



REMEDY
ENTERTAINMENT PLC

CORPORATE
GOVERNANCE
STATEMENT
2023

REMEDY ENTERTAINMENT PLC: CORPORATE GOVERNANCE STATEMENT 2023

This is Remedy Entertainment Plc's ("**Remedy**" or the "**company**") corporate governance statement for the financial year 2023.

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/en.

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/governance/corporate-governance/.

Remedy's Annual Report and Financial Statements 2023, which includes the Board of Directors' Report, is available at investors.remedygames.com/financial-reports/.

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 of the end of the company's financial year on a date determined by Remedy's Board.

The following matters need to 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 financial statements.
4. Decision on measures to which the profit or loss on the adopted balance sheet give rise.
5. Decision on the discharge of liability for Board members and the CEO.
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 2023

Remedy's Annual General Meeting 2023 ("AGM 2023") was held at the company's studio in Espoo, Finland, on April 13, 2023.

All decisions were made as proposed to the meeting. Further information about Remedy's AGM 2023 can be found at investors.remedygames.com/annual-general-meeting-2023/.

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 Team 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.
Risks	10.	Monitor the auditor’s performance and independence.
	11.	Ensure that Remedy’s internal control and risk management systems are organized and effective.
	12.	Ensure that Remedy has an appropriate compliance function.
Remuneration	13.	Establish principles for monitoring related party transactions and preventing conflicts of interest and monitor and assess related party transactions.
	14.	Approve the CEO’s contracts.
	15.	Approve the main principles of Remedy’s incentive systems.
Corporate Governance	16.	Review Remedy’s remuneration policy and remuneration report and submit them to the AGM.
	17.	Review and approve Remedy’s key corporate policies and instructions.
	18.	Convene general meetings and make proposals to them.
Operatiivinen Operations	19.	Approve the annual plan (and other major plans).
	20.	Review and approve major corporate transactions and business decisions whose value exceeds the CEO’s approval rights in accordance with Remedy’s Signing Authorities Matrix.

Board Composition in 2023

Remedy’s AGM 2023 re-elected Markus Mäki, Jussi Laakkonen, Henri Österlund, Kaisa Salakka and Sonja Ängeslevä to the Board. Former Board member Christian Fredrikson was no longer available for re-election. After the meeting, the Board elected Markus Mäki to continue as Board Chairman.

Presentation of Remedy’s Board Members as at Dec 31, 2023

Director Name	Board Member Since	Main Occupation	Education	Citizenship
Markus Mäki (b. 1974)	1995	Remedy Chair and CPO	B.Sc. (Computer Engineering)	Finnish
Jussi Laakkonen (b. 1975)	2017	CEO and founder of Noice	M.Sc. (Computer Science)	Finnish
Kaisa Salakka (b. 1979)	2022	VP, Product at Wolt	M.Sc. (Economics)	Finnish
Sonja Ängeslevä (b. 1974)	2022	CEO and co-founder of Phantom Gamelabs	M.Sc. (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 2023, Remedy’s Board held 14 meetings, of which four were per capsulam meetings. These meetings were attended by Board members as follows:

Board Member	Meeting Attendance in 2023	Attendance Percentage
Markus Mäki	14 / 14	100%
Christian Fredrikson ¹⁾	5 / 5	100%
Jussi Laakkonen	14 / 14	100%
Kaisa Salakka	14 / 14	100%
Sonja Ängeslevä	14 / 14	100%
Henri Österlund	14 / 14	100%

¹⁾ Christian Fredrikson’s term ended on April 13, 2023.

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 the following matters:

Matter	Description
1. Competence	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: • Excellent video game industry knowledge. • 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	Both genders should be represented in the Board.

In terms of gender, the current Board composition comprises three 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 on the assessment criteria, please see pages 27–29 of the Code.

The Board has assessed that Jussi Laakkonen, Kaisa Salakka and Sonja Ängeslevä are independent of Remedy and its major shareholders. Henri Österlund is independent of Remedy, but not of its major shareholder Accendo Capital SICAV-RAIF. Markus Mäki is considered non-independent of Remedy and its major shareholder because he acts as Remedy’s Chief Product 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 (three out of five) are independent of both 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 is compliant with 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 Product Officer, Creative Director, Chief Financial Officer, Chief Commercial Officer, Chief Operations Officer and Chief Technology Officer. All of them work full-time for Remedy.

Presentation of Remedy’s Core Management Team Members as at Dec 31, 2023

Executive Name	Title	Executive or Employee Since	Education	Citizenship
Tero Virtala (b. 1974)	Chief Executive Officer	CEO since 2016	M.Sc. (Physics)	Finnish
Markus Mäki (b. 1974)	Chief Product Officer	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) B.Sc. (Law)	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 Operating Officer	COO since 2019	MBA (Management) M.Sc. (Economics)	German
Mika Vehkala (b. 1978)	Chief Technology Officer	CTO since 2023	Computer science studies	Finnish

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

As at December 31, 2023, Remedy’s Board members held shares and other share-based instruments in the company as follows:

Board Member	Shares as at Dec 31, 2023	Options as at Dec 31, 2023
Markus Mäki	3,197,000	0
Jussi Laakkonen	0	0
Kaisa Salakka	1,900	0
Sonja Ängeslevä	1,482	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, 2023, Accendo Capital SICAV-RAIF’s shareholding in Remedy was 2,063,162 shares.

As at December 31, 2023, Remedy’s CEO and Core Management Team members held shares and other share-based instruments in the company as follows:

Executive	Shares as at Dec 31, 2023	Options as at Dec 31, 2023
Tero Virtala	300,000	57,000
Markus Mäki	3,197,000	0
Sami Järvi	560,000	28,000
Terhi Kauppi	8,000	31,000
Johannes Paloheimo	103,000	47,000
Christopher Schmitz	0	32,000
Mika Vehkala	0	28,500

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	Process Objective
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, then these are reported to the Board as soon as possible after the meeting. The annual internal control meeting was held in October 2023.

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 subprocesses, which are summarized below:

Subprocess	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	Remedy’s finance function manages the company’s financial risks according to this process.
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.

Remedy’s general risk management process was conducted during the third and fourth quarter of 2023.

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 organizational 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 conducted in Remedy’s ordinary course of business and that (ii) are not conducted in Remedy’s ordinary course of business.

Transactions that are outside 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 more information about Remedy’s related party transactions during the year 2023, please see the company’s Financial Statements 2023.

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 the European Council on market abuse (the “**MAR**”).

On top of this, Remedy 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-yearly 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 report 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 the 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 complies 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 permanent insider register is reviewed annually.

7. Auditor Information

Remedy's AGM 2023, held on April 13, 2023, re-elected KPMG Oy Ab as Remedy's auditor with APA Petri Sammalisto acting as the auditor with the principal responsibility.

In 2023, Remedy paid KPMG Oy Ab approx. EUR 82,000 for audit services and approx. EUR 22,000 for non-audit services.



Remedy Entertainment Plc

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