

CORPORATE GOVERNANCE STATEMENT OF DIGITALIST GROUP PLC 2019

CORPORATE GOVERNANCE STATEMENT

I INTRODUCTION

In the course of 2019, Digitalist Group Plc complied to full extent with the Governance Code 2015 for Finnish listed companies ("Finnish Corporate Governance Code 2015"), which was issued by the Securities Market Association on 01.10.2015 and entered into force on 01.01.2016. As of 01.01.2020, Digitalist Group Plc has complied to full extent with the Governance Code 2020 for Finnish listed companies ("Finnish Corporate Governance Code 2020"), which was adopted by the Securities Market Association on 19.09.2019 and entered into force on 01.01.2020. The Finnish Corporate Governance Code 2020 is available on the website of the Securities Market Association at the address www.cgfinland.fi.

This statement on the issuer's corporate governance (Corporate Governance Statement), referred to in the Securities Markets Act, Chapter 7, §7, has been drawn up in accordance with the Finnish Corporate Governance Code 2020. The statement also includes a Remuneration Statement for the accounting period 2019 following the instructions of the Finnish Corporate Governance Code 2015 which entered into force on 01.01.2016. The Corporate Governance Statement is issued separately from the Annual Report of the Board of Directors.

The Audit Committee of the Board of Directors of Digitalist Group Plc has discussed this Corporate Governance Statement.

II DESCRIPTIONS CONCERNING CORPORATE GOVERNANCE

Management structure of Digitalist Group Plc

Digitalist Group Plc is a public limited company registered in Finland and domiciled in Helsinki. The Digitalist Group consists of the parent company Digitalist Group Plc and its Finnish and foreign subsidiaries.

Digitalist Group Plc is governed in compliance with the Finnish Limited Liability Companies Act (624/2006 as amended), the Securities Markets Act (746/2012 as amended), the Market Abuse Regulation (EU) No 596/2014 (MAR), the rules and regulations issued by Nasdaq Helsinki Ltd for listed companies, and the Articles of Association of Digitalist Group Plc. In addition, the company observes in its governance the Finnish Corporate Governance Code 2020 for the part of the recommendations which entered into force on 01.01.2020.

The management of Digitalist Group is the responsibility of the General Meeting, the Board of Directors and the Chief Executive Officer of Digitalist Group Plc, whose duties are determined in accordance with the Finnish Limited Liability Companies Act. Internal control is the responsibility of the company's top management, external control is the responsibility of the auditors. Business operations are the responsibility of the Chief Executive Officer, assisted by the Management Team of the Group.

Annual General Meeting and Articles of Association

The highest decision-making body of Digitalist Group Plc is the General Meeting, at which the shareholders exercise their right to speak and vote on matters concerning the company. The General Meeting, inter alia, adopts the profit and loss account and balance sheet and decides on the distribution of profits on the basis of the proposal of the Board of Directors. The General Meeting also elects the members of the Board of Directors and the auditor and decides on the releasing of the members of the Board of Directors and the Chief Executive Officer from liability.

The Annual General Meeting is held once a year within six months of the end of the accounting period on a date determined by the Board of Directors.

In 2019, the Annual General Meeting was held on 02.04.2019. The company's Annual General Meeting for 2020 will be held on 14.04.2020.

According to the Articles of Association of Digitalist Group Plc, the notice of a General Meeting must be published on the company's Internet site at the earliest three months and at the latest three weeks prior to the General Meeting, however, always at least nine days prior to the date of record of the General Meeting. A notice of the General Meeting is always also published in a stock exchange release. The notice of a General Meeting indicates the matters to be considered at the Annual General Meeting.

The notice of the meeting and other documents relating to the General Meeting, such as the Board of Directors' decision proposals and the Annual Report, are on view on the website of Digitalist Group Plc at the latest three weeks prior to the Annual General Meeting.

All decision proposals delivered to the company in writing before the date of the General Meeting are presented on the company's Internet site.

Digital Group Plc's Articles of Association are available on the company's website at the address <https://investor.digitalistgroup.com/fi/investor/governance>. In accordance with the Limited Liability Companies Act, any amendments to the Articles of Association shall be decided on by the shareholders in a General Meeting.

Composition and operations of the Board of Directors

The Board of Directors represents all shareholders and looks fairly after the shareholders' common interest. According to the Articles of Association, the Board of Directors of Digitalist Group Plc shall comprise no less than five and no more than nine full members. The General Meeting elects the members of the Board of Directors for one term of office at a time. The term of office of the members of the Board of Directors always ends at the close of the first Annual General Meeting following the election. A new member of the Board of Directors is initiated into the company's operation.

The Board of Directors elects from among its members the Chair and the Deputy Chair, and constitutes a quorum when more than half of its members are present. The Board of Directors

defines among itself the special areas of the members of the Board of Directors, but the entire Board of Directors participates in decision-making and consideration of matters.

In the composition of the Board of Directors of Digitalist Group Plc, the requirements set by the company's operation, the company's stage of development, and gender balance have been taken into account. The aim is that both genders are represented on the Board of Directors. In the accounting period 2019, the aim of representation by both genders has been achieved. The principles of diversity of the Board of Directors shall be taken into account in plans concerning the successors of members of the company's Board of Directors.

The company's administration and proper arrangement of its operation are the responsibility of the Board of Directors. The Board of Directors decides on the company's business concept, vision, main aims, and the strategy created for their implementation. In addition, the Board of Directors decides on the budgets and action plans drawn up for the implementation of the strategy, on the principles of risk management, on the remuneration system for the management and the personnel, on company acquisitions and asset deals, and on other matters which have a far-reaching effect on the company. The Board of Directors decides on the company's organisation on the basis of the Chief Executive Officer's proposal.

The main duties and operating principles of the Board of Directors are defined in writing in the Rules of Procedure. The Rules of Procedure of the Board of Directors are on view on the company's Internet site at the address

<https://investor.digitalistgroup.com/fi/investor/governance/board-of-directors>

The Board of Directors assembles for regular meetings according to its Rules of Procedure. In addition to the regular meetings, the Board of Directors holds extraordinary meetings, if necessary. A meeting of the Board of Directors can also be held as a telephone meeting.

The Board of Directors assesses its operation and its working methods annually. The assessment is carried out as an internal self-assessment.

The Chief Executive Officer of Digitalist Group Plc attends the meetings of the Board of Directors as a presenter, and the Chief Financial Officer in the capacity of the secretary of the Board of Directors. In addition to these, the Board of Directors also invites other representatives of the management to its meetings, if necessary.

Biographical details of the Board members

During the accounting period 2019, the Board of Directors of Digitalist Group comprised eight members. As the Chair of the Board of Directors acted Andreas Rosenlew, and as the Deputy Chair Esa Matikainen. The other members of the Board of Directors were Paul Ehrnrooth, Pekka Pylkäs, Peter Eriksson, Jaana Rosendahl, Anders Liljeblad, Ville Tolvanen (as of 02.04.2019) and Bo-Erik Ekström (until 02.04.2019).

ANDREAS ROSENLEW, b. 1962
M.Sc. (Econ.)
Senior Advisor and Professional Board Member

ESA MATIKAINEN, b. 1969
D.Sc. (Econ. & Bus. Adm.), M. Sc. (Tech., Production economics)
Professional Board Member

PAUL EHRNROOTH, b. 1965
M.Sc. (Econ. & Bus. Adm.)
Managing Director, Turret Oy Ab

BO-ERIK EKSTRÖM, b. 1954 (until 02.04.2019)
B. Sc. (Econ. & Bus. Adm.)
B&MANs Board & Management Services Oy, Senior Advisor

PEKKA PYLKÄS, b. 1960
M.Sc. (Econ.), Executive MBA
Owner & CEO: Ermatt AG, Switzerland

PETER ERIKSSON, b. 1966
M.Sc. (Econ.)
Savox SA, Chief Executive Officer

ANDERS LILJEBLAD, b. 1959
MBA, Marketing
Professional Board Member

JAANA ROSENDAHL, b. 1961
M. Sc. (Tech., Energy economics, Production economics)
Executive Advisor, Customer economics, Kolmepistenolla, Board work

VILLE TOLVANEN, b. 1972
BBA
Rome Advisors Oy, CEO

Independence of Board members

The Board of Directors of Digitalist Plc has assessed the independence of the Board members on the following grounds:

- Of the Board members, Peter Eriksson, Andreas Rosenlew and Ville Tolvanen are dependent of the company.
 - Andreas Rosenlew are employed by the company.
 - Ville Tolvanen has had a non-temporary employment relationship with the company during the last three years.
- Of the Board members, Paul Ehrnrooth, Peter Eriksson and Pekka Pylkäs are dependent of the company's major shareholder.
 - Turret Oy Ab, a company controlled by Paul Ehrnrooth, is the company's largest shareholder. Paul Ehrnrooth also acts as the Chief Executive Officer and Chair of the Board of Turret Oy Ab.
 - Peter Eriksson and Pekka Pylkäs are members of the Board of Directors of Turret Oy Ab.
- Other Board members of the company are independent.

Digitalist Group Plc's shares and shareholders' rights held by the members of the Board of Directors

On 31.12.2019, Digitalist Group Plc's members of the Board of Directors owned Digitalist Group Plc's shares, directly or through corporations controlled by them, as follows:

Name	Board position	Shares
Andreas Rosenlew ¹	Chair	44 427 665
Esa Matikainen	Deputy Chair	0
Paul Ehrnrooth ²	Member	305 237 039
Peter Eriksson	Member	0
Anders Liljeblad	Member	0
Pekka Pylkäs	Member	0
Jaana Rosendahl	Member	0
Ville Tolvanen ³	Member	4 971 709
In total		354 636 413

1) Rosebloom Ventures AB, a company controlled by Andreas Rosenlew, owned 44 427 665 shares.

2) Turret Oy Ab, a company controlled by Paul Ehrnrooth, owned 305 237 039 shares and was the company's largest shareholder.

3) Rome Advisors Oy, a company controlled by Ville Tolvanen, owned 4 971 709 shares.

Turret Oy Ab, a company controlled by Paul Ehrnrooth, has, under the 31.05.2018 terms and conditions of the Convertible Bond to Digitalist Group Plc, the right to convert the bonds held by it to a maximum of 150 000 000 new company shares. The members of the Board of Directors do not otherwise possess share-based rights.

Board members' attendance in the meetings of the Board of Directors

The Board of Directors convened 22 times during the accounting period 2019, with the company's Chief Executive Officer of the time acting as the secretary of the Board of Directors.

The members of the Board of Directors attended Board meetings during the accounting period 2019 as follows:

Name of member of the Board of Directors	Attendance
Chair of the Board Andreas Rosenlew	20/22
Deputy Chair of the Board Esa Matikainen	22/22
Board Member Paul Ehrnrooth	19/22
Board Member Bo-Erik Ekström (until 02.04.2019)	5/5
Board Member Peter Eriksson	18/22
Board Member Anders Liljeblad	21/22
Board Member Pekka Pylkäs	19/22
Board Member Jaana Rosendahl	22/22
Board Member Ville Tolvanen (as of 02.04.2019)	17/17

Committees of the Board of Directors

The Board of Directors decides on the establishment of Committees and confirms the key functions and policies of each Committee in the written Rules of Procedure. The Committees report to the Board of Directors.

The Board of Directors of Digitalist Group Plc elects the Chair and the members of the Committee from among its members. Each Committee comprises at least three members. The members shall have the relevant expertise and experience required in committee duties.

During the accounting period 2019, Digitalist Group Plc had an Audit Committee and a Remuneration Committee

Audit Committee

The Audit Committee operates in accordance with the Rules of Procedure, familiarizing itself with the company's financial statements and interim reports, as well as the company's internal and external control systems. The Audit Committee monitors the company's financial performance, budgeting principles, budgeting and risk management. The Audit Committee familiarizes itself with the company's financial management systems, approves the company's Corporate Governance description, prepares a decision proposal for the auditor's election, gives an opinion on the independence of the auditor, and evaluates the ancillary services provided by auditors.

During the accounting period 2019, the Chair of the Audit Committee was Pekka Pylkäs. The other members of the Committee were Bo-Erik Ekström (until 02.04.2019), Peter Eriksson (until 02.04.2019), Esa Matikainen and Anders Liljeblad (as of 02.04.2019). The Audit Committee convened five times and the attendance rate at the Committee meetings was 92 per cent. The auditor and the company's Chief Financial Officer attended the Audit Committee meetings.

Remuneration Committee

The Chair of the Remuneration Committee was Bo-Erik Ekström until 02.04.2019 and Esa Matikainen as of 02.04.2019. The other members of the Committee were Jaana Rosendahl and Peter Eriksson. The Remuneration Committee convened seven times and the attendance rate at the Committee meetings was 100 per cent.

The members of the Board of Directors attended committee meetings during the accounting period 2019 as follows:

Name of Board member	Audit Committee	Remuneration Committee
Deputy Chair of the Board Esa Matikainen	5/5	5/5
Board Member Bo-Erik Ekström (until 02.04.2019)	1/1	2/2
Board Member Peter Eriksson	1/1	7/7
Board Member Anders Liljeblad	3/4	
Board Member Pekka Pylkäs	5/5	
Board Member Jaana Rosendahl		7/7

Chief Executive Officer and their duties

The Chief Executive Officer is responsible for the company's business operations and attends to the company's day-to-day management in accordance with the Limited Liability Companies Act and the instructions given by the Board of Directors. The Chief Executive Officer acts as the Chair of the Operational Management Team and is not a member of the Board of Directors. The main terms and conditions of the Chief Executive Officer's employment agreement are in written form. The Board of Directors assesses the performance of the Chief Executive Officer annually.

During the accounting period 2019, the Chief Executive Officer of Digitalist Group Plc was Ville Tolvanen until 14.03.2019 and Hans Parvikoski between 15.03.2019 and 01.09.2019.

Petteri Poutiainen has acted as the Chief Executive Officer of Digitalist Group Plc as of 02.09.2019.

PETTERI POUTIAINEN, born 1972
Digitalist Group, Chief Executive Officer
Executive MBA, Helsinki School of Economics
BBA, Helsinki Business Polytechnic

The Chief Executive Officer held Digitalist Group Plc shares and share-based rights as follows on 31.12.2019:

Holdings of the Chief Executive Officer and companies controlled by them in the Shares company		Options	
Petteri Poutiainen	Chief Executive Officer	0	1 627 500
Ville Tolvanen	Chief Executive Officer (until 14.03.2019)	4 971 709	
Hans Parvikoski	Chief Executive Officer (15.03.-01.09.2019)	0	0

Rest of the Management Team

Composition and responsibilities of the Management Team

The Management Team of Digitalist Group Plc prepares the operational plans and reports, investments as well as the group instructions and policies. The Management Team prepares the financial statements for the Board of Directors for decision-making. During the accounting period 2019, the Management Team comprised the following persons:

HANS PARVIKOSKI, b. 1973
M.Sc. (Econ. & Bus. Adm.)
CFO, Finance and Administration

JOHAN ALMQUIST, b. 1962
BBA, Stockholm University
Digitalist Group, Managing Partner Sweden

ESA NETTAMO, b. 1975
Student of technology, embedded systems
Digitalist Group, Managing Partner Finland & UK

MAGNUS LEIJONBORG, b. 1966
M.Sc. Industrial Engineering and Management, Linköping University, Sweden
Digitalist Group, Managing Partner North America

MIKKO MATTINEN, b. 1968
CCO, Sales and Marketing (until 15.5.2019)
M.Soc.Sc., EuroMBA

TONY GRUBB, b. 1961
Managing Partner, UK (until 15.5.2019)
MBA

PERTTI HANNELIN, b. 1965
Managing Partner, Engineering (until 15.5.2019)
M.Sc. (Accounting and Information Science)

HANNA KORHONEN, b. 1972
Group Director, People and Competences (until 15.5.2019)
M.Sc. (Econ.)

TEPPO KUISMA, b. 1977
Managing Partner, USA (until 15.5.2019)
Engineer

MIKKO SJÖBLOM, b. 1974
Managing Partner, Helsinki & Oulu Technology (until 15.5.2019)
B.Sc. (Computer Science and Economics)

VILLE ÖSTERLUND, b. 1975
Managing Partner, CXD (until 15.5.2019)
BA

On 31.12.2019, the members of the Management Team owned Digitalist Group Plc's shares and possessed share-based rights as follows:

Name	Position	Shares	Rights of option
Hans Parvikoski	CFO	0	0
Johan Almquist	Managing Partner	12 901 841	651 000
Esa Nettamo	Managing Partner	0	651 000
Magnus Leijonborg	Managing Partner	3 460 819	651 000
In total		16 362 660	1 953 000

I DESCRIPTIONS OF INTERNAL CONTROL PROCEDURES AND THE MAIN FEATURES OF RISK MANAGEMENT SYSTEMS

Description of risk management

The objective of Digitalist Group Plc's risk management is to ensure undisturbed continuity and development of the company's operations as well as to support the implementation of the company's business objectives and the increase of the company's value.

Risk management is part of all the company's core processes, extending from the Board of Directors' strategy process to customer-specific service production and the company's quality management system. Planning, development, guidance and supervision of risk management, as well as the development of methods and processes used in risk management, are the responsibility of the Chief Financial Officer. The different units of the Group are responsible for identifying, assessing and preventing risks related to their own operations in compliance with the risk management system. Risk management has been implemented to be part of the units' normal business planning and monitoring systems as well as the company's management systems.

The Board of Directors oversees the fulfilment of the company's risk management policy as part of the strategy, business planning and budgeting processes. This is organized in such a way that the Audit Committee of the Board of Directors oversees the implementation and development of the company's risk management program and, if necessary, submits risk management issues to the Board of Directors for decision-making. The Board of Directors always addresses significant business risks.

In operational activities, the Group's Chief Financial Officer oversees that risk management has been efficiently organized and that its functioning is guaranteed. The Chief Financial Officer is responsible for developing risk management, reporting and approving the necessary measures. The Chief Financial Officer assesses the results of ad hoc reporting and approves the necessary measures. The Chief Financial Officer presents the company's risk situation to the Audit Committee. The most substantial risks and uncertainties are described in the financial statements as well as in the interim financial reports.

Description of internal control

The business control and supervision of Digitalist Group take place in accordance with the administration and management system described above. The Board of Directors is responsible for ensuring that the supervision of accounting and financial management is organized accordingly. The Chief Executive Officer ensures that the company's accounting is in accordance with the law and that the financial management is arranged in a reliable manner.

The Chief Executive Officer and the members of the Management Team are responsible for ensuring that the administration of their respective areas of responsibility is in accordance with the law, the Group's policies and the guidelines and regulations of the Board of Directors of Digitalist Group Plc.

In Digitalist Group, the supervision of the administration and accounting of the operational units is the responsibility of the Group's Finance Department. The Group's Finance Department, which operates under the Group's Chief Financial Officer, produces centralized financial statements required by external accounting, as well as managerial accounting analyses and performance reports for the Group's different management entities in order for them to monitor the profitability of business activities. The Group's internal control practices aim to ensure the correctness of the Group's financial reporting. Business activities and financial management are monitored by means of the reporting entity described above.

Digitalist Group has a unified consolidation financial reporting system. Reporting practices follow the implementation of the action plans and targets. In order to ensure the coherence of reporting practices, the Group's financial administration has created a uniform groups COA for the Group, various instructions for reporting and financial monitoring at Group level and training for staff in their application.

IV OTHER INFORMATION TO BE PROVIDED IN THE CG STATEMENT

Insider administration

The Board of Directors of Digitalist Group Plc has confirmed the Insider Guidelines for the Digitalist Group. The Insider Guidelines supplement the applicable regulations in force at any given time on the management and processing of insider information in accordance with the Market Abuse Regulation (EU) No 596/2014 (MAR), Chapter 51 of the Criminal Code, Chapter 15 of the Securities Markets Act, the Finnish Financial Supervisory Authority's regulations and Nasdaq Helsinki Ltd's Insider Guidelines.

All persons who have access to insider information on the company and who work for them on the basis of an employment contract or otherwise perform duties through which they have access to insider information, such as advisers, are included in the company's insiders.

The company maintains a separate list named Permanent Insiders. The supplementary section of Permanent Insiders contains information only on persons who have ongoing access to all

insider information in the company. The company's permanent insiders include members of the Management Team, legal advisers and parties closely associated with them.

The company maintains a separate record of Project-specific Insiders. Each part of the Project-specific Insider list contains only information on persons who have access to insider information on a specific project.

Digitalist Group Plc has set up a list named Management Members with Notification Obligation (Article 19 MAR) for the company's Board of Directors, Management Team and advisers as well as their closely associated persons.

The company's public insiders include the members of the Board of Directors, the Chief Executive Officer and the person appointed the principal auditor by the auditing firm responsible for auditing the company. In addition, the company has defined the members of the Management Team as public insiders who are subject to the notification obligation. The company's internal, non-public company-specific permanent insiders include persons who regularly receive insider information on the basis of their position or duties. In addition, a non-public, project-specific insider register is kept concerning significant projects referred to in the insider regulations.

The Digitalist Group trains and informs permanent insiders and project-specific insiders in such a way that they recognize their position and its importance. As concerns persons included in the register of Digitalist Group Plc Management Members with Notification Obligation and in the Permanent Insiders register, the company's Insider Guidelines set a 30-day silent window prior to the publication of the interim report or the financial statements. During the silent window, trading in the issuer's financial instruments on one's own account or on behalf of a third party, directly or indirectly, is prohibited.

The Chief Financial Officer of the Digitalist Group is responsible for insider issues. The Insider Guidelines of Digitalist Group Plc are available on the company's website at the address <https://investor.digitalistgroup.com/fi/investor/governance/insiders>

Whistle-blowing

In connection with the entry into force of the Market Abuse Regulation (EU) No 596/2014 (MAR), Digitalist Group introduced an internal system available for all employees for reporting any detected violations of internal or external standards and regulations (so called whistle-blowing). All such notifications will be investigated as a matter of urgency and confidentiality while protecting the identity of the notifier as far as possible. For the purposes of reporting misuse of insider information, the staff of Digitalist Group have access to the e-mail address of the attorney's offices whistleblowing.digitalistgroup@eversheds.fi.

Auditors

Digitalist Group Plc's auditor is KPMG Ltd, Authorized Public Accountants, and their principal auditor is M.Sc. (Econ.) Esa Kailiala, an authorized public accountant. According to the decision of the Annual General Meeting held on 02.04.2019, the auditor is paid a fee in accordance with a reasonable invoice presented for the audit work. During the accounting period 2019, the auditor was paid a total of EUR 102.000 for auditing services and a total of EUR 31.000 for non-audit services.

The external auditors of Digitalist Group Plc audit the accounting and administration of the parent company and subsidiaries as part of the annual audit assignment.

The requirements of internal control have been taken into account in the audit plans of the auditors. The auditors present their report annually to the Annual General Meeting of Digitalist Group Plc. In addition, the auditors report the main elements of the annual audit plan to the Board of Directors and the Audit Committee of the Board of Directors and report their audit findings to the Audit Committee either verbally or in writing through interim financial reports.

Internal auditing

The coordination of the company's internal auditing is the responsibility of the Audit Committee of the Board of Directors as part of internal control. Internal auditing is the responsibility of the Group's financial administration and the financial administration carries out internal auditing in addition to its regular duties. The company's controllers carry out the audit work.

If necessary, the financial management may use external assistance from outside the Group for individual audit cases.

Internal audit findings are reported to the financial management which reports the findings to the Audit Committee. An internal audit plan is drawn up annually in co-operation with the company's auditors.

Principles concerning related party transactions

Digitalist Group Plc complies with the provisions of the Securities Markets Act and Limited Liability Companies Act, the recommendations of the Finnish Corporate Governance Code 2020 and the rules of Nasdaq Helsinki Ltd stock exchange concerning related party transaction. The Board of Directors of the company has adopted the Guidelines on Related Party Transactions to be observed in the business operations of Digitalist Group Plc. The purpose of the Guidelines on Related Party Transactions is to help the company and its management to identify related parties, recognise potential related party transactions and conflicts of interest, and to provide instructions on the approval, monitoring and disclosure of related party transactions.

The company prepares and maintains an up-to-date list of its parties related to it and monitors related party transactions regularly through questionnaires sent out to the related parties. The monitoring, assessment and control of related party transactions are a part of the company's internal control. The Board's Audit Committee is responsible for the co-

ordination of the control, assessment and auditing of related party transactions as a part of the company's internal control. The monitoring of related party transactions is the responsibility of Digitalist Group Plc's financial administration, and the financial administration led by the Chief Financial Officer performs the monitoring and control alongside their other duties. The results of the monitoring of related party transactions are regularly reported to the Audit Committee of the Board of Directors.

The company assesses and monitors transactions with its related parties and ensures that any conflicts of interest are appropriately taken into account in related party transactions and that decision-making, disclosure, monitoring and reporting observes the company's valid guidelines on related party transactions and legislation and provisions concerning related party transactions.

Digitalist Group Plc may conclude transactions forming part of the company's regular business activities with related parties on normal market terms, observing the decision-making process set out in the company's internal instructions. Related party transactions which do not form part of the company's regular business activities or which are not conducted on normal market terms will be decided on by the Board of Directors of Digitalist Group Plc, observing rules for conflicts of interest.

Digitalist Group Plc provides regular reports on related party transactions annually in its financial statements. Any related party transactions which are significant for the shareholder, which do not form part of the company's regular business activities and which are not conducted on normal market terms will be disclosed in accordance with the Securities Markets Act and the rules of the Nasdaq Helsinki Ltd stock exchange.

REMUNERATION STATEMENT

A. Decision-making procedure concerning remunerations

The Annual General Meeting of Digitalist Group Plc annually decides on the remunerations of the members of the Board of Directors. The Board of Directors decides on the remunerations and incentives of the Chief Executive Officer and the company's top management. Remuneration Committee is responsible for the preparation of the company's remuneration models and principles. The Remuneration Committee's duties include, in particular, the planning of the long- and short-term incentive schemes of the company's senior management and the planning of the company's share- and option-based incentives.

Digitalist Group Plc's General Meeting of 02.04.2019 authorised the Board of Directors to decide on share issues and on granting special rights entitling to shares and authorised the Board of Directors on 02.04.2019 to decide on the acquisition of own shares. The authorisations to issue and acquire shares will remain in effect until the Annual General Meeting held in 2020, yet no longer than until 30.06.2020. The Board of Directors may use the authorisations to, inter alia, carry out an incentive scheme.

B. Main principles of remuneration

Remunerations of the Board of Directors

The remuneration paid to the members of the Board of Directors consists of a fixed annual remuneration as well as the attendance fees paid for the meetings of the Board of Directors and its Committees. In the Annual General Meeting of the company on 02.04.2019, it was resolved to pay the following remunerations to the members of the Board of Directors in accordance with the proposal of the company's largest shareholder:

- Chair of the Board: EUR 40,000/year and EUR 500/meeting
- Deputy Chair of the Board: EUR 30,000/year and EUR 250/meeting
- Other members of the Board of Directors: EUR 20,000/year and EUR 250/meeting
- For the meetings of a Board Committee, EUR 500/meeting will be paid to the Chair and EUR 250/meeting to a member, and
- It was resolved that travel expenses will be reimbursed in accordance with the company's regulations concerning travel reimbursements.

Remunerations of the Chief Executive Officer and rest of the management team

Chief Executive Officer

Under the Chief Executive Officer Agreement, the remuneration paid to the Chief Executive Officer consists of a monthly salary, a car and mobile phone benefit as well as the annual performance-related bonus decided on by the Board of Directors. The company has also taken out a voluntary unit-linked pension insurance for the Chief Executive Officer, for which company annually pays EUR 8,500. The Chief Executive Officer's retirement age and amount of pension are otherwise determined in accordance with regular Finnish employment pension legislation.

The performance-related bonus paid to the Chief Executive Officer is based on the EBITDA of Digitalist Group. Such remuneration may not exceed 50 per cent of the annual salary of the Chief Executive Officer.

The Chief Executive Officer's long-term bonus scheme consists of option rights forming part of the company's option schemes.

The Chief Executive Officer's period of notice is nine months upon termination by the company and six months upon termination by the Chief Executive Officer. If the company gives notice to the Chief Executive Officer, the Chief Executive Officer is entitled to receive pay for 9 months.

Rest of the Management Team

The remuneration paid to the members of the Management Team during the accounting period 2019 consisted of monthly salary and other benefits set out in the employment contract, as well as any payments paid on the basis of the performances of the relevant accounting periods,

determined by the Board of Directors, based on the group's financial performance as well as the qualitative development of the operations of the member's own unit. Voluntary unit-linked pension insurance has been taken out for some members of the Management Team.

The company can annually make incentive payments to the management in addition to the salary and fringe benefits. The performance-related bonus paid to the Management Group is based on the EBITDA of Digitalist Group and may not exceed four months' pay of the manager.

The long-term incentive scheme of the members of the Management Group consists of option rights forming part of the company's option schemes.

The period of notice of the employment relationship of the members of the Management Team upon termination by Digitalist Group and by each member varies between one (1) and six (6) months.

C. Remuneration report

The members of the Board of Directors were paid the following remunerations during the year 2019:

Name of Board member	Remunerations / EUR
Chair of the Board Andreas Roselle	50.000
Deputy Chair of the Board Esa Matikainen	39.250
Board Member Paul Ehrnrooth	24.750
Board Member Bo-Erik Ekström (until 02.04.2019)	7.500
Board Member Peter Eriksson	26.500
Board Member Anders Liljeblad	26.000
Board Member Pekka Pylkäs	27.250
Board Member Jaana Rosendahl	27.250
Board Member Ville Tolvanen (as of 02.04.2019)	19.250

Salaries and benefits paid and amounts of option rights given to the Chief Executive Officers and rest of the Management Group of the company in 2019:

	Remunerations / EUR	Issued option rights
Chief Executive Officers	301.100	1.627.500
Other members of the Management Group	1.091.000	1.953.000
Total	1.392.100	3.580.500