company adopted a Diversity Policy. 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 among the core values enshrined in our "Rules of the Game: Business and Ethics Standards at the CD PROJEKT Group".

The Company also does not apply principles 3.1, 3.3., 3.4., 3.6, 3.7. And 3.10. of BP2021 in scope of sustaining a separate internal audit unit. There is no distinct internal audit unit within the structure. Internal control at the Company is implemented on the basis of our existing managerial framework. Responsibility in this scope falls to persons who possess the appropriate substantive competences. These are, in particular, employees of the Development Department, Legal Department (in particular, the Corporate Law and Privacy & Compliance Teams), the Tax Department, Accounting, Finance (in particular, the Financial Control Team), and the Investor Relations Department (including the ESG Team which operates within its framework). A formalized risk management system is in place, operating on the basis of the Risk Management Procedure, as well as a compliance management system, operating on the basis of the Compliance Policy.

In addition to the above, the Supervisory Board familiarized itself with the manner in which the Company discharges its disclosure obligations. In 2024 the Company published 31 current report, 4 periodic reports for the CD PROJEKT Group (annual report, semiannual report and quarterly reports for the first and third quarter of 2024), the Company's own annual report and a report on the implementation of BP2021 principles by the Company. In light of the foregoing, the Supervisory Board expresses no reservations regarding the Company's discharge of its disclosure obligations.

In the Supervisory Board's assessment, in 2024 the Company carried out its activities in compliance with requirements applicable to public companies, including the declared corporate governance policies. In the Supervisory Board's opinion in 2024 the Company properly discharged its disclosure obligations in the scope of corporate governance.

## **VII. DISCLOSURE OF THE SCOPE OF IMPLEMENTATION OF THE DIVERSITY POLICY WITH REGARD TO THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD**

Pursuant to its statement concerning application of BP2021 principles, in 2024 the Company did not apply principle 2.1 of BP2021, i.e. thus far the Supervisory Board and the General Meeting have not adopted regulations which would specifically address the issue of diversity on the Company's governing bodies.

Since 2019 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, we are 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 [Rules of the Game. CD PROJEKT Group Business and Ethics Standards](#).

The Company also continues to monitor legislative changes in the area of gender diversity, and plans actions to align its activities with legal requirements. As of the submission date of this Report the Company has not attained a minority gender participation level of 30% on the Management Board; however, with regard to the Supervisory Board, since 1 January 2025 the minority gender participation ratio stands at 40%.

## **VIII. ASSESSMENT OF THE DISCHARGE, BY THE MANAGEMENT BOARD, OF DUTIES SPECIFIED IN ART. 380<sup>1</sup> OF CCC; ASSESSMENT OF THE MEANS BY WHICH THE MANAGEMENT BOARD PREPARES OR SUBMITS TO THE SUPERVISORY BOARD INFORMATION, DOCUMENTATION, REPORTS AND CLARIFICATION SOUGHT IN ACCORDANCE WITH ART. 382 § 4 OF CCC;**

According to § 14 section 2 of the Company Articles, the Management Board is obligated to notify the Supervisory Board of the Company of the Company's condition, including with regard to its assets, along with any notable developments related to the Company's affairs, transactions or other events or circumstances which have, or may have, a significant impact on the Company's material status, including its profitability or liquidity, as well as of changes in information previously provided to the Supervisory Board, if such changes have, or may have, a significant impact on the Company's condition. With regard to subsidiaries, the aforementioned obligation of the Management Board is limited to information in possession thereof, which may be regarded as significant in the context of the Company's material status. Such notifications may be provided in any form listed in the Management Board Regulations and Supervisory Board Regulations as an appropriate means of communication between the Management Board and the Supervisory Board, including in electronic form, as well as orally, during Supervisory Board meetings.

Throughout 2024 the Management Board provided the Supervisory Board with ongoing disclosures specified in § 14 section 2 of the Company Articles, as well as with all requested information, documentation, reports and clarifications related to the Company and particularly to its activities or assets, including in the context of subsidiaries and affiliates. The Supervisory Board has not exercised the power to require the preparation or transmission of information, documents, reports or explanations concerning the Company in the manner set out in the Art. 382<sup>1</sup> of CCC.

## **IX. DISCLOSURE OF TOTAL REMUNERATION PAID OUT IN THE CONTEXT OF AUDITS COMMISSIONED BY THE SUPERVISORY BOARD UNDER ART. 382<sup>1</sup> OF THE CCC**

The total amount of remuneration payable by the Company in the context of all audits commissioned by the Supervisory Board between 1 January 2024 and 31 December 2024 was EUR 8,000.00.

## SUMMARY

The Supervisory Board hereby recommends that the Ordinary General Meeting:

- adopt a resolution concerning approval of the Company's financial statement for the period between 1 January 2024 and 31 December 2024,
- adopt a resolution concerning approval of the consolidated financial statement of the CD PROJEKT Group for the period between 1 January 2024 and 31 December 2024,
- adopt a resolution concerning approval of the Management Board report on CD PROJEKT group activities in the period between 1 January and 31 December 2024, which incorporates the CD PROJEKT Group sustainability statement,
- adopt a resolution endorsing the Supervisory Board report on the remuneration of members of the Management Board and the Supervisory Board in 2024,
- adopt a resolution concerning approval of the annual report of the Company's Supervisory Board for 2024,
- adopt a resolution concerning allocation of the Company's net profit in the amount of **470 672 657.32 PLN** by allocating **99 910 510.00 PLN** to a dividend payable to shareholders at a rate of **1.00 PLN** per share, and reassigning the remaining portion of the net profit, i.e. **370 762 147.32 PLN** to the Company's reserve capital, and setting the dividend date of record and date of payment to 30 June 2025 and 9 July 2025 respectively.