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Embracer Group is a global Group of creative and entrepreneurial businesses in PC, console, mobile and board games and other related media. The Group has an extensive catalog of over 850 owned or controlled franchises. With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its twelve operative groups: THQ Nordic, PLAION, Coffee Stain, Amplifier Game Invest, Saber Interactive, DECA Games, Gearbox Entertainment, Easybrain, Asmodee, Dark Horse, Freemod and Crystal Dynamics – Eidos. The Group has 138 internal game development studios and is engaging more than 16,600 employees in more than 40 countries.



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LETTER FROM THE CHAIR OF THE BOARD

OUR FOUNDATION REMAINS STRONG

It's been a year of extraordinary events and unexpected turns – on global issues broadly, but also for Embracer. We advanced our position in many respects, but also had to navigate the most challenging period in the history of the company, affecting both our financial result for the year that ended March 31, 2023, and our forecast for 2023/2024. We fully understand the concerns raised following events in recent months, and are more committed than ever to make sure that we truly maximize the potential across our large ecosystem of entrepreneurially driven businesses.

There are many reasons for me and the Board to be confident in our ability to rebuild trust, as we execute on our strategy and focus ardently on delivering value to our shareholders, over time.

What we have built in the past few years is quite exceptional. This foundation has not changed. Embracer has one of the industry's most recognized and diverse portfolios of IPs. We have deep in-house capabilities in game development and publishing, spanning segments, genres, and formats. The combined collective value of these assets has not yet fully materialized; we are only beginning to identify substantial opportunities for cross-fertilization within the Group. Moreover, this past year, we formed the new operative groups Freemode and Crystal Dynamics-Eidos Montréal, and acquired many exciting new IPs, including Lord of the Rings, Tomb Raider, and Deus Ex, further bolstering both scale and quality of our ecosystem. Additionally, we raised proceeds of about SEK 10.3 billion as we welcomed Savvy Games Group as a new shareholder, underpinning the strength and attractiveness of our capabilities and portfolio.

With our people-first mindset, we know that our success ultimately comes down to the hard work and creativity of the thousands of people in our studios and businesses. This is another reason to remain confident about the future. We maintain our position as a home for the industry's most talented entrepreneurs and creators. In this year of turbulence, it has been inspiring to see the level of leadership throughout the organization, and the sense of shared commitment to the joint progress across the Group. The strong entrepreneurial drive that characterizes our group of businesses will be an important factor as we act swiftly to increase operative efficiency, predictability, cost control, and optimization.

DELIVERING ON GOVERNANCE TO SUPPORT GROWTH

When I addressed you a year ago, in my most recent annual letter, the Board was fully engaged in reviewing and refining our governance and reporting, to adequately prepare for Embracer's uplisting to Nasdaq Stockholm. On December 22, 2022, we successfully completed this major transition, as Embracer's B-shares began trading

on Nasdaq Stockholm. This was a pivotal moment in the history of our company and the result of a thorough process to establish a robust framework that will benefit the company for the foreseeable future. Thousands of controls were conducted, several extensive external reviews and checks completed, and perhaps most notably, it was one of the largest conversions to IFRS in Swedish corporate history. We have since then continued this path, by constantly striving to refine and improve in governance and sustainability to meet the high standards of a large multinational company. Our upgraded ESG rating by MSCI is testament to those efforts. The Board and I are encouraged to see the progress made and the solid foundation we have built in these past twelve months. As a company with operations spanning across more than 40 countries, and with more than 16,000 employees, our governance and sustainability framework is a key enabler of our success.

EXPLORING OPTIONS TO MAXIMIZE VALUE

Our decentralized operating model, built around operative groups and studios, led by entrepreneurs with successful track records, remains at the core of how we operate. What we have seen this past year, and this is a key focus for the Board, is that the maturity of Embracer Group is increasingly sparking intra-Group collaborations. These are happening organically in a more dynamic way, as attractive business prospects present themselves across the Embracer family. In parallel, the Board and management have taken measures to actively identify areas and opportunities where we can bring together the vast resources and deep IP catalog across several operative groups.

This is decentralization at its best; each group and studio delivering outstanding games, independently, but with the potential to draw on resources and assets from other parts of the Group, entirely on a commercially driven basis. Clearly, our ability to leverage this combined force will be a determining factor for our success, and one that can increase both our competitiveness and attractiveness as a partner.

During the year, the Board initiated a special review to secure long-term value creation for all businesses



within Embracer Group. The Board has during this period explored various options, with a focus on increased efficiency and synergies across the Group. As a result of this process, significant untapped potential has been identified across the Group's ecosystem that will now be realized. The Board will continue to closely monitor market conditions to ensure swift responses to any changes in the environment.

THE CONTINUED STRENGTH OF EMBRACER'S MODEL

In light of the past year's results, and events in recent months, the Board's focus and responsibility is to ensure that the Group can perform in all parts. As announced after the end of the fiscal year, on June 13, we are now implementing a comprehensive restructuring program that will enable us to generate growth in profitability with less business risk and with higher margins in the PC/ Console segment over the coming years.

We need to better leverage our scale, the quality of our portfolio and our capabilities to become a stronger, more efficient company.

In parallel, we will advance our focus on strategically important areas, such as transmedia, which allows us to draw on our vast IP portfolio for game adaptations into and from other media. This is a natural evolution of our business model and will truly enhance the unique value of our diverse portfolio and assets. The Board and I have strong confidence in our ability to ultimately deliver lasting value to shareholders, creators, entrepreneurs, and gamers worldwide.

*Kicki Wallje-Lund
Chair of the Board*

CORPORATE GOVERNANCE REPORT 2022/23

CORPORATE GOVERNANCE

Embracer Group is a Swedish public limited liability company. On December 22, 2022, Embracer Group completed the change of listing venue from Nasdaq Stockholm First North to Nasdaq Stockholm Main Market. Embracer Group’s Corporate Governance is based on Swedish law, Embracer Group’s articles of association, internal rules and instructions, Nasdaq Stockholm’s Rulebook for Issuers and other applicable laws and regulations. Following the change of listing venue to Nasdaq Stockholm’s Main Market during the financial year, Embracer Group now also applies the Swedish Corporate Governance Code.

CORPORATE GOVERNANCE AT EMBRACER GROUP

Corporate governance is a system of rules, practices and processes by which Embracer Group is operated and controlled. It provides the framework for sound Corporate Governance, responsible business practice and attaining the Company’s objectives and creating value in the Group. Well-functioning Corporate Governance principles assure shareholders and other stakeholders that the activities of Embracer Group are characterized by reliability, management and control, openness, clarity and good business ethics.

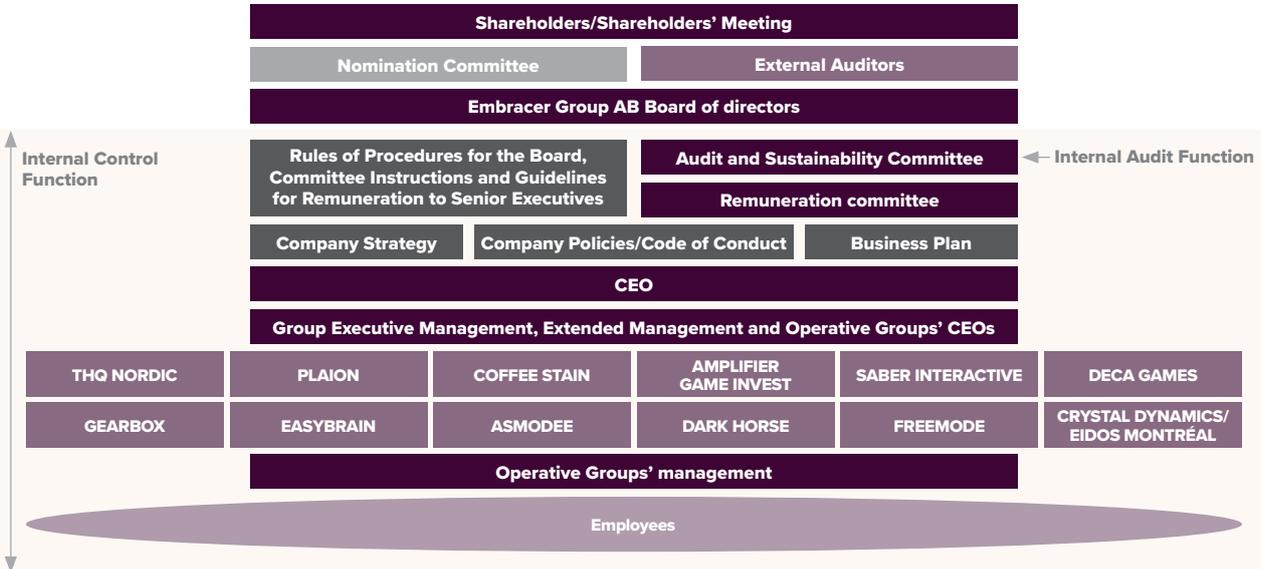
The Board of Directors (the “Board”) of Embracer Group is responsible for the Company’s organization and the management of its business worldwide and is obliged to follow directives provided by the shareholders meeting. The Board may appoint committees with specific areas of responsibility and furthermore authorize such committees to decide on specific matters in accordance with instructions established by the Board. Currently, the Board has established two committees within the Board, the Audit and Sustainability Committee and the Remuneration Committee.

The Chair of the Board directs the work of the Board and monitors the Board’s fulfilment of its obligations. The Board annually adopts procedures and instructions for the work of the Board, which set out the principles for work of the Board and its established committees. The CEO of Embracer Group is appointed by the Board to handle the Group’s day-to-day management and to lead the Group Executive Management Team, which also includes the Group CFO & Deputy CEO, the Chief of Staff, Legal & Governance, the Chief Strategic Partnerships Officer, interim Chief Operating Officer and interim Chief Strategy Officer.

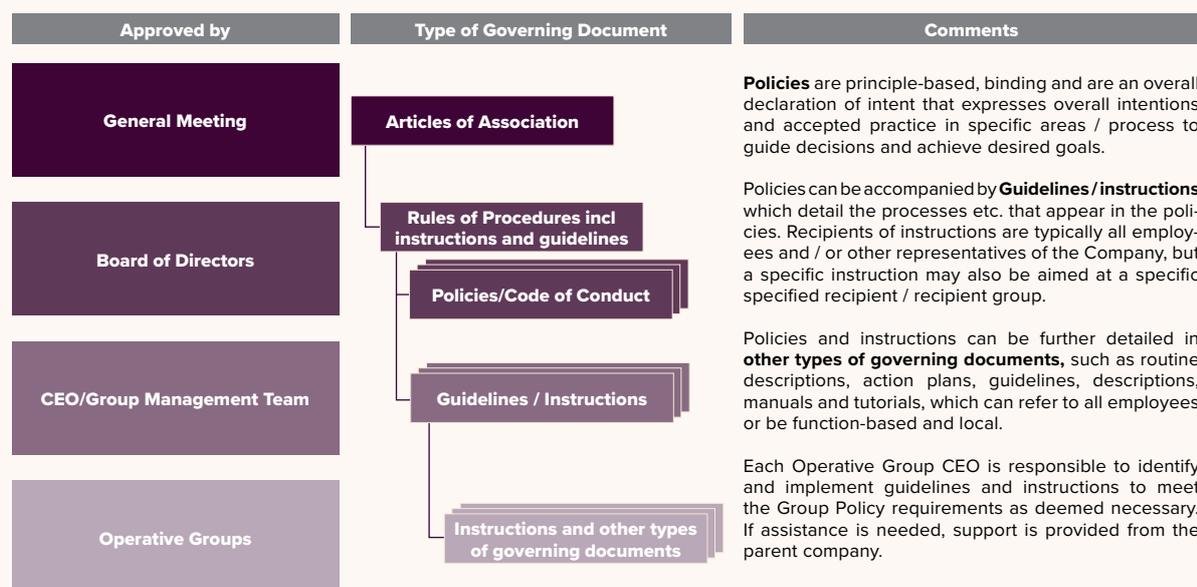
The Extended Management Team consists of functions such as the Group Finance Function, Group Legal, Governance and Compliance Function, Group M&A Function, Sustainability Function and other functions implemented to manage Embracer Group.

The Group CFO & Deputy CEO is responsible for leading the Extended Management Team. The Chief of Staff, Legal & Governance is responsible for managing and handling the forums where the operative group CEOs and the Extended Management Team meet. The Chief of

GOVERNANCE MODEL



GOVERNANCE FRAMEWORK



Staff, Legal & Governance is also responsible for assisting the CEO in bridging the relationship between the operative group CEOs and the Extended Management Team.

Embracer Group has twelve operative group CEOs. The operative group CEOs Forum consist of twelve CEOs who each head up one of the operative groups plus the Group CEO, Group CFO & Deputy CEO, Chief of Staff, Legal & Governance, Chief Strategic Partnerships Officer, interim Chief Operating Officer and interim Chief Strategy Officer.

Within Embracer Group's decentralized business model the operative group CEOs are responsible for the day-to-day management of the operative groups, with support from the Group Executive Management Team and the Extended Management Team. While the business model is decentralized the governance model is implemented from parent company level to ensure a coherent model that aims to implement Embracer Group's values and governance, including financial reporting and internal control.

An integral part of Embracer Group's governance model is the governance framework adopted for policies, guidelines and instructions which is briefly described in the chart above. Currently Embracer Group has 16 Group policies in use:

- > Anti-Corruption Policy
- > Code of Conduct
- > Corporate governance policy
- > Delegation of Authority
- > Enterprise Risk Management and Internal Control Policy
- > HR Policy
- > Information Policy
- > Information Security Policy

- > Insider Policy
- > IT policy
- > Privacy Policy
- > Related Party Transaction Policy
- > Supplier Code of Conduct
- > Tax Policy
- > Trade Compliance Policy
- > Treasury Policy

In addition, Embracer Group's internal guidelines and instructions provide support and guidance in the integration of our Group policies. At present date Embracer Group has 12 Group guidelines and instructions:

- > Authorization Instruction
- > Business Continuity Plan
- > Employee Handbook
- > Enterprise Risk Management and Internal Control Guideline
- > Financial Manual
- > Insider Q&A
- > M&A Onboarding and Integration
- > M&A Process Instruction
- > Password Guidelines
- > Reporting Manual
- > Smarter Business Framework
- > Whistleblowing Guidelines

General Meeting of shareholders

Pursuant to the Swedish Companies Act (2005:551), the shareholders' meeting is the Embracer Group's highest decision-making body. At a shareholders' meeting,

shareholders exercise their voting rights on key issues such as the adoption of income statements and balance sheets, appropriation of Embracer Group's profit, discharge from liability of Board members and the CEO, and election of the Board and external auditors, and amendments to the articles of association. Embracer Group does not apply any special arrangements to the function of the shareholder meeting, either based on the provisions of the articles of association or any shareholders' agreements known to the Company. The annual general meeting ("AGM") is held within six months after the end of the financial year. In addition to the AGM, extraordinary general meetings may be convened when required.

Notice of the AGM, as well as an extraordinary general meeting ("EGM") at which the matter of amendment to the articles of association is to be addressed, shall be issued not earlier than six weeks and not later than four weeks prior to the general meeting. Notices of other EGMs shall be issued not earlier than six weeks and not later than three weeks prior to the EGM. In accordance with Embracer Group's articles of association, notices of AGMs and EGMs are made by an announcement in the Post- och Inrikes Tidningar (the Swedish Official Gazette) and by making the notice available on Embracer Group's website. Simultaneously, an announcement with information that the notice has been issued is to be published in Svenska Dagbladet. Documents related to proposals, proxy voting, postal voting and the minutes recorded at a general meeting are published on the website. The AGM 2023 will take place on September 21, 2023.

Right to attend shareholders' meetings

All shareholders who are directly registered in the share register maintained by Euroclear Sweden AB six banking days prior to the shareholders' meeting (record date) and who have notified Embracer Group of their intention to participate (with potential assistants) at the shareholders' meeting no later than the date stated in the notice have the right to attend the shareholders' meeting and vote for the number of shares they hold. In addition to notifying Embracer Group, shareholders whose shares are nominee registered through a bank or other nominee must request that their shares are temporarily registered in their own names in the register of shareholders maintained by Euroclear Sweden AB, in order to be entitled to participate in the general meeting. Shareholders should inform their nominees well in advance of the record date. Voting registrations made by nominees not later than four banking days prior to the general meeting will be taken into account. Shareholders may attend the shareholder meeting in person or by proxy and may also be accompanied by a maximum of two assistants. Shareholders can normally register for the shareholders' meeting in several different ways stated in the notice.

Shareholder initiatives

Any shareholder of Embracer Group who wishes to have a matter dealt with at a general meeting must submit a written request to the Board to that effect. The matter will be dealt with at a general meeting if the request has been received by Embracer Group no later than seven weeks prior to the general meeting, or after such date, if it still is in due time for the matter to be included in the notice of the general meeting.

Authorization to issue shares

The AGM 2022 authorized the Board, on one or more occasions for the period before the next AGM, by applying or disapplying shareholders' preferential rights, to decide to issue new shares in the Company, although, not more than 10 percent of the total number of shares in Embracer Group on the date of the AGM. As of the date of this annual report the Board has issued 18,588,236 of B shares under the authorization. Thus, 105,477,157 B shares may be issued pursuant to the authorization.

The share and shareholders

Embracer Group's B shares are traded at the regulated market Nasdaq Stockholm. Information about Embracer shares and major shareholders is provided on pages 96-101 of the annual report 2022/23. Lars Wingefors AB and S3D Media Inc, directly or indirectly, hold shares that represent one tenth or more of the votes for all shares in the Embracer Group.

Embracer Group does not hold any own shares.

Nomination Committee

The AGM 2022 adopted principles for appointment of a Nomination Committee, including the tasks of the Nomination Committee and the procedure for appointing its members. The principles that apply until the general meeting resolves otherwise, state that, the Nomination Committee, comprises each of the Embracer Group's five largest shareholders in terms of votes on the last business day of November 2022. The chair of the board shall convene the first meeting of the Nomination Committee and shall also be an adjunct to the Nomination Committee.

The Nomination Committee's proposal for the Board of Directors and Auditor will be presented no later than in connection with the publication of the notice to the AGM.

Board of Directors

The Board is the highest decision-making body after the shareholders' meeting and is ultimately responsible for Embracer Group's organization, administration, long-term development and strategy. In accordance with the Swedish Companies Act (2005:551) this means that the Board is responsible for establishing targets and strategies, ensuring that procedures and systems are in place for the evaluation of set targets, continuously evaluating Embracer Group's financial position and performance, and evaluating the executive management. The Board is also responsible for ensuring that the annual accounts and interim reports are prepared on time. The Board shall further ensure that Embracer Group complies with applicable laws and regulations, the Swedish Corporate Governance Code, Nasdaq Stockholm's Rulebook for Issuers, Embracer Group's articles of association and internal rules and instructions.

Composition

The Board members are elected every year at the AGM for the period until the next AGM and an EGM can also elect new board members. According to Embracer Group's articles of association, the Board must consist of at least three members and at most ten members with no deputy members. The Chair of the Board is elected by the AGM. The articles of association of Embracer Group contain no specific clauses governing the appointment or



From left to right: Matthew Karch, David Gardner, Lars Wingefors, Jacob Jonmyren, Kicki Wallje-Lund, Erik Stenberg and Cecilia Driving.

dismissal of Board members or regarding amendment of the articles of association.

The Board represents a mix of both important qualifications and valuable experiences within areas of strategic importance to Embracer Group. The Board also has a variety of geographical and cultural backgrounds, share the same mindset, has a firm commitment and a strong engagement. Embracer Group's current Board comprises Kicki Wallje-Lund, Lars Wingefors, Erik Stenberg, Jacob Jonmyren, David Gardner, Matthew Karch and Cecilia Driving as Board members, with Kicki Wallje-Lund is also elected as the Chair of the Board. The Company's seven Board members are presented in more detail under the section "Board of Directors".

The composition of the Board does not meet the requirements concerning the independence of Directors prescribed in the Swedish Corporate Governance Code, rule 4.3, which provides that no more than one director elected by the shareholders' meeting may be part of the management of the Company or of the Company's subsidiaries. Two of Embracer Group's Board members, Lars Wingefors and Matthew Karch, work operationally within the Group's management. Furthermore, Matthew Karch has announced that he will resign as director of the board at the annual general meeting 2023. Therefore, the previous deviation from the Swedish Corporate Governance Code will no longer exist as of the annual general meeting. The explanation of the current deviation is as follows:

The Group operates under a very decentralized operating model, where business and operation decisions are managed at either Group or entity level. Lars Wingefors is the founder, the largest shareholder and the CEO of Embracer Group. As such, Embracer Group is dependent on Lars Wingefors on both a strategic and overall Group level and he is instrumental for the continued success of the Group's business operations. Lars Wingefors is a very strong individual and clearly associated with Embracer Group and his competence is needed in order to get a full picture of the Company's position, strategic options, etc. Embracer Group has been growing rapidly since its inception and the markets in which the Company is present are moving rapidly. Key to Embracer Group's success story is the fact that it is founder-led, entrepreneurial and able to rapidly develop new products and features. Accordingly, it is not only critical to have Lars Wingefors as CEO but with him as Board member, the Board can better adapt Embracer Group's long- and short-term strategy and continue the successful growth journey.

Matthew Karch is the founder and was until recently CEO of Saber Interactive, one of the largest of Embracer Group's twelve operative group's, with gaming studios in multiple locations across the globe. Matthew founded Saber Interactive in 2001 after a brief career as an attorney. He has experience in game development, ranging from design and licensing to business development and has for the past 21 years served as CEO of Saber Interac-

tive, and now recently stepped down to act as interim Chief Operating Officer in Embracer Group. To manage potential conflicts of interest that may arise as a consequence of the Board of Director's composition, and until Matthew Karch steps down as director, the Board has taken appropriate measures in the Rules of Procedure for the Board of Directors as a complement to the provisions on conflicts of interest as prescribed in the Swedish Companies Act (2005:551). For additional information on Board members' independence, see page 8.

Conflicts of interest

The Board members shall inform the Chair of the Board immediately if they find themselves in a conflict of interest situation. A Board member with a conflict of interest in relation to any matter to be dealt with by the Board may not participate in the discussions or decisions regarding such matter.

Board meetings

In accordance with the Rules of Procedure for the Board, the Board is expected to hold at least five meetings per year at venues to be agreed by the Board, in addition to the inaugural meeting. The Board meets the statutory auditor at least once a year without the CEO or any other member of the Group Executive Management Team and the Extended Management Team present. The Group CFO and the Chief of Staff, Legal & Governance, who is the secretary of the Board, also attend Board meetings.

Board work and matters for the Board

The Board is responsible for the organization of Embracer Group and the management of its business worldwide. The Board continuously monitors Embracer Group's performance, evaluates Embracer Group's strategic direction and business plan as well as other aspects such as adherence to the Code of Conduct.

Sustainability is an integral part of Embracer Group's strategy and the Board and Audit and Sustainability Committee monitors Embracer Group's efforts in that area. Certain matters that have not been expressly allocated to the Board are delegated to the Board's Committees or the CEO as set out in the regulations for the work of the Board.

The Chair of the Board who is elected by the AGM and has special responsibility for the management of the

Board's work and to ensure that the Board's work is well organized and effectively implemented. The Board follows written Rules of Procedure, which are reviewed annually and adopted by the inaugural Board meeting each year or another board meeting if necessary. The Rules of Procedure outline the distribution of the Board's duties including the specific role and duties of the Chair, instructions for the division of duties between the Board and the CEO, and the reporting procedure for financial information to the Board. The Board has also adopted specific instructions for the Board Committees, which are linked to the Rules of Procedure. Certain matters that have not been expressly allocated to the Board are delegated to the Board Committees or the CEO as set out in the procedures and instructions for the work of the Board and CEO.

The Board meets according to an annual schedule that is established in advance. Besides these meetings, additional meetings can be arranged to handle questions that cannot be submitted to an ordinary meeting.

To ensure that the Board has good visibility of the Group's operations, the CEO submits a report on the business, including reporting from the operative group's at all ordinary Board meetings. At the ordinary Board meetings, the CFO also reports on the financials and governance of Embracer Group, including relevant matters relating to treasury, hedging, risk management, insurance, compliance and sustainability, as appropriate. The Chief of Staff, Legal & Governance also reports on certain matters at the ordinary Board meetings, including governance, compliance, legal matters and HR. In addition, the Board discusses specific strategic topics of relevance and the Board Committees report on their work. At each Board meeting the Board is also presented with a number of decision items for consideration and approval as set out in the Rules of Procedure for the Board. The Board is also provided with a monthly financial report including items on operations and financials and receives any additional information depending on the specific matter at hand.

Besides the Board meetings, the Chairman of the Board and the CEO continuously discuss the management of Embracer Group.

Evaluation of the work of the Board and the CEO

The Board conducts an annual survey of its work performed during the year. The survey covers areas such as the climate at Board meetings and the allocation of time

BOARD OF DIRECTORS, ATTENDANCE & INDEPENDENCE

Name	Position	Member since	Attendance Board meetings ¹⁾	Independent in relation to:	
				The Company and management	Major shareholders
Kicki Wallje Lund	Board member (Chair)	2016	15/15	Yes	Yes
Lars Wingefors	Member of the Board	2011	15/15	No	No
Erik Stenberg	Member of the Board	2011	15/15	No	No
Jacob Jonmyren	Member of the Board	2018	15/15	Yes	No
Ulf Hjalmarsson ²⁾	Member of the Board	2018	12/15	Yes	Yes
David Gardner	Member of the Board	2020	12/15	Yes	Yes
Matthew Karch	Member of the Board	2020	13/15	No	No
Cecilia Driving ³⁾	Member of the Board	2022	3/15	Yes	Yes

¹⁾ Per capsulam not included

²⁾ Ulf Hjalmarsson resigned as Member of the Board on September 21, 2022, at the annual general meeting.

³⁾ Cecilia Driving was appointed as Member of the Board on September 21, 2022, at the annual general meeting.



spent on different topics, the work of the Board committees, the efficiency of the work of the Board, Board leadership and relations with the Group Management Team. Based on the result of the survey the Board will evaluate the performance and identify possible areas of improvement. In addition to the annual survey, the Chair of the Board conducts meetings with each individual Board member during the year.

The purpose of the evaluation is to further develop the Board's efficiency and working procedures and to determine the main focus of the Board's coming work. Areas that were covered also included issues related to strategy, sustainability, potential risks and succession planning. This gives valuable insights into the Board members' opinions about the performance of the Board. In addition, the evaluation serves as a tool for determining the competence required in the Board. The results of the evaluations of the Board as a collective and of the Chair of the Board, were discussed by the Board and shared with the Nomination Committee.

The Board also continuously evaluates the work of the CEO. An evaluation is carried out at least once a year without the CEO attending.

The Board's work in 2022/23

In 2022/23, the Board held 86 recorded meetings (of which 15 physical/video conference and 71 per capsulam). The large number of meetings held per capsulam (64 meetings) is mostly related to the number of acquisitions made during the year and the growth of Embracer Group where the work of the Board takes place at a higher pace. The Board members' attendance at Board meetings and Committee meetings is shown in the table below. The secretary of the Board meetings during the financial year was the Chief of Staff, Legal & Governance, Ian Gulam.

The Board's regular work is performed at formal Board meetings, all included in the initial meeting plan.

The Board work is also performed through meetings in the Board Committees. In addition, the Board has met on a frequent basis during the financial year, outside of the regular Board work, and such meetings have covered topics relating to the listing change to Nasdaq Stockholm, directed share issues, geopolitical issues due to Russia's invasion of Ukraine and transformative publishing and development deals.

The vast majority of the content at per capsulam meetings was devoted to acquisition matters (such as issue of shares, issue of promissory notes, allotment of shares) and proposed decisions at general meetings. In addition, the Chair of the Board continuously met with Board members separately between meetings to discuss imminent matters. An important focus for the Board during 2022/23 has been to follow-up and secure continued long-term organic and acquired growth, oversee the transition to IFRS and other changes required in connection with the listing change to Nasdaq Stockholm to fulfil requirements of Nasdaq Stockholm's Rulebook for Issuers.

Our listing change was one of the Nordic's biggest listing change ever and at the same we successfully completed the largest IFRS conversion ever done. The completion of the listing change was dependent on our ongoing strengthening of financial reporting, our ongoing development and expansion of our Internal Control Framework and the continuous development of our Corporate Governance structure as well as the implementation of these processes. During the listing change process we added three new operative groups, increased the total headcount with 6,667 people and we made 27 acquisitions since start of the listing change project.

Due to a more challenging geopolitical and macro-economic environment it became clear that we had to adapt to a new reality and that the increased cost of capital would impact our business going forward. Therefore the Board decided to carry out a special review of the business in order to further optimize our decentralized

model and capture new opportunities as well as continue our sharp focus on the execution of our ongoing business around the world.

At the yearly strategy review, the long term mind set to drive our strategy was emphasized and we want to continue to support and empower our people. Furthermore, it was emphasized that our decentralized operating model creates value by empowering great people, great businesses, and great ideas. We also want to create synergies through shared knowledge and collaborations to execute on our transmedia strategy and maintain our uniquely diversified position in the market. With our Group-wide framework, we have a shared overall strategy, values and policies to ensure responsibility and accountability in all operations.

The Board has paid particular attention to the financial strategy, since the macro economic conditions have impacted the financial market. The Board has analyzed and discussed the higher cost of capital, higher return requirements and how to adapt to this new reality. The Board has also paid particular attention to the M&A strategy, the significant number of acquisitions made during the financial year and follow-ups on prior acquisitions. The Board has concluded that we need to focus more on digesting completed acquisitions and prioritizing bolt on acquisitions. The Board has therefor paid particular attention to onboarding and integration of new businesses. Furthermore, the Board focused on the large investments made in game development including financial evaluations of ongoing major development projects, including impairment tests.

The Board has also devoted notable time to ensure that Embracer Group has a solid governance structure and appropriate systems for following up on and controlling the Company's risks. The uplisting to Nasdaq Stockholm's regulated market triggered an extra thorough readiness assessment and further refinement of our decentralized governance model, risk management and commitment to sustainability.

At regular Board meetings, reports are presented on the Group's business performance. Embracer Group's auditor also attended two Board meetings as well as four Audit and Sustainability Committee meeting, during which Board members had the opportunity to pose questions to the auditor on audit reports and the efficiency of the internal control in the financial reporting process.

Reports from the operative groups have been presented on a quarterly basis. Such reports include information on performance in relation to budget, games releases, top revenue contributors, collaborations between operative groups and market updates. The Board is also continuously updated and involved in the development of the Group's sustainability framework and initiated projects. During 2022 the Board worked extensively with issues relating to the war in Ukraine.

Board Committees

The Board has established two Committees, the Audit and Sustainability Committee and the Remuneration Committee. The major tasks of these committees are of preparatory and advisory nature, but the Board may also delegate decision-making powers on specific issues to the committees. The issues considered at committee meetings shall be recorded in minutes of the meetings and continuously reported to the Board.

The members of each Committee are appointed by the Board annually at the inaugural Board meeting in connection to the AGM. The Chair of the Audit and Sustainability Committee is appointed by the Committee and the Chair of the Remuneration Committee is appointed by the inaugural Board meeting. The Committees' duties and decision-making authorities are regulated in the annually approved Committee instructions.

Members of the Audit and Sustainability Committee are elected from Board members who are not employees of Embracer Group. At least one of the members must have experience and be competent in accounting or auditing matters.

The Remuneration Committee is appointed by the Board and members of the Remuneration Committee must possess the required knowledge and experience of remuneration matters relating to senior executives.

Audit and Sustainability Committee

The Board has assigned an Audit and Sustainability Committee to oversee Corporate Governance in areas such as financial reporting, sustainability and risks and compliance with external and internal regulations. The Audit and Sustainability Committee is responsible for identifying and reporting relevant issues to the Board within the Audit and Sustainability Committee's areas of responsibility.

The Audit and Sustainability Committee's tasks are to monitor the integrity of Embracer Group's financial reporting system, internal controls, Internal Audit, operation procedure and the enterprise risk management framework, recommend to the Board the appointment, removal and remuneration of the statutory auditors (subject to approval at the shareholders' meeting), monitor the independence of the statutory auditors and review the effectiveness of the Internal Audit. The Internal Audit function reports directly to the Audit and Sustainability Committee. Each year, the Audit and Sustainability Committee adopts an Internal Audit plan which is based on risks that have been identified by the Board in the review of commercial, governance, reporting, sustainability and compliance risks. The audit plan is prepared by the Internal Audit function and discussed with the external auditors to enhance the efficiency and quality of regular audit work.

Cecilia Driving (Chair of Committee), Kicki Wallje-Lund and Jacob Jonmyren are the current members of the Audit and Sustainability Committee. The Committee complies with the Swedish Companies Act's (2005:551) and the Swedish Corporate Governance Code's requirements for independence as well as accounting and audit competence.

Remuneration Committee

The Remuneration Committee prepared remuneration principles for the CEO and the Group Executive Management Team members that were adopted by the AGM 2022. Furthermore, the Committee supports the Board, with the approval of remuneration and benefits of the CEO and, in dialogue with the CEO, assist with or resolve on various other remuneration matters in relation to the Group management.

The Remuneration Committee is also responsible for preparing and monitoring of global terms of strategic variable compensation programs and incentive schemes. The Remuneration Committee also sees to the outcome of these remuneration programs and submits

reports and proposals to the Board for resolution. The Remuneration Committee is also responsible for preparing the remuneration report to be presented at the AGM. The Remuneration Committee submits proposals to the Board regarding guidelines for remuneration and other employment terms and conditions for the Group Team Management. The AGM 2022 adopted guidelines for remuneration to the Group Executive Management Team.

Jacob Jonmyren (Chair of Committee), Kicki Wallje-Lund and David Gardner are the current members of the Remuneration Committee. The Committee complies with the Swedish Corporate Governance Code's requirements for independence.

Compensation to the Board of Directors

The remuneration to the members of the Board is determined at the AGM. The AGM 2022 resolved that the remuneration to the Board shall be in total SEK 5,475,000, including remuneration for committee work, and for each director elected by the meeting and who is not employed by The Group, the remuneration shall be SEK 600,000 and the Chair of the Board is to receive SEK 2,100,000.

Furthermore, the AGM 2022 resolved that remuneration for members of the audit and sustainability committee shall be SEK 175,000 and the remuneration to the chair of the audit and sustainability committee shall be SEK 275,000 and that remuneration for members of the remuneration committee shall be SEK 100,000 and remuneration to the Chair of the remuneration committee shall be SEK 150,000.

Remuneration to each Board member during 2022/23 is specified in Note 7.

CEO and management

The CEO is appointed by the Board and has the foremost responsibility for the continuous management of Embracer Group and the day-to-day operations. The division of work between the Board and the CEO is set out in the Rules of Procedure for the Board and in the instructions for the CEO and follows the Swedish Companies Act (2005:551). The CEO is also responsible for the preparation of reports and compiling information to the Board meetings and for presenting such material at the Board meetings.

According to the instruction for financial reporting, the CEO is further responsible for Embracer Group's financial reporting (while the Board remains ultimately responsible) and consequently must ensure that the Board receives adequate information for the Board to be able to evaluate the Group's financial condition. The CEO regularly keeps the Board informed of the developments in Embracer Group's operations, the development of sales, ongoing development projects, the Group's results and financial position, important business events and all other events, circumstances or conditions which can be assumed to be of significance to Embracer Group's shareholders.

The CEO leads the work of the operative group CEOs Forum and the Group Executive Management Team, which is responsible for the overall business development and operations of the Group. The operative group CEOs Forum consist of twelve CEOs who each head up

one of the operative groups plus the Group CEO, Group CFO & Deputy CEO, Chief of Staff, Legal & Governance, Chief Strategic Partnership Officer, interim Chief Operating Officer and interim Chief Strategy Officer. The Group Executive Management Team consists of the Group CEO, Group CFO & Deputy CEO, the Chief of Staff, Legal & Governance, Chief Strategic Partnerships Officer, interim Chief Operating Officer and interim Chief Strategy Officer.

The operative group CEOs have weekly meetings addressing operational performance and strategic matters. In addition, at the meetings, the operative group CEOs discuss pre-announced topics. In addition, operative group CEOs have at least two more extensive meetings during the year which cover issues related to the Group's development.

The Group Executive Management Team has weekly meetings addressing finance, strategic transformation, business performance, risk management, internal control, governance, compliance, sustainability and investor relations. In addition, at the meetings, the Group Executive Management Team discusses pre-announced topics.

The Group CFO & Deputy CEO leads the work of the members of the Extended Management Team. The Extended Management Team has monthly meetings addressing various topics within the Embracer Group, including finance, governance, compliance, sustainability, risk management, internal control, communication etc. In addition, at the meetings, the Extended Management Team discusses pre-announced topics. Depending on the specific topics to be raised at the meetings with the Extended Group Management Team, only certain members of the team might participate and other persons might be invited to participate as well.

The CEO, the operative group CEOs and the Group Executive Management Team are presented in more detail from page 14.

The Embracer Group operative group CEOs forum, Group Executive Management and Extended Management are described in the below chart.

GROUP MANAGEMENT AND OPERATIVE GROUP CEOs



External Auditor

Ernst & Young Aktiebolag ("EY") were re-elected as the Company auditor at the AGM 2022. EY have been Embracer Group's auditor since 2017 with the auditor-in-charge, since the AGM 2020, being Johan Eklund (born in 1975), authorized public accountant and member of FAR.

The external auditors discuss the external audit plan, audit findings and risk management with the Audit and Sustainability Committee. The results of their financial year audit and the audit of the annual report of the parent company and the consolidated financial statements are presented to the Audit and Sustainability Committee and the Board at meetings after year-end. The auditor

also participated in an Audit and Sustainability Committee meeting during which the committee members had the opportunity to pose questions to the auditor without representations of the Management being present. When EY is asked to provide services other than the external audit, this is done in accordance with laws and regulations as well as internal guidelines adopted by the Audit and Sustainability Committee.

Internal Auditor

The purpose of Internal Audit is to improve the business by enhancing risk management, governance and internal control. In 2019, Embracer Group established a Group Internal Audit function which performs risk-based reviews of Corporate Governance and internal control procedures within the Group. Internal Audit is an independent and objective assurance and consulting activity that aims to enhance and protect organizational value by providing risk-based and objective advice and insight. The Internal Audit function formally reports to the Audit and Sustainability Committee and findings are also reported to the Group Executive Management Team and process owners. The output of the reviews include action plans to improve risk management procedures. The Internal Audit Plan 2022 has been developed based on the risk analysis from 2021 and considers the risks identified by the organization. The Internal Audit Plan is also based on the internal auditor’s experience of identifying other risk areas which may warrant attention. An Internal Audit Tracker process is governed by the Audit and Sustainability Committee who reports back to the Board. The Audit and Sustainability Committee receives updates periodically with regards to open items in the Internal Audit Tracker. The Internal Audit Plan may also address some ad hoc areas which are not deemed high risk.

Embracer Group ERM process and Internal Control framework

According to the Swedish Companies Act (2005:551), the Board is ultimately responsible for ensuring that an effective internal control system exists within the Group.

In order to assist the Board and the Group Management Teams (Group Executive Management and Extended Management) in their internal control responsibilities, the Group Internal Control Coordinator (ICC), ensures a common and consistent control environment throughout the Group. The Group ICC reports to the Audit and Sustainability Committee on a periodic basis.

Enterprise Risk Management (ERM) is the process of consistent Group wide risk management enabling continuous risk identification, assessment, mitigation, and monitoring of risk exposure (the spectrum of risks includes, strategic, operational, financial and compliance risks). For more information on the ERM process see page 104 of the annual report 2022/23.

Internal Control (IC) refers to processes and systems (including risk-based control activities), effected by the Board, management, and all employees, designed to provide reasonable conditions for achievement of objectives relating to:

- > Effective and efficient operations
- > Reliable reporting (including Financial Reporting)
- > Compliance with applicable laws and regulations

The overall expectation is that operations within Embracer

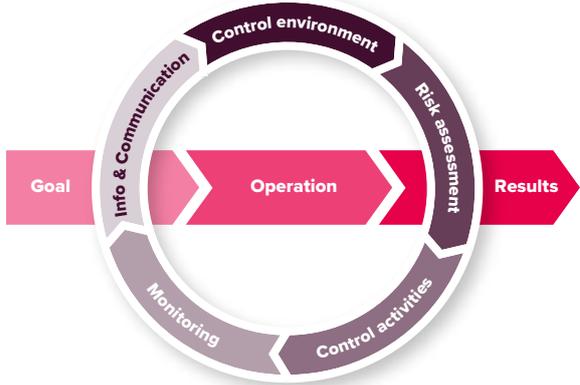
Group are conducted with sound internal control and risk management, which means, among other things, that enterprise-wide risk assessments are performed, risk based internal controls have been implemented and are followed up on an ongoing basis, and that adequate segregation of duties is established. Monitoring activities are used to assess whether the components of internal control are present and functioning.

Embracer Group has established Group level processes for enterprise risk management and internal control, based on the components defined by COSO (Control environment, Risk assessment, Control activities, Information and communication, and Monitoring), aimed to ensure that efficient controls are in place to manage key risks, through a combination of risk responses and controls, such as eliminating, reducing, monitoring and/or insuring against risks. The aim of effective internal control is to achieve an efficient business that reaches its goals, ensuring reliable internal and external financial reporting, and compliance with applicable laws, rules, policies, and steering documents.

During the year, Embracer Group implemented an extended internal control framework to meet Nasdaq’s requirements in terms of Governance and Internal Control for listed companies, including Internal control over financial reporting (ICFR). The internal control framework serves to ensure the existence of a common and consistent control environment throughout the Group, stating what internal control measures need to be implemented, including ICFR which aims to ensure reliable and timely financial information, in compliance with regulatory requirements. The Group internal control framework enables the Group to maintain the decentralized organization model, ensuring that the entire organization with all operative groups are carrying out internal control related tasks consistently in line with the intentions of Embracer. The Group internal control framework, including Group level documentation of expected ICFR controls, is compiled by the Group ICC.

Control Environment

The overall internal governance and control within Embracer Group is based on having a structure of governing documents, processes and defined roles and responsibilities. In addition, the Group must have a sound control environment with an overall tone that supports the benefits and overall aim of internal control. The foundation of Embracer Group’s control environment is the Code of Conduct, which is the guiding principle of Embracer Group and sets the tone of the Group’s policies, guidelines, and values.



Risk Assessment

The ERM risk identification is based on a definition of risk which entails to identify events that threaten the organization's ability to achieve its business goals and objectives. Risk management is part of the Board's and management's governance of the business. During 2022/23, a Group wide ERM risk management process has been reviewed and updated to ensure that key risks are identified, assessed, and mitigating actions are in place to manage these risks and have designated internal owners. The purpose is to identify, analyze and evaluate any new relevant Group level risks and update Embracer Group's view on any previously identified risks and is the starting point for determining the internal control measures required. Risk owners, the Extended management team, the Operative group CEO forum and the Group executive management team are all stakeholders and involved in the risk assessment process. The top risk report is prepared by the Group executive management team and presented for the Audit and Sustainability Committee, and finally approved by the Board. The ERM risk management process is at least performed semi-annually and is approved with Group executive management and is reported to the Audit and Sustainability Committee and finally decided by the Board.

A separate, targeted ICFR risk assessment related to Financial Reporting has been performed at Group level, to identify key risks for errors and fraud, based on the Group's income statement and balance sheet. The result has been used as basis for identifying key financial reporting processes in scope for risk based internal controls over financial reporting (ICFR). The ICFR risk assessment was initiated by the Group ICC and performed in close collaboration with Group key process owners of ICFR and other representatives from Group Finance.

Control Activities

Based on the Embracer Group Risk Assessments performed, internal controls are designed, implemented, and documented to manage key risks in business and financial reporting processes.

Control activities are the actions established through policies and procedures that help ensure mitigation of non-acceptable risks. The aim is to have a cost-effective composition of controls which are adapted to the business conditions and risk tolerance. The controls in the internal control framework consist of a combination of process level and transaction related key controls, enterprise-wide controls as well as controls that ensure the continuity of the IT infrastructure. Internal controls and monitoring procedures must also be implemented to cover controls over key processes, if any, performed by a third party, i.e., outsourced processes.

Monitoring

The Group ICC is facilitating the monitoring of enterprise risk management and internal control as well as initiating monitoring of internal control status. The effectiveness of the internal control activities is monitored by a newly implemented risk based self-assessment process which is verified through testing done by an independent internal control coordinator in each operative group and is reported to the Group's ICC. If necessary, additional independent testing can be done. The Group ICC has an annual cycle of the internal control and it is a part of a multi-year risk-based plan with different focus areas and

coverage. The plan is based on the risk assessment, previous control, and monitoring activities, and to mitigate residual risks as well as to meet the risk appetite. Any gaps and action items are documented in a remediation tracker and any significant overdue items are communicated timely to process owners and representatives from the Extended Management team. The Group ICC keeps regular contact with the Group CFO & Deputy CEO. During the year an operational group internal control coordinator was appointed in each operative group with the role of being the first point of contact to the Group ICC and as an independent party lead the internal control work in the operative groups.

Information and Communication

Regular and transparent communication between stakeholders in the ERM and internal control process is the basis for conducting and ensuring sound internal governance and control. A Group internal control framework information campaign is communicated annually to stakeholders. The campaign launches the annual process, any changes to the framework, training if needed, principles for focus areas and scope, as well as an annual and multi-year plan for internal control which includes an annual evaluation of controls and an independent testing of controls. The Group ICC keeps regular contact with the operative group internal control coordinators.

Reporting

The Groupwide top risks are discussed with ERM stakeholders, agreed upon with ERM stakeholders, and reported to the Audit and Sustainability Committee and the Board, along with actions for mitigating top risks where residual risk does not align with risk appetite as determined by the Board.

According to the annual plan for the Group's ICC, internal control coordinators in each operative group reports to the Group's ICC, which in turn reports status and potential gaps in the annual plan for internal control to representatives in Group management.

Remuneration to the Group Executive Management Team

For information on remuneration to Group Executive Management see note P6.

Notice period and severance payment

Embracer Group and its CEO and CFO must observe a notice period of 6 months. The CEO is entitled to termination benefits corresponding to 6 months' salary, provided Embracer Group terminated the employment contract and the CEO has not been dismissed. The Chief Strategic Partnerships Officer is entitled to termination benefits corresponding to 6 months' salary plus 50 percent of any payable bonuses, provided Embracer Group terminated the employment contract and the Chief Strategic Partnerships Officer has not been dismissed. Other CEOs have a notice period in the Group varying from 3 to a maximum of 6 months, with remuneration paid until employment is terminated. The other senior executives are entitled to a notice period with remuneration up to 6 months. The executives must observe the same notice period.

BOARD OF DIRECTORS



KICKI WALLJE-LUND Born: 1953

Chair of the Board, elected 2016

Member of the board's audit and sustainability committee, and remuneration committee.

Education/background: Kicki Wallje-Lund has experience in business development from a variety of international companies, especially in the IT sector, primarily for the banking and finance industry as well as board assignments for listed companies on Nasdaq Stockholm, Large and Small cap. She has held leading global positions in companies like NCR, Digital Equipment, AT & T, Philips, ICL and Unisys.

Current assignments: Board member of C-Rad AB (publ).

Holdings in Embracer Group: As of March 31, 2023, Kicki Wallje-Lund held 96,200 class B shares in Embracer Group AB (publ).



LARS WINGEFORS Born: 1977

Co-founder and CEO of Embracer Group

Board member, elected 2011

Education/background: Lars Wingefors is founder and CEO of Embracer Group. Lars Wingefors started his first video games company at the age of sixteen. He has a broad and long experience in entrepreneurship and business management.

Current assignments: Lars Wingefors is a board member and CEO of Lars Wingefors AB.

Holdings in Embracer Group: As of March 31, 2023, Lars Wingefors held 81.17 % of the shares and 96.62 % of the votes of Lars Wingefors AB which in turn holds 52,260,204 class A shares and 210,238,330 class B shares in Embracer Group AB (publ).



ERIK STENBERG Born: 1963

Co-founder of Embracer Group

Board member, elected 2011

Education/background: Erik Stenberg has a Degree of Master of Science in Business and Economics from Högskolan Karlstad (today Karlstad University) and a long and solid experience in business management.

Current assignments: Erik Stenberg is a board member of Xagonus Zagonus AB, Fractal Gaming Group, Sting Bioeconomy and Richter Life Science Development.

Holdings in Embracer Group: As of March 31, 2023, Erik Stenberg held 10.86 % of the shares and 1.95 % of the votes of Lars Wingefors AB which in turn holds 52,260,204 class A shares and 210,238,330 class B shares in Embracer Group. Erik Stenberg also holds 4,500,000 class B shares in Embracer Group AB (publ) through a wholly owned company.



JACOB JONMYREN Born: 1980

Board member, elected 2018

Member of the board's audit and sustainability committee, and remuneration committee. Chair of the remuneration committee.

Education/background: Jacob Jonmyren holds a M.Sc in Accounting and Financial Management from Stockholm School of Economics and has studied Finance at University of Wisconsin and Media & Communication Studies (Master level) at Stockholm University. Jacob Jonmyren has long experience from the financial markets.

Current assignments: Jacob Jonmyren is CEO and board member at Jacob Jonmyren Kapital AB, Chairman of the Board of Lars Wingefors AB, and a board member at Forskningsstiftelsen SSE-MBA, Consilio International AB and RAM ONE AB.

Holdings in Embracer Group: As of March 31, 2023, Jacob Jonmyren held 42,000 class B shares in Embracer Group privately and additional shares indirectly through Lars Wingefors AB.



CECILIA DRIVING Born: 1971

Board member, elected 2022

Member of the board's audit and sustainability committee. Chair of the audit and sustainability committee.

Education/background: Cecilia Driving holds a LL.M. and a Bachelor of Science in Business Administration from Stockholm University. She has held several CFO positions in life-science, private equity, research and telecom companies.

Current assignments: Director and chair of the audit committee of Ovzon AB and CFO Mabtech AB.

Holdings in Embracer Group: As of March 31, 2023, Cecilia Driving held 1,000 class B shares in Embracer Group AB (publ).



DAVID GARDNER Born: 1965

Board member, elected 2020

Education/background: David Gardner has a solid industry background and experience. He met Electronic Arts founder Trip Hawkins in 1982, and in 1983 David became part of the founding team behind EA. He went on to establish EA's European Business Unit in 1986 and lead it as it grew to USD 1 billion in gross revenue and 1,200 employees. David later became part of EA's global management team based in California from 2004 to 2007. David later became CEO of Atari S.A.

Current assignments: David is co-founder and general partner of London Venture Partners LLP, a VC-company founded in 2010.

Holdings in Embracer Group: David Gardner has no holding of shares in Embracer Group AB (publ).



MATTHEW KARCH Born: 1971

Chief Operating Officer, appointed June 2023

Board member, elected 2020

Education/Background: Matthew has a Bachelor of Arts from Washington University and a Juris Doctor from University of Pennsylvania. He has extensive experience in game design and development, business and legal affairs and is fluent in Russian.

Current assignments: Matthew Karch has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Matthew Karch owned 57.5 % of S3D Media which in turn holds 12,798,274 class A shares and 70,772,440 class B shares in Embracer Group AB (publ). Matthew Karch also holds 1,070,000 B shares directly.



AUDITOR

The auditor of Embracer Group is Ernst & Young AB, with Johan Eklund (born in 1975) as auditor-in-charge since the 2020 annual general meeting. Johan Eklund is an authorized public accountant and member of FAR.

PARENT COMPANY

SENIOR EXECUTIVES



LARS WINGEFORS Born: 1977

Co-founder and CEO of Embracer Group

Board member, elected 2011

Education/background: Lars Wingefors is founder and CEO of Embracer Group. Lars Wingefors started his first video games company at the age of sixteen. He has a broad and long experience in entrepreneurship and business management.

Current assignments: Lars Wingefors is a board member and CEO of Lars Wingefors AB.

Holdings in Embracer Group: As of March 31, 2023, Lars Wingefors held 81.17 % of the shares and 96.62 % of the votes of Lars Wingefors AB which in turn holds 52,260,204 class A shares and 210,238,330 class B shares in Embracer Group AB (publ).



JOHAN EKSTRÖM Born: 1977

Group CFO & Deputy CEO, appointed August 2019

Education/background: Johan Ekström holds a M.Sc in business administration from Stockholm School of Economics. He has an extensive background in accounting, reporting and financial control from previous positions at Crem International, Permobil and PwC.

Current assignments: Johan Ekström has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Johan Ekström held 73,370 class B shares in Embracer Group AB (publ).



IAN GULAM Born: 1982

Chief of Staff, Legal & Governance, appointed May 2022

Education/background: Ian holds a Master of Laws from Uppsala University. Ian was previously General Counsel of Embracer Group. Ian Gulam has extensive knowledge of corporate and capital markets law as well as governance topics and before joining Embracer Group he worked as a corporate and capital markets lawyer at Baker McKenzie.

Current assignments: Ian Gulam is Chairman of the Board of TinyHouse AB.

Holdings in Embracer Group: As of March 31, 2023, Ian Gulam held 19,036 class B shares in Embracer Group AB (publ).



CAREEN YAPP Born: 1969

Chief Strategic Partnerships Officer, employed since 2023

Education/background: Careen has more than twenty years of technology and entertainment experience, including executive business development and licensing positions at Sony Computer Entertainment, Konami Digital Entertainment and others. Before joining Embracer Group, Careen worked at Google Stadia.

Current relevant assignments: Serves as Chairman of the Board for Women in Games International and as a board member of the Entertainment Software Association Foundation.

Holdings in Embracer Group: Careen Yapp has no holding of shares in Embracer Group AB (publ).



MATTHEW KARCH Born: 1971

Chief Operating Officer, appointed June 2023

Board member, elected 2020

Education/Background: Matthew has a Bachelor of Arts from Washington University and a Juris Doctor from University of Pennsylvania. He has extensive experience in game design and development, business and legal affairs and is fluent in Russian.

Current assignments: Matthew Karch has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Matthew Karch owned 57.5 % of S3D Media which in turn holds 12,798,274 class A shares and 70,772,440 class B shares in Embracer Group AB (publ). Matthew Karch also holds 1,070,000 B shares directly.



PHIL ROGERS Born: 1969

Chief Strategy Officer, appointed in June 2023

Education/Background: Phil holds a BSc degree in Mathematics (University of Leeds, UK) and has over 20 years' experience in the games industry working across start-ups to multinational organisations. He became CEO of Eidos in 2008 and was CEO across Square Enix's western business from 2009 to 2022.

Current assignments: Phil Rogers has no other current assignments

Holdings in Embracer Group: Phil Rogers has no holding of shares in Embracer Group AB (publ).

OPERATIVE GROUPS

CHIEF EXECUTIVE OFFICERS



KLEMENS KREUZER Born: 1976

Co-founder Embracer Group (founder of THQ Nordic GmbH)

CEO, THQ Nordic GmbH, employed 2011

Education/background: Klemens Kreuzer has a Masters degree in Business Administration from the Vienna University of Economics and Business. He also has experience from business management.

Current assignments: Klemens Kreuzer has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Klemens Kreuzer holds 1.62 % of the shares and 0.29 % of the votes of Lars Wingefors AB which in turn holds 52,260,204 class A shares and 210,238,330. Klemens Kreuzer also holds 1,118,104 class B shares in Embracer Group AB (publ) through a wholly owned company.



ANTON WESTBERGH Born: 1985

Co-founder and CEO, Coffee Stain, employed 2013

Education/background: Anton Westbergh studied computer science at the University of Skövde, and has extensive experience in game and business development.

Current assignments: Anton Westbergh has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Anton Westbergh held, through companies 2,412,666 class B shares in Embracer Group AB (publ).



KLEMENS KUNDRATITZ Born: 1962

Co-founder and CEO, Koch Media, employed 1994

Education/background: Klemens Kundratitz holds a Doctor of Law degree from Leopold-Franzen-University in Innsbruck and has a strong track record within the gaming and entertainment industry. He is the co-founder of PLAION (formerly Koch Media) and has been the company's Managing Director and CEO. Klemens Kundratitz is also the founder of Deep Silver, the games publishing label of PLAION.

Current assignments: Klemens Kundratitz has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Koch Media Holding GmbH holds 2,255,856 class B shares in Embracer Group (publ). Koch Media Holding GmbH (previously Parent Company in the Koch Media Group) is partly owned by Klemens Kundratitz, co-founder and CEO of the Koch Media Group.



ANDREY IONES Born: 1973

Co-founder and CEO of Saber Interactive

Education/Background: Andrey has a PhD in computer science from St.Petersburg Polytechnic University. He has extensive experience in game design, development, and studio management.

Current assignments: Andrey Iones has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Andrey Iones owned 42.5 % of S3D Media which in turn held 12,798,274 class A shares and 70,772,440 class B shares in Embracer Group AB (publ).



PER-ARNE LUNDBERG Born: 1970

CEO Amplifier Game Invest AB, employed since 2018

Education/Background: Per-Arne has 16 years of experience in the games industry. As Head of The Game Incubator, he participated in and developed over 80 game companies, amongst others Coffee Stain Studios, Pieces Interactive, ACE and Flamebait Games. He has a broad experience in business development, financing, and goto-market strategies for startups and scaleups, in both Sweden and Silicon Valley, where he held a one-year Fellowship from VINNOVA at Nordic Innovation House during 2017.

Current assignments: Board member, Forsway Scandinavia.

Holdings in Embracer Group: As of March 31, 2023, Per-Arne Lundberg held 33,694 class B shares in Embracer Group AB (publ).



KEN GO Born: 1980

Founder and CEO, DECA Games

Education/Background: Ken has a bachelors degree from The George Washington University. Ken is the CEO and founder of DECA games. He has spent over 14 years in the gaming industry focused on games as a service and free to play games. Ken has previously been the Executive Producer of the game Kingdoms of Camelot and the European General Manager of Kabam.

Current assignments: Ken Go has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Ken Go held 11,803,182 class B shares in Embracer Group AB (publ).



RANDY PITCHFORD Born: 1971

Founder and CEO, Gearbox Entertainment Company

Background: Randy Pitchford is a video game industry veteran of more than 30 years and founder of the Gearbox Entertainment Company, which develops and publishes award-winning and best-selling video games through its subsidiaries, Gearbox Software and Gearbox Publishing, and produces groundbreaking film and television content.

Current assignments: Randy Pitchford has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Randy Pitchford held 9,563,028 class B shares in Embracer Group AB (publ).



OLEG GRUSHEVICH Born: 1984

Co-founder and CEO Easybrain, employed 2016

Education/background: Oleg Grushevich studied accounting in foreign activities at Belarusian State Economic University and holds FCCA as a member of the Association of Chartered Certified Accountants. Before joining the gaming industry Oleg worked in different roles and locations at EY.

Current assignments: Oleg Grushevich has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Oleg Grushevich held, through company, 10,066,558 class B shares in Embracer Group AB (publ).



STÉPHANE CARVILLE Born: 1968

CEO Asmodee Group

Education/Background: Stéphane holds a Post Graduate degree in Finance & Marketing from Paris Dauphine University. He joined Asmodee in 2009 and has been Chief Executive Officer of Asmodee Group since 2012. He has over 12 years of experience in the Games Industry. Prior to his current position, he held senior leadership roles in finance & business development within corporate groups and start-ups.

Current assignments: Stéphane Carville has no other current assignments.

Holdings in Embracer Group: Stéphane Carville has no holding of shares in Embracer Group AB (publ).



MIKE RICHARDSON Born: 1950

CEO Dark Horse Media

Education/Background: Mike Richardson holds a Bachelor of Arts degree from Portland State University. In 1980, he founded Pegasus Fantasy Books, which later became the Things From Another World retail chain. In 1986 he founded Dark Horse Comics, an award-winning international publishing house for which he has created numerous comics and graphic novels. Richardson is also the founder and President of Dark Horse Entertainment where he has produced many projects for film and television.

Current assignments: Mike Richardson has no other current assignments.

Holdings in Embracer Group: Mike Richardson has no holding of shares in Embracer Group AB (publ).



LEE GUINCHARD Born: 1970

CEO, Freemod by Embracer

Education/Background: CEO Lee Guinchard was co-founder & CEO of Aionic Labs Inc an ideation technology incubator located in Silicon Valley, California. He was also Studio Head of Red Octane Design and VP of Hardware at video game publisher Activision Blizzard for 11 years. While at Activision Blizzard, he oversaw production, hardware development, manufacturing, and compliance for multibillion-dollar franchises such as *Guitar Hero* and *Skylanders*. Lee was also Founder and CEO of Joytech as well as Founder and Managing Director of LDA Distribution, a leading European game distributor. Both companies were acquired from Take 2 Interactive in 1999.

Current assignments: Lee Guinchard has no other current assignments.

Holdings in Embracer Group: As of March 31, 2023, Lee Guinchard held 205,580 class B shares in Embracer Group AB (publ).



PHIL ROGERS Born: 1969

CEO, Crystal Dynamics and Eidos

Education/Background: Phil holds a BSc degree in Mathematics (University of Leeds, UK) and has over 20 years' experience in the games industry working across start-ups to multinational organisations. He became CEO of Eidos in 2008 and was CEO across Square Enix's western business from 2009 to 2022.

Current assignments: Phil Rogers has no other current assignments

Holdings in Embracer Group: Phil Rogers has no holding of shares in Embracer Group AB (publ).

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 1-20 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Karlstad, June 21, 2023
Ernst & Young AB

Johan Eklund
Authorized Public Accountant

