



REMEDY 

CORPORATE GOVERNANCE STATEMENT

2020

Remedy Entertainment Plc: Corporate Governance Statement 2022

This is Remedy Entertainment Plc's ("Remedy" or the "company") corporate governance statement for the financial year 2022.

Remedy's share is subject to public trading on Nasdaq Helsinki and, thus, the company complies with the Finnish Corporate Governance Code 2020 issued by the Securities Market Association (the "Code"). The Code is available online at www.cgfinland.fi.

This statement presents certain corporate governance information about Remedy as required by the Code. This statement is available on Remedy's investors website at investors.remedygames.com/corporate-governance/.

Remedy's Annual Report 2022 and Financial Statements 2022, which includes the Board of Directors' Report, is available at investors.remedygames.com.

1. Overview of Remedy's Governance

Remedy is a Finnish public limited liability company, whose share is subject to public trading on Nasdaq Helsinki. Remedy Entertainment Plc is the parent company of a group of companies that comprises Remedy Entertainment Plc and its subsidiary Remedy Entertainment Sweden AB. Remedy Entertainment Plc's studio is located at Luomanportti 3, 02200 Espoo, Finland, which is also the company's registered address.

Remedy's governance and management is divided between its shareholders, Board of Directors ("the Board"), and Chief Executive Officer (the "CEO"). Remedy's shareholders use their decision-making power in the general meeting of shareholders, which is Remedy's highest decision-making body. The CEO is assisted by the company's Core Management Team, which is a group of senior executives.

Remedy's governance is subject to the company's Articles of Association and the laws of Finland, specifically the Finnish Companies Act, the Finnish Accounting Act, the IFRS, securities markets legislation, and the Code.

2. General Meeting of Shareholders

Overview

Remedy's shareholders exercise their decision-making power at general meetings of shareholders. Pursuant to Remedy's Articles of Association, the company's Annual General Meeting must be held annually within six months from the end of the company's financial year on a date determined by Remedy's Board.

The following matters must be on the agenda of the Annual General Meeting pursuant to Remedy's Articles of Association:

1. Presentation of the company's financial statements, including the income statement, the balance sheet, and the Board of Directors' Report.
2. Presentation of the company's audit report.
3. Decision on the adoption of the company's income statement and balance sheet.
4. Decision on measures that the profit or loss on the adopted balance sheet give rise to.
5. Decision on discharging the Board members and the CEO from liability.
6. Decision on the number of Board members and potential deputy Board members.
7. Decision on the remuneration of Board members and the auditor.
8. Election of Board members, potential deputy Board members and the auditor.

Remedy does not have a Shareholders' Nomination Board.

Remedy's Annual General Meeting 2022

Remedy's Annual General Meeting 2022 ("**AGM 2022**") was held at the company's studio in Espoo, Finland on April 13, 2022.

Due to the COVID-19 pandemic, the AGM 2022 was held as a remote meeting. Shareholders could vote in advance, submit counterproposals in advance, and ask questions in advance.

All decisions were made as proposed to the meeting. Further information about Remedy's AGM 2022 can be found at investors.remedygames.com/annual-general-meeting-2022/.

2. Remedy's Board of Directors

Overview

Remedy's Board is responsible for Remedy's governance and the appropriate organization of its business operations.

As a main rule, Remedy's general meeting elects Board members for a one-year term that continues until the next Annual General Meeting. Pursuant to Remedy's Articles of Association, its Board must comprise no less than three and no more than six ordinary members. One to six deputy members may also be elected to the Board.

Remedy's Board has not established any committees.

The Board's Duties

Remedy's Board has adopted a written Charter, which documents the Board's main duties. The following table contains a summary of the Board's main duties pursuant to the Board's Charter.

Remedy's Board Duties in the Board Charter

Strategy	1.	Review and approve Remedy's strategy and oversee its implementation.
	2.	Review and approve Remedy's financial and other targets and oversee their implementation.
	3.	Define Remedy's dividend policy.
Organization	4.	Appoint and dismiss the Board Chairman and the CEO.
	5.	Appoint and dismiss Remedy's Core Management Members upon the CEO's proposal.
Financials	6.	Supervise Remedy's financial reporting processes.
	7.	Ensure that the supervision of Remedy's accounting and its financial matters is properly organized.
	8.	Monitor Remedy's financial performance.
	9.	Review and approve Remedy's financial reports and Corporate Governance Statement.
	10.	Monitor the auditor's performance and independence.
Risk	11.	Ensure that Remedy's internal control and risk management systems are organized and effective.
	12.	Ensure that Remedy has an appropriate compliance function.
	13.	Establish principles for monitoring related party transactions and preventing conflicts of interest and to monitor and assess related party transactions.
Remuneration	14.	Approve the CEO's contracts.
	15.	Approve the main principles of Remedy's incentive systems.
	16.	Review Remedy's Remuneration Policy and Remuneration Report and submit them to the AGM.
Corporate Governance	17.	Review and approve Remedy's key corporate policies and instructions.
	18.	Convene general meetings and make proposals to them.
Operations	19.	Approve the annual plan (and other major plans).
	20.	Review and approve major corporate transactions and business decisions which value exceeds the CEO's approval rights in accordance with Remedy's Signing Authorities Matrix.

Board Composition in 2022

Remedy's AGM 2022 re-elected Markus Mäki, Christian Fredrikson, Jussi Laakkonen and Henri Österlund to the Board, and Kaisa Salakka and Sonja Ängeslevä were elected as new Board members. Former Board member Ossi Pohjola informed the general meeting that he is no longer available for re-election. After the meeting, the Board elected Markus Mäki to continue as Chairman of the Board.

Presentation of Remedy's Board Members as at Dec 31, 2022

Name	Board Member Since	Main Occupation	Education	Citizenship
Markus Mäki (b. 1974)	1995	Chairman of Remedy's Board and CTO of Remedy	B.Sc. (Computer Engineering)	Finnish
Christian Fredrikson (b. 1964)	2013	CEO of Fingerprint Cards (2016–2022)	M.Sc. (Engineering)	Finnish
Jussi Laakkonen (b. 1975)	2017	CEO and founder of Noice	M.Sc. (Computer Science)	Finnish
Kaisa Salakka (b. 1979)	2022	Vice President, Product at Wolt	M.Sc. (Economics)	Finnish
Sonja Ängeslevä (b. 1974)	2022	CEO and co-founder of Phantom Gamelabs	MA (Digital Media)	Finnish
Henri Österlund (b. 1971)	2017	Founder of Accendo Capital SICAV-RAIF	M.Sc. (Economics)	Finnish

Further information about Remedy's Board members can be found at investors.remedygames.com/board-of-directors/.

Board Meeting Attendance

In 2022, Remedy's Board held 15 meetings, of which four (4) were per capsulam meetings. These meetings were attended by Board members as follows:

Board Member	Meeting Attendance in 2022	Attendance Percentage
Markus Mäki	15 / 15	100%
Christian Fredrikson	15 / 15	100%
Jussi Laakkonen	15 / 15	100%
Kaisa Salakka ¹⁾	11 / 11	100%
Sonja Ängeslevä ²⁾	9 / 9	100%
Henri Österlund	15 / 15	100%
Ossi Pohjola ³⁾	4 / 4	100%

¹⁾ Kaisa Salakka's term commenced on April 13, 2022.

²⁾ Sonja Ängeslevä's term commenced on May 2, 2022.

³⁾ Ossi Pohjola's term ended on April 13, 2022.

Board Diversity

Remedy's Board has adopted a Board Composition and Diversity Policy, which documents the Board's diversity principles as well as the process for preparing the Board composition proposal to the general meeting.

Pursuant to said policy, Remedy's Board or its largest shareholders prepare and submit the Board composition proposal to Remedy's Annual General Meeting. When preparing the proposal, these parties consider these following factors:

Factor	Description
1. Competence	<p>The proposed Board composition should have the competences, skill and experience that is required to successfully manage a global game company. These include, for example:</p> <ul style="list-style-type: none"> • Excellent knowledge of the video game industry. • Relevant governance and leadership experience. • Appropriate financial expertise.
2. Board Size	The Board should comprise an appropriate number of directors.
3. Devotion	All proposed directors should be in a position where they can devote enough time to Board work.
4. Tenures	Board members should ideally represent different lengths of tenure.
5. Gender	The Board should have both genders represented.

In terms of gender, the current Board composition comprises four men and two women.

Board Independence

Remedy's Board Composition and Diversity Policy also sets out that the proposed Board should comply with the independence criteria set out in the Code. For further information of the assessment criteria, please see pages 27–29 of the Code.

The Board has assessed that Christian Fredrikson, Jussi Laakkonen, Kaisa Salakka and Sonja Ängeslevä are independent from Remedy and its major shareholders. Henri Österlund is independent from Remedy, but not from its major shareholder Accendo Capital SICAV RAIF. Markus Mäki is considered non-independent from Remedy and its major shareholder because he acts as Remedy's Chief Technology Officer and he owns over ten percent of all shares and votes in the company.

The company's Board composition thus complies with the Code's independence criteria: Most Board members are independent of the company and over two Board members (four out of six) are both independent of the company and its significant shareholders.

3. Remedy's CEO and Core Management Team

Overview

Remedy's Board appoints the company's CEO who is responsible for the company's day-to-day management in accordance with the Board's instructions. Pursuant to the Finnish Companies Act, the CEO is also responsible for making sure that the company's bookkeeping complies with the applicable laws and that the company's asset management is arranged appropriately.

Tero Virtala has acted as Remedy's CEO since 2016.

Remedy's CEO is the leader of the company's Core Management Team, which is a group of senior executives that assist the CEO. Together, the Core Management Team is responsible for running Remedy's business in accordance with goals set by the Board and the CEO.

In addition to the CEO, the Core Management Team comprises the company's Chief Technology Officer, Creative Director, Chief Financial Officer, Chief People Officer, Chief Commercial Officer, and Chief Operations Officer. All of them work full-time for Remedy.

Presentation of Remedy's Core Management Team Members as at Dec 31, 2022

Executive's Name	Title	Exec. Since	Education	Citizenship
Tero Virtala (b. 1974)	Chief Executive Officer	CEO since 2016	M.Sc. (Technology)	Finnish
Markus Mäki (b. 1974)	Chief Technology Officer ¹⁾	RMD employee since 1995	B.Sc. (Computer Engineering)	Finnish
Sami Järvi (b. 1970)	Creative Director	RMD employee since 1996	English, literature, and screenwriting studies	Finnish
Terhi Kauppi (b. 1971)	Chief Financial Officer	CFO since 2018	M.Sc. (Economics) LL.B.	Finnish
Mikaela Öberg (b. 1979)	Chief People Officer	CPO since 2016	MA (Education)	Finnish
Johannes Paloheimo (b. 1984)	Chief Commercial Officer	RMD employee since 2012	M.Sc. (Int. Project Management) B.Sc. (Industrial Management)	Finnish
Christopher Schmitz (b. 1972)	Chief Operations Officer	COO since 2019	MBA (International Management) M.Sc. (Business Management)	German

¹⁾ As at 31 December 2022, Markus Mäki's title was Chief Technology Officer. As at the publication of this statement, his title is Chief Product Officer and Chief Technology Officer.

4. Shares and Options held by Board, CEO and Core Management Team

As at December 31, 2022, Remedy's Board members held shares and other share-based instruments in the company as follows:

Board Member	Shares as at Dec 31, 2022	Options as at Dec 31, 2022
Markus Mäki	3,197,000	0
Christian Fredrikson	101,500	0
Jussi Laakkonen	0	0
Kaisa Salakka	1,150	0
Sonja Ängeslevä	0	0
Henri Österlund ¹⁾	46,139	0

¹⁾ Henri Österlund's direct Remedy shareholding. Henri Österlund is also the founder of Accendo Capital SICAV-RAIF. As at Dec 31, 2022 Accendo Capital SICAV-RAIF's shareholding in Remedy was 2,063,162 shares.

As at December 31, 2022, Remedy's CEO and Core Management Team held shares and other share-based instruments in the company as follows:

Executive	Shares as at Dec 31, 2022	Options as at Dec 31, 2022
Tero Virtala	300,000	57,000
Markus Mäki	3,197,000	0
Sami Järvi	560,000	21,000
Terhi Kauppi	8,000	24,000
Mikaela Öberg	8,000	31,000
Johannes Paloheimo	103,000	39,000
Christopher Schmitz	0	27,000

5. Internal Control, Risk Management and Other Control Procedures

Remedy's Internal Control Framework

Remedy has a written Internal Control Framework that sets out the company's internal control principles and processes. The overarching goal of Remedy's internal control framework is to support the company's Board and management in achieving their strategic objectives by managing risks that could prevent the company from achieving those objectives.

Remedy's internal control framework comprises four main processes:

Process	Description
1. Financial Reporting Reliability Processes	Objective is to assure that the company's financial reporting is accurate and reliable.
2. Risk Management Processes	Objective is to identify, assess and mitigate the company's key risks. See "Remedy's Risk Management" below.
3. Control Mechanisms	Objective is to prevent fraud, financial abuse, and information leaks, among other things.
4. Compliance Processes	Objective is to ensure that the company complies with applicable laws and regulations.

On top of these processes, Remedy's Finance Function organizes an annual internal control meeting. In this meeting, the company's internal control stakeholders discuss whether its internal control and risk management processes have been effective during the preceding year, whether any irregularities have been identified and whether the company's Internal Control Framework should be updated. If meeting participants come across significant findings, these are reported to the Board as soon as possible after the meeting.

In 2022, the focus of Remedy's internal control work was on documenting the company's existing internal control processes and compiling them into a single policy in connection with the company's transfer to Nasdaq Helsinki's official list, which took place on May 4, 2022. The company's annual internal control meeting was held in November 2022.

Remedy's Risk Management

Remedy has a written Risk Management Policy that sets out the company's risk management principles and processes. Risk management is embedded into Remedy's operations through five sub-processes, which are summarized below:

Sub-process	Process Description
1. General Risk Management	The general risk management process is conducted once a year. It provides the company with a comprehensive bird's eye view of Remedy's key strategic, operative, and financial risks.
2. Operative Risk Management	The company's operative or day-to-day risk management processes aim to ensure that Remedy's games are developed within agreed parameters such as budget, timing, and quality.
3. Strategic Deal Risk Management	This process aims to ensure that Remedy's strategic deals are negotiated by an experienced deal team that assesses deal terms and risks with due care.
4. Financial Risk Management	According to this process, Remedy's finance function manages the company's financial risks.
5. Board Supervision	Remedy's Board is ultimately responsible for ensuring that the company's risk management systems are effective. The Board does this primarily through the company's CEO who reports to the Board.

In 2022, the focus of Remedy's risk work was on documenting the company's existing risk management processes and compiling them into a single policy in connection with the company's transfer to Nasdaq Helsinki's official list, which took place on May 4, 2022. Remedy's general risk management process was conducted during the second and third quarter of 2022.

Remedy's Internal Audit

Remedy does not have a separate internal audit function. Remedy's management has assessed that such a function would not be the most appropriate way to arrange the company's internal audit work given the company's relatively simple group and organization structure.

At Remedy, internal audit work is carried out primarily through the annual internal control meeting described above under "*Remedy's Internal Control Framework*". Additionally, the scope of work of the Core Management Team, the Legal Department, the Finance Function, and the HR Department covers internal audit tasks. Remedy regularly assesses whether a separate internal audit function would benefit the company.

Related-Party Transactions

Remedy has a written Related Party Transactions Policy that sets out the company's related party transaction principles and processes. The purpose of these processes is to ensure that related party transactions are appropriately identified, monitored, and evaluated.

Remedy's Related Party Transactions Policy makes a distinction between two types of related party transactions: related party transactions that (i) are in Remedy's ordinary course of business and that (ii) are not in Remedy's ordinary course of business.

Transactions that are outside of Remedy's ordinary course of business are identified, monitored, and evaluated through various processes, such as maintaining a list of related parties and having screening and approval processes in place for unusual transactions.

For information about Remedy's related-party transactions during the year 2022, please see the company's Financial Statements 2022.

6. Remedy's Insider Administration

Overview

In its insider administration, Remedy complies with applicable laws and regulations, which include the Finnish Securities Markets Act and the Finnish Criminal Code as well as Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse (the "MAR").

On top of this, Remedy's has a written Insider Policy, which is based on the Guidelines for Insiders of Listed Companies issued by Nasdaq Helsinki. The following texts are a summary of Remedy's insider administration processes described in its Insider Policy.

Insiders And Insider Registers

Pursuant to the MAR, Remedy has an obligation to prepare and maintain a list of all persons who have access to inside information. Remedy has decided to establish a permanent insider register and, therefore, its insiders can be divided into two groups: permanent insiders and project-specific insiders.

Permanent insiders are persons who have permanent access to all inside information pertaining to the company. These persons, who have been entered into Remedy's permanent insider register, are the company's (i) ordinary and deputy Board members, (ii) the CEO, (iii) the Chief Financial Officer and (iv) the Chief Commercial Officer.

Additionally, if an insider project is established within the company, Remedy also has an obligation to establish a project-specific insider register for the project in question. Project-specific insiders include persons who work for the company under an employment contract or any other agreement and have access to inside information about the specific project.

Closed Window and Trading Restrictions

Remedy's permanent insiders cannot trade or directly or indirectly execute transactions relating to the company's financial instruments for their own account or for the account of a third party during a period that begins 30 days before the publication of each financial statement bulletin, half-year report, and business review and ends upon the publication of such bulletin, report, or review (the "Closed Window").

Additionally, Remedy has extended the Closed Window to apply to (i) the company's Core Management Team in its entirety, (ii) persons in the company's financial administration who participate in the preparation of reports that are in the scope of the company's regular disclosure obligation and (iii) the company's Communications Director. Remedy maintains a list of all persons who are in the scope of the Closed Window.

Managers' Transactions

Pursuant to the MAR, Remedy's managers and persons closely associated with them must notify to the company and the Finnish Financial Supervisory Authority every transaction that these persons conduct with the company's financial instruments. Remedy's managers comprise the company's Board of Directors, the CEO, the Core Management Team, and their closely associated persons.

Pursuant to the MAR, Remedy must publish transactions that its managers and their closely associated persons have conducted with Remedy's financial instruments without delay and no later than two (2) business days after having received a notification from a manager.

Governance and Supervision

Remedy's Inside Information Manager oversees that Remedy is compliant with its Insider Policy. The Inside Information Manager is also responsible for managing insider registers, and the CEO acts as his deputy. Additionally, the Inside Information Manager ensures that the insider registers are reviewed annually.

7. Auditor Information

Remedy's AGM 2022, held on April 13, 2022, re-elected KPMG Oy Ab as Remedy's auditor with APA Petri Sammalisto acting as the auditor with the principal responsibility.

In 2022, Remedy paid KPMG Oy Ab approx. EUR 102,483 for audit services and approx. EUR 10,155 for non-audit services.



REMEDY[®]

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