



REMEDY 



2022
REMUNERATION
REPORT

Remedy Entertainment Plc: Remuneration Report for the financial year 2022

1. Introduction

This is Remedy Entertainment Plc's (the "**Company**") Remuneration Report, which includes information on the remuneration paid to the Company's Board of Directors and Chief Executive Officer (the "**CEO**") during the financial year 2022.

This Remuneration Report will be presented to the Company's Annual General Meeting 2023, which will resolve on the approval of this Remuneration Report. The Annual General Meeting's resolution is an advisory decision.

The remuneration paid to the Board of Directors and CEO, as presented in this Remuneration Report, is based on the Company's Remuneration Policy approved by the Board of Directors. The Remuneration Policy will be on the Annual General Meeting's agenda for the first time in the Annual General Meeting 2023. The Company's Remuneration Policy aims to promote the achievement of the Company's strategic objectives and creation of shareholder value as well as to improve the Company's competitiveness and longterm financial performance.

The Company's Remuneration Policy and this Remuneration Report are available at the Company website at investors.remedygames.com/remuneration/.

2. Development of the Board's and CEO's Remuneration

The tables below present how the remuneration of the Board of Directors and CEO has developed compared to the Company's employees' average salary and to the Company's financial performance in the five preceding financial years.

Paid salaries and fees 2022–2018

EUR	2022	2021	2020	2019	2018
Chairman of the Board of Directors (salaries and fees paid for Board work)¹⁾	0	48,000	36,000	36,000	36,000
Chairman of the Board of Directors (salaries and fees paid based on employment contract)	97,744	101,040	98,240	94,740	94,740
Member of the Board of Directors²⁾	20,000	35,200	26,400	26,400	26,400
CEO	282,740	764,935	195,500	188,500	184,000
Average salary of a Remedy employee³⁾	72,047	66,488	65,213	61,876	56,226

¹⁾ Fee paid for the duties of the Chairman of the Board (in line with the Annual General Meeting's resolution). The Chairman of the Board of Directors did not draw any fees for Board work in 2022.

²⁾ Calculated by dividing the annual fees for Board work with the average number of Board members.

³⁾ Calculated by dividing the total sum of salaries and fees for the financial year (excluding the CEO) with the average number of personnel during the year.

The Company's financial performance 2022–2018

EUR	2022 ¹⁾	2021 ¹⁾	2020 ¹⁾	2019 ²⁾	2018 ²⁾
Revenue	43.6	44.7	41.1	31.6	20.1
Operating profit (EBIT)	-0.6	11.4	7.2	6.5	0.6

¹⁾ Figures for 2020–2022 presented in accordance with International Financial Reporting Standards (IFRS).

²⁾ Figures for 2018–2019 presented in accordance with Finnish Accounting Standards (FAS).

3. Remuneration paid to the Board of Directors during financial year 2022

The Company's Annual General Meeting, held on April 13, 2022, resolved that the members to be elected to the Board of Directors will be paid the following fees for their term of office:

- The Chairman of the Board of Directors is paid EUR 4,500 per month.
- Other members are paid EUR 3,000 per month.

Possible travel expenses are reimbursed in accordance with the principles of the Finnish Tax Administration concerning tax-exempt travel expenses.

The fees paid to Board members during the financial year 2022 were in line with the Annual General Meeting's resolution. The fees paid are presented in the following table:

Board member	Board Remuneration paid in the financial year 2022 (EUR)
Markus Mäki (Chairman)	0 ⁴⁾
Christian Fredrikson	36,000
Jussi Laakkonen	24,000 ⁴⁾
Ossi Pohjola¹⁾	12,000
Kaisa Salakka²⁾	24,000
Sonja Ängeslevä³⁾	24,000
Henri Österlund	0 ⁴⁾
Total	120,000

¹⁾ Board member until April 13, 2022

²⁾ Board member from April 13, 2022

³⁾ Board member from May 2, 2022

⁴⁾ Markus Mäki, Jussi Laakkonen, and Henri Österlund have waived their Board remuneration in 2022.

Board members do not participate in the Company's share-based incentive schemes, and they were not granted Company shares as fees in the financial year 2022.

In addition to serving as the Chairman of the Board of Directors, Markus Mäki served as the company's Chief Technology Officer in 2022. The salary that Markus Mäki received from this position is not included in the Board remuneration presented in this Section. These fees are instead presented below in Section 6.

4. Remuneration paid to the CEO during the financial year 2022

The Company's CEO's remuneration comprises a fixed salary as well as short and long-term incentive programs. In the financial year 2022, the total remuneration paid to the Company's CEO Tero Virtala amounted to EUR 282,740. Out of this remuneration, 73% was fixed salary and 27% variable remuneration. The table below presents the salaries and fees paid to the CEO in the financial year 2022:

Paid salaries and fees in 2022 (EUR)	
Basic salary¹⁾	207,740
Short-term incentive bonuses²⁾	75,000
Long-term incentive rewards³⁾	Tero Virtala was awarded 15,000 option rights from the Option Plan 2022
Paid salaries and fees in total	282,740

The short-term incentive bonus was paid to Tero Virtala based on the achievement of financial targets set by the Board of Directors that related to the Company's operating profit. In the financial year 2022, no supplementary pension benefits were paid to Tero Virtala.

¹⁾ The fixed salary comprises monthly basic salary including taxable benefits.

²⁾ The CEO's short-term incentive is a cash-based bonus program based on which a potential bonus is paid to the CEO once a year. Earned in 2021 and paid in 2022. At the time of publication of this Remuneration Report, the size of the short-term incentive bonus earned in 2022 and to be paid in 2023 was not yet determined.

³⁾ The Company's long-term incentive programs comprise option plans for the Company's key personnel, including the CEO. For further information on the Company's option plans, see "Further information on the CEO's option rights" below.

5. Further information on the CEO's option rights

During the financial year 2022, the Board of Directors granted Tero Virtala 15,000 option rights without payment from the Option Plan 2022. These were granted based on the achievement of financial, operational and strategic targets set by the Board of Directors¹⁾. When making the evaluation The Board of Directors has considered the performance of Tero Virtala during the evaluation period and how he has supported the Company's success the past year as well as strengthened the foundation for the future success. Pursuant to the terms of the Option Plan 2022, the subscription period with option rights 2022 begins on June 1, 2025, and the subscription price is EUR 26.64 per share.

On December 31, 2022, the Company had five active option plans for its key personnel, including the CEO. By December 31, 2022, Tero Virtala had been granted options from these option plans as follows:

Option Plan	Number of allocated option rights	Number of unexercised option rights on December 31, 2022
Option Plan 2018	15,000	0
Option Plan 2019	20,000	20,000
Option Plan 2020	10,000	10,000
Option Plan 2021	12,000	12,000
Option Plan 2022	15,000	15,000

¹⁾ The Company's Board of Directors resolved on September 20, 2022 to launch the Option Plan 2022 for the Company's key persons based on an authorization granted by the Annual General Meeting held on April 13, 2022.

The subscription periods and subscription prices of the Company's option plans are presented in the table below:

Option Plan	Share subscription period	Share subscription price (EUR)
Option Plan 2018	June 1, 2021 – May 31, 2024	7.02
Option Plan 2019	June 1, 2022 – May 31, 2025	9.23
Option Plan 2020	June 1, 2023 – May 31, 2026	22.21
Option Plan 2021	June 1, 2024 – May 31, 2027	47.09
Option Plan 2022	June 1, 2025 – May 31, 2028	26.64

During the financial year 2022, Tero Virtala did not exercise or sell any options held by him.

6. Remuneration paid to the Chairman of the Board of Directors during the financial year 2022, salaries and fees paid based on employment

In addition to serving as the Chairman of the Board of Directors, Markus Mäki served as the company's Chief Technology Officer in 2022. Markus Mäki's remuneration as Chief Technology Officer consisted of a fixed basic salary. In 2022, Markus Mäki did not participate in the Company's short or long-term incentive programs. The total remuneration paid to Markus Mäki based on his employment was EUR 97,744. The table below presents the salaries and fees paid to Markus Mäki based on his employment in the financial year 2022:

Paid salaries and fees in 2022 (EUR)	
Basic salary¹⁾	97,744
Short-term incentive bonuses²⁾	In 2022, Markus Mäki did not participate in the Company's short-term incentive programs.
Long-term incentive rewards³⁾	In 2022, Markus Mäki did not participate in the Company's long-term incentive programs.
Paid salaries and fees in total	97,744

¹⁾ The fixed salary comprises a monthly basic salary including taxable benefits.

²⁾ The Company's short-term incentive is a cash-based bonus program.

³⁾ The Company's long-term incentive programs comprise option plans for the Company's key personnel.

In the financial year 2022, no supplementary pension benefits were paid to Markus Mäki.



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