

An aerial photograph of rolling green hills, likely in the Pyrenees region. The hills are covered in lush green grass and are illuminated by warm, golden light, creating a sense of depth and texture. In the foreground, a herd of sheep is grazing on a slope, with a person visible among them. The overall scene is peaceful and natural.

# Sustainability Report 2020

*"We want to take the social experience and the positive connotations of traditional games and create the same experience and environment online."*

**Building for the future**

- > People have played games for thousands of years. Playing games let us enjoy the company of others, sometimes in a competitive setting, while entertaining ourselves. As people spend more of their free time playing our games, we want to ensure that we are making a positive impact in people's lives. We want to take the social experience and the positive connotations of traditional games, like chess and other board games, and create the same experience and environment online. Gaming as entertainment can be a rewarding hobby, a great social experience or a strategic masterpiece that connects us to history, politics and sports. But gaming also needs to be a place where everyone feels welcome. The future is digital, and screen based. It's also carbon-free, intelligent, equal and sustainable. For Stillfront to become the leading free-to-play powerhouse and a leading company within the gaming industry, we need to build for the future.

*Jörgen Larsson, Founder & CEO*

## STILLFRONT AT A GLANCE

In building a company that generates long-term value, sustainability must be an integral part in all decisions and our strategy. Stillfront has prepared a sustainability report, comprising the Group companies, in accordance with the Swedish Annual Accounts Act. We have also considered the principles of the United Nations Global Compact, The Global Goals as well as supporting regulations and guidelines.

# ~60m

Monthly Active Users, MAUs

# 1,000+

Co-workers

# 19

No. of studios

# ~50

Active Games

*Including Super Free Games and Moonfrog Labs.*

**A DIVERSE AND EVOLVING GAME PORTFOLIO WITH TWO COMMON THEMES;  
LOYAL GAMERS AND LONG LIFECYCLE GAMES**

## OUR 2020 SUSTAINABILITY HIGHLIGHTS

2020 was an important year for sustainability at Stillfront. We worked hard to integrate the three dimensions of sustainability, Environment, Social and Governance, into both our daily operations and business decisions. It's been a year of concrete action. Some highlights are:

### CLIMATE NEUTRAL



We have measured and compensated for our carbon impact in full. Stillfront, our studios and our gamers are now climate neutral. The greenhouse gas calculation covered our daily operations, our studios' business and the energy usage of gamers playing our games.

### TALENT MANAGEMENT PROGRAM



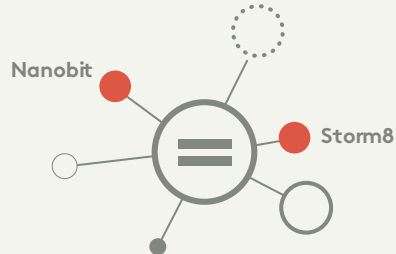
We initiated a Talent Management Program including corporate values, Code of Conduct training as well as sustainability education.

### RESPONSIBLE CONTENT DECLARATION



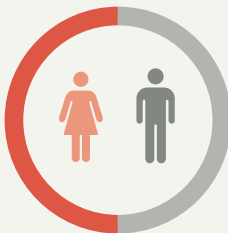
We approved a new Responsible Content Declaration. This document contains new guidelines on studios' and gamers' responsibilities and will help us create a great gaming experience.

### STRATEGIC ACQUISITIONS



We acquired two new studios targeting mainly female gamers to diversify our portfolio: Storm8 and Nanobit.

### FEMALE REPRESENTATION



We are proud of having 50% women and 50% men on our Board. In 2020, we had 26% of women universally in our group.

### INCREASED TRANSPARENCY



We updated our whistleblowing system, which is open for both internal and external reporting. During 2020, we had no substantiated reported incidents.

### Our business model

- > Stillfront is a purpose driven company. We have a vision to be the leading free-to-play powerhouse and we are guided in all business decisions by our purpose *to make a positive impact in our gamers' everyday life, through creating a social, entertaining and positive gaming experience.*

For Stillfront, sustainability is about creating long-term value for society and our shareholders and by developing well-run companies that make a positive contribution to the communities in which they do business, to the environment and to the economy. We strive to make a positive impact in the fast-growing gaming industry by connecting the best game talents around the world through an established platform with robust strategies and operating models. Stillfront acquires and develops studios and creates long-lifecycle games, ensuring long-lasting value for all our stakeholders. This enables organic and acquired growth and realizes synergies between the studios. We act as one company with shared values and principles, while our decentralized organization lets us seize local opportunities. Our diverse markets also present different sustainability challenges, which we as a group have to be aware of and handle. At the same time, Stillfront offers a shared framework of values and business principles to underpin local implementation and drive sustainability improvement in our different markets.

Our business model is built on our long-term perspective in regards to our ownership, towards our professionals and to create the best environment for our gamers. During 2020, we have taken a major leap towards strengthening these three arenas by increasing our focus on our mission and purpose as well as letting our sustainability strategy further drive our business decisions. By expanding our sustainability work to cover everything from our daily operations to the environmental impact of our games, we have widened our perspective of how we can make a positive impact on the people and planet. Our purpose and sustainability strategy drives integrity within our group, guiding us to be bold in carefully selecting acquisitions that meet our standard.

*During 2020, we implemented sustainability in all steps of our business.*



**Our business**

> Stillfront aims to build a leading powerhouse providing digital entertainment in the form of low-risk, long lifecycle games for loyal gamers. Stillfront acquires and develops gaming studios and realizes synergies between them to create a broad and diversified portfolio of games where long life cycles and a loyal player base generate stable income. This engenders strong cash flow and enables organic and acquired growth. Our business model is built on long-term relationships as regards to our ownership role as well as in relation to our professionals and our gamers.

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**OUR PURPOSE**

To make a positive impact in our gamers everyday life, through creating a social, entertaining and positive gaming experience.

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**OUR VISION**

We have a vision to be the leading free-to-play powerhouse.

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**OUR VALUE CREATION MODEL**



**DESIGN & DEVELOPMENT**

- > Babil Games
- > Bytro Labs
- > Candywriter
- > Coldwood
- > Dorado Games
- > eRepublik Labs
- > Everguild
- > Goodgame Studios
- > Imperia Online
- > Kixeye
- > Moonfrog
- > Nanobit
- > OFM Studios
- > Playa Games
- > Power Challenge
- > Sandbox
- > Simutronics
- > Storm8
- > Super Free Games



**MARKETING & PUBLISHING**

- > Stillfront Group strengthens its position in the value chain through in-house performance marketing expertise
- > Stillfront takes full responsibility for sales



**DISTRIBUTION**

- > Browser
- > Mobile platforms, mainly ios and Android
- > PC & Console



**GAMERS**

- > Approximately 60 million gamers all over the globe are enjoying our games

**How we govern sustainability**

- > Stillfront’s sustainability work relies on the foundation of UN Global Compact as well as other regulations and guidelines such as Nasdaq ESG Reporting Guide. Stillfront’s F.A.I.R gaming model and Sustainability policy are internal governance tools. Global Compact guides our corporate and professional behaviour globally, stated in the Code of Conduct. The F.A.I.R model regulates how we take responsibility for our content and our gamers behavior towards each other.

**Our sustainability strategy**

- > Our sustainability strategy guides us in focusing our resources on the most relevant environmental, social and economic factors. The strategy supports us in creating value for our people, reducing our negative impact on the environment and creating economic value for our shareholders. Our strategy focuses on our most material topics and contains targets and key performance indicators. When establishing this strategy, we have considered the principles of the United Nations Global Compact, the Global Goals as well as supporting regulations and guidelines. During 2020, we have carried out the process of setting KPI:s for our most material aspects of sustainability. These will be followed up on yearly and disclosed publicly.

Stillfront’s sustainability platform relies on three pillars: *Living our values*, *Creating games for all*, and *Smart resource use*.

**SUSTAINABILITY STRATEGY**



**LIVING OUR VALUES**

Living our values is about how we as a global group and platform will be able to attract and connect the best game talents globally and help them grow.



**GAMES FOR ALL**

We’re developing games that are fun, smart and entertaining, and at the same time have a positive impact on people and society. We always try to make sure that gaming isn’t only a great social experience, we also take responsibility for a safe and welcoming environment for everyone.



**SMART RESOURCE USE**

For us, smart resource use is a given for the long-term prosperity of gaming and the planet. That is why we offset our emissions and make sure our games are carbon neutral, including our gamers’ energy usage.

**SUSTAINABILITY MANAGEMENT**

**ENVIRONMENT**

**KEY ASPECTS**

- > Environmental Governance & Reporting
- > Becoming climate neutral
- > In-game activities

*For KPIs see page 17*

**SOCIAL**

**KEY ASPECTS**

- > Our Group Culture
- > Equality, diversity and inclusion
- > Employee engagement and well-being
- > Responsible gaming

*For KPIs see page 20*

**GOVERNANCE**

**KEY ASPECTS**

- > Policies and reporting
- > Anti-bribery and Anti-corruption
- > Management
- > Data Privacy and Security

*For KPIs see page 26*

# What we do – Environment, Social, Governance

**Risks and management**

- > The gaming industry is mostly impacted by social risks, the two main areas being human capital and data privacy. Environmental efforts, such as control over and disclosure of CO<sub>2</sub> emissions, are risks if unmanaged. Governance risks include representation on the Board of Directors and data privacy and security issues. During 2020, we took a big step forward in managing our sustainability risks. In the next sections, we will go into detail about how.

**Environment**

> **ENVIRONMENTAL GOVERNANCE AND REPORTING**

During 2020, we conducted our first climate impact measurement, measuring our impact for 2019 and 2020. Being a truly digital company, our biggest footprint lies within scope 3, our indirect emissions, which makes up 97.9 percent of our total emissions for 2019 and 95.8 percent for 2020. The largest part is the energy consumed by our users when playing our games, adding up to 95.7 percent of our scope 3 emissions for 2019 and 95.2 percent for 2020. Following the *Greenhouse Gas Protocol*, we have chosen to expand our corporate responsibility to include our indirect emissions, and to compensate for them as well in order to offer products that are carbon neutral.

2020 was an anomaly in many ways, including our environmental footprint. We worked predominantly from home in all our studio locations and had very limited business travels. On the other hand, we saw an increase in the usage of our games, which we hope will continue to be a positive and social active entertainment for our gamers.

During 2021, we will create a carbon reduction plan in addition to our business plan that spans until 2023. As we have developed our environmental work further, we will during 2021 assess internal managerial responsibilities to ensure correct and transparent reporting from our studios.

**BECOMING CLIMATE NEUTRAL**

As we provide digital entertainment and do not have a physical product in our value chain, one of our main responsibilities is to cover the emissions formed when users play our games. This is why we have measured and compensated for all of the emissions created by using our products. This amounted to 28,707.9 tCO<sub>2</sub>e (tonnes of carbon dioxide equivalent) emissions in 2019 and 27,682.4 tCO<sub>2</sub>e in 2020, which we have compensated for fully in certified projects.

Being climate neutral necessitates measuring your footprint, reducing it as much as possible and then compensating for the remains. For compensation, it is important to partner with an actor that is trustworthy and has projects that are certified gold standard. We have chosen to partner with South Pole, who meets these requirements.

Becoming a certified climate neutral company is only the beginning of our environmental strategy. We are committed to lowering our footprint with improved waste management, especially focusing on electronic waste, as well as more sustainable purchasing procedures. Stillfront’s studios continue to use cloud-based server solutions, which are compensated for and have a high proportion of renewable energy.

<p><b>CLIMATE NEUTRAL</b> FULL COMPENSATION 2019 AND 2020 IN CERTIFIED PROJECTS</p>	<p><b>INDIRECT EMISSION</b> <b>95.8%</b> OF TOTAL EMISSIONS</p>	<p><b>ENERGY CONSUMED BY USERS</b> <b>95.2%</b> OF INDIRECT EMISSIONS</p>
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**STILLFRONT – CLIMATE COMPENSATION**



At Stillfront, we have calculated and compensated for all of our greenhouse gas emissions for 2019 and 2020. For 2019, the total figure was 28,707.9 tco<sub>2</sub>e and for 2020, it amounted to 27,682.4 tco<sub>2</sub>e. In our calculations and the adhering compensation, we have chosen to take responsibility for scope 3, including the energy needed for users to play our games. This activity makes up a vast majority of our climate footprint. Every time a Stillfront-gamer charges their device, the energy consumed has been calculated and compensated for.

We have compensated for our emissions by investing in two projects, *Bhadla solar power* in India, and *Isangi forest conservation* in the Democratic Republic of Congo.

- > **BHADLA SOLAR POWER** is a project that focuses on sustainable electricity generation, replacing fossil fuels with the production of renewable energy for the Indian grid.

India is the world’s third-largest energy consuming country, with energy usage having doubled since 2000. 80 percent of the demand is met by coal, oil and solid biomass. Located in Rajasthan, this project is installing a large solar farm, generating electricity that is sent back to the regional grid. Thanks to this project, more than 180,000 households can be powered by renewable energy.



*Bhadla solar power in India focuses on sustainable electricity generation, replacing fossil fuels with the production of renewable energy for the Indian grid.*

**BHADLA SOLAR POWER’S ACHIEVEMENTS**



**46**  
training sessions provided on site safety and operation, Jan. 2019 to Sept. 2020.



**832,000**  
MWh of clean electricity generated on average per year.



**20**  
permanent jobs created thanks to the project.



**538,660**  
solar modules installed to drive India towards a more sustainable future.



**779,000**  
tonnes of CO<sub>2</sub>e mitigated on average annually.



Cont. Stillfront – Climate compensation

> **THE ISANGI FOREST CONSERVATION PROJECT** protects over 187,000 hectares of a biodiverse rainforest from deforestation.

Forests play an important role in climate change mitigation, as they have the ability to store carbon. When forests are cut down, it both releases the stored carbon and harms biodiversity. The project also improves the livelihoods of the local communities as it develops sustainable income streams. This has resulted in the building of three schools and three small bridges in the area.

The project mitigates 324,534 tco<sub>2</sub>e every year and it has created 397 jobs.



*The Isangi Forest Conservation project protects over 187,000 hectares of a bio-diverse rainforest from deforestation.*

ISANGI FOREST CONSERVATION PROJECT'S ACHIEVEMENTS



**Improved food security** thanks to 35 new productive Tilapia ponds and increased production of pineapple and rice.



**14,000+ USD** spent on medicine over 8 years. As well as increased access to clean water and antibiotics.



**24+ workshops** on sanitation, education, waste management, biodiversity restoration, beekeeping, and 416 hours of educational radio.



**397+ jobs** created, including 10 teachers, 40 in forestry, 1 nurse & 12 in micro-finance.



**3+3 schools & small bridges** built in the project area.



**324,534 tonnes of CO<sub>2</sub>e** mitigated on average annually.



**187,571 hectares** of land protected by the project.



**Habitat preservation** 14 different primates, 11 % of the world's bird species, and 700 distinct native tree species recorded in the project area.

Social

> OUR GROUP CULTURE

For a company like Stillfront, our most important asset is human capital. Therefore, social factors are where to put time and effort when it comes to sustainability work. We are taking a big leap towards creating a work culture that is including, diverse, attracts talent and is value-based. During 2020, Stillfront has continued to focus on our journey as a purpose-driven company and we strengthened our values across the group.

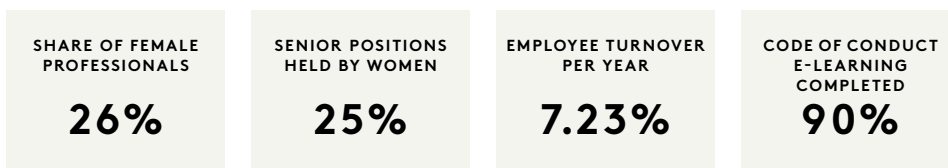
We believe in long-lasting relationships and a decentralized leadership. All our co-workers share the vision that acting sustainably is key to retain our vision of building the leading free-to-play powerhouse. We aim to grow together as a company and as individuals. The values that shape our culture is balance between Entrepreneurship, Scale and Structure.

EQUALITY, DIVERSITY AND INCLUSION

Our industry faces challenges in the areas of gender equality, diversity and inclusion. We have therefore put effort into creating a better work balance, decreasing discrimination and harassment, enforcing gender neutral recruitment and supporting parental leave.

During 2021, we will be bolder and set targets for women in management positions, set targets for creating diverse game development teams and increase diversity in our gaming content. This will be measured yearly. In 2020, Stillfront comprised of 26 percent women and 74 percent men. Senior positions held by women comprised of 25 percent. Women in Stillfront’s Board of Directors comprised 50 percent men and 50 percent women and Stillfront’s Executive Management team comprised eight members whereof three are women.

We are also aware of how a diversified workforce is key to understanding our global gamers. Not only is the share of women who are playing games increasing, but there is also a demand for high-quality entertainment in multiple languages, adapted to different cultures, religions and customs. This is why, for us at Stillfront, equality, diversity and inclusion are not only important aspects for creating a culture where everyone can grow – but it is also increasingly important for our product. It has recently been shown that gamers are equally concerned with inclusion being a part of their gaming experience as they are with gaming quality and content. Toxicity stands out as an issue that affects their experience badly. In order to meet these concerns, we have begun to diversify our portfolio, as we purchased the studios Storm8 and Nanobit with women being the primary target audience. Our journey with diversifying our portfolio will continue during 2021.



EMPLOYEE ENGAGEMENT AND WELLBEING

Our business depends on the wellbeing of our professionals. We operate in an industry that revolves around expertise and talent. Behaving responsibly and sustainably is crucial for our success: an inclusive, equal workplace with high diversity will attract and retain the foremost talent in the industry.

Stillfront is a knowledge company with highly skilled professionals. Everyone is encouraged to continue learning and training to make a positive contribution to our business and culture. To ensure continuous learning and wellbeing of our staff, we will continue to build on a talent management program for all employees. This program is still under development and will include for example employee develop-

ment talks, clear career paths, corporate values, policies and Code of Conduct training. The program will also include sustainability training for all staff, including an understanding of their GHG impact. This will be followed by an employee satisfaction survey, taking place and being disclosed yearly.

In Stillfront Group, each studio has its own identity and culture with its own organization, working methods and processes and local market knowledge. It is our ambition, and our challenge, to let studios work autonomously while simultaneously deriving benefits from collaboration with other parts of the business, as Stillfront grows and scales up.

#### RESPONSIBLE GAMING

The gaming market is growing and becoming a larger share of the entertainment industry. This means that our responsibility of ensuring a good gaming culture is more vital than ever. We strive to have a culture of respect amongst our users, where ill behavior is not allowed. Our F.A.I.R model regulates how we take responsibility for our products and our users' behavior towards each other. We want our gamers to feel safe and respected in our digital worlds. The opportunity to interact with other gamers is a central and appreciated function in many of our games, but there is some toxic behavior. During 2020, we had several reported incidents and we take these very seriously. We manage toxic behavior with built-in functions and algorithms that filter out bad language and we have zero tolerance of threats and personal attacks. As a part of creating a positive in-game environment, we also have to make sure that our products follow our ideas of responsible content. During 2020, we have established a responsible content-declaration where we address, and have a plan for, unacceptable content covering our own games and gamers actions. During 2021 we will implement this declaration across the group.

During the lockdowns of Covid-19, we saw an increase in gaming activity. We hope that our games have been a way for people to escape confinement and solitude, and instead engage in social activities online. We will continue to offer a diversified portfolio of games that attract different types of players, but we only target an adult user base.



### Stillfront's model for positive play

- > Stillfront's portfolio of games has grown into an exciting and vibrant ecosystem for millions of gamers. Our basic principle is that playing games should be fun, positive, fair and safe for all. We, as a group, have a social responsibility for the growing gaming population that play our games and the social platforms we create for them. We influence many gamers with our content which is why it is of great importance that we all share the same values and principles that we base our content on.

## THE STILLFRONT FAIR MODEL



*Forum & Communities.  
Age protection.  
Inclusion & Diversity.  
Responsible Games, Marketing and Monetization.*

### **F** FORUM & COMMUNITIES

- > Treat others as they would like to be treated – don't engage or promote harmful behavior including attacks on race, sexual orientation, gender identity/expression, religion, heritage, country of origin, or unwelcome sexual advances and messages.
- > Keep things fair – no cheating or exploitation.
- > Share clean content – create and share stuff that is appropriate.
- > Follow local laws – keep it legal in our games and services, just as you would wherever you are IRL.
- > Where applicable we utilize automated chat filters, which evaluates words and statements using textual clues and blocks players that breach our guidelines. The filters are to block cursing, sexual comments, racist or hateful language, personal threats, bullying etc. for the supported languages.
- > If a user regularly "misbehaves", we will take actions like banning players from the game or remove their access to multiplayer features. Filters should also be able to restrict the sharing of links and images.

### **A** AGE PROTECTION

- > Provide correct age recommendations and label the game's content in a correct and honest manner.
- > The target audience of our gaming studios are aged 16 and above, as per their terms and conditions and their games are to be classified by the International Age Rating Coalition (IARC).

**I INCLUSION & DIVERSITY**

- > We view diversity as a source of competitive advantage. We believe in creating games and experiences for our global user community that are a reflection of a diverse world.
- > We celebrate diversity of thought, cultural differences, lifestyle, age, background, experience, religion, economic and social status, gender identity and marital status.
- > Let's make sure we together create a diverse range of characters and avoid gender stereotyping.
- > In places where our gamers can create their own characters, we should offer them diverse options.

**R RESPONSIBLE GAMES, MARKETING & MONETIZATION**

- > We are responsible for publishing content according to our values regulated in our Code of Conduct.
- > Our eco-system of game developers, publishers and platform providers as well as gamers have created social standards of what defines responsible content and not. Our games are to follow the guidelines and recommendations set by the gaming eco-system.
- > We do not allow content including personal threats, harassment or bullying of any appointed target persons or groups.
- > We avoid defamatory, discriminatory, or mean-spirited content, including references or commentary about religion, race, sexual orientation, gender, national/ethnic origin, or other targeted groups.
- > We do not try to profit from sensitive current events such as natural disasters, atrocities, conflicts, deaths or other tragic events.
- > We do not allow sexual or pornographic material, such as explicit content of nudity or display of sexual activities in our games.
- > We do not allow sexist content or language in our games.
- > The marketing of our games should be ethical, honest and reflect generally accepted social standards.
- > We comply with the ratings and recommendations in each market with regards to content and age.
- > There is no mechanism in Stillfront games to withdraw or transfer in-game currency out of a game account.
- > Gamers are not allowed to buy, sell or trade in-game currencies for real-world money among each other or with any third-party. The purchase is a transparent process and in accordance with the platform regulations and applicable law.
- > Free-to-play games allow any gamer to access and experience a game independent of their ability to pay. When it comes to offering optional monetized content, our games are only using fair and transparent methods and will never try to trick a player by not delivering what was offered.

**Governance**

**> POLICIES AND REPORTING**

As a part of our new sustainability strategy, we strive for increased transparency and disclosure. 2020 will be the baseline for us when conducting our yearly measurements, and when reporting our challenges and progress. During the reporting period, we have updated our policies in order for them to reflect our new sustainability standards.

During 2020, we have underlined that all employees have the freedom of association and launched an e-learning course on our Code of Conduct for all professionals. To date, 90 percent of all staff have undergone the training. Our whistleblowing system has been updated and is now publicly available on our website and open for both internal and external reporting. Reports can also be made by e-mail or by post. All reports stay anonymous. Cases are handled in confidence by Stillfront’s Whistleblowing Team which comprises the Chairman of the Board and the General Counsel. No substantiated cases were reported during the year.

During 2020, we have updated our due diligence process. Potential acquisitions of new studios are structurally evaluated from a sustainability perspective and significant risks are identified. This evaluation process takes the form of discussions and interviews with the studio’s management team. All companies that we acquire undergo a risk assessment specifically focusing on internal processes that safeguard financial security, including corruption prevention as well as a cultural evaluation with focus on corporate values and principles.

In steering our sustainability work effectively, we engage in close dialogue with our stakeholders. The stakeholder groups have been identified as the groups that are affected by our operations most and which have a major impact on the ability to follow through on our strategies to reach our goals.

**RESULTS FROM STAKEHOLDER DIALOGUES**

STAKEHOLDER GROUP	FORMAT	KEY ASPECTS
> Shareholders and investors	<ul style="list-style-type: none"> <li>&gt; Interviews</li> <li>&gt; Meetings</li> <li>&gt; Analysis</li> <li>&gt; Capital markets update</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Data privacy and security</li> <li>&gt; Responsible games</li> <li>&gt; Anti-corruption</li> </ul>
> ESG specialists	<ul style="list-style-type: none"> <li>&gt; Meetings</li> <li>&gt; Interviews</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Data privacy and security</li> <li>&gt; Responsible content</li> <li>&gt; Social aspects of gaming</li> <li>&gt; GHG emissions</li> <li>&gt; Sustainable business model</li> </ul>
> Users/consumers	<ul style="list-style-type: none"> <li>&gt; Customer dialogue</li> <li>&gt; Internal analysis by product specialists</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Regular product updates</li> <li>&gt; Data privacy and security</li> <li>&gt; Climate impact</li> </ul>
> Professionals	<ul style="list-style-type: none"> <li>&gt; Surveys</li> <li>&gt; Formalized meetings with managers</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Sustainable, accountable, equal workplace</li> <li>&gt; High-quality, long-lasting products</li> <li>&gt; Data privacy</li> </ul>

**ANTI-BRIBERY AND ANTI-CORRUPTION**

Stillfront has a zero-tolerance stance against bribery, corruption and money laundering and has adopted an Anti-bribery and Anti-corruption Policy that apply to all companies and professionals of the Stillfront Group. We are further committed to observing the standards of conduct set forth in applicable anti-bribery, anti-corruption and anti-money laundering laws and regulations of the countries in which we operate, including the United Kingdom Bribery Act 2010 and the United States Foreign Corrupt Practices Act.

All companies that we acquire undergo due diligence specifically focusing on internal processes that safeguard financial security, including preventing corruption. Professionals that are engaging with external stakeholders are trained in the Anti-bribery and Anti-corruption Policy on a regular basis. Any breach of the principles set out in the policy must be reported through the designated channels, which includes Stillfront's Whistleblower Channel.

Stillfront is continuously striving to maintain the highest standards to protect its users from cyber-attacks and card fraud when playing our games. We comply with all applicable legislations and rules to achieve utmost security and expect the same of our business partners and suppliers. Stillfront's Goodgame Studios has developed its own fraud prevention solution, which has been implemented at several of our other studios. The solution monitors payment patterns in real time and reacts in the event of fraudulent behavior.

**MANAGEMENT**

The Board of Directors is responsible for Stillfront's overall strategy, in which sustainability is integral to value creation. To assist the Board in monitoring the implementation of our sustainability agenda, Stillfront has continuous dialogue with the Board on improvement plans and sustainability strategy.

Stillfront's Management develops tools and processes that guide the head office and our studios. During 2020, we developed a studio support program, which includes training and guidelines on sustainability, key performance indicators, and the updated policy package. The program will be fully implemented during 2021.

All our studios and their professionals are expected to be familiar with and live up to our sustainability ambitions. The Studio Head is responsible for implementation, carrying out training and follow-up. An approach that is resource-efficient, decentralized and digital is key to our business' success.

Board diversity and independence is important for us. Our CEO cannot be Chairman of the Board. Our Board is composed of 50 percent women and 50 percent men.

The payment of taxes is a central link between governments, communities and businesses. Stillfront has assessed how different tax rules affects its operations, to ensure an accurate tax status. Stillfront reports and pays tax in accordance with applicable legislations, taking into account expert advice from tax advisors.

**DATA PRIVACY AND SECURITY**

Being a data-driven organization is central to Stillfront. Analyzing user data enables us to identify behavior patterns, information of our operations and other insights, which allow us to be even better at developing games, as well as following events, activities and campaigns for a better experience. The users' interactions with our studios' customer services are an important intelligence when developing our games and new functions. The marketing of our games is data-driven and crucial in attracting users to play free-to-play games.

Data privacy and data protection are of the utmost importance to Stillfront. Over the years, we have put considerable resources into ensuring that our privacy program meets the criteria of the General

BOARD DIVERSITY  
EVEN BOARD  
REPRESENTATION

**50%**

CODE OF CONDUCT  
E-LEARNING  
COMPLETED

**90%**

DATA PROTECTION  
DELOITTE APPOINTED  
GROUP'S EXTERNAL DATA  
PROTECTION OFFICER  
(DPO)

Data Protection Regulation (GDPR) and other applicable data protection and privacy regulations. Our processes have been designed to safeguard confidentiality, privacy and access to information and data.

Stillfront's external website contains information on the rights that users have and descriptions of how Stillfront processes personal data. The end-user data is processed by the studios and such processing activities are subject to the privacy notice applicable for the respective games.

In 2020, we engaged Deloitte as the group's external Data Protection Officer (DPO). Deloitte has an experienced team with specialists within privacy, data protection, risk management and cyber/IT/information security. As part of their onboarding process, Deloitte has carried out a series of activities for the group companies to measure the maturity of the respective group company's privacy capabilities and level of compliance with the GDPR requirements. These activities have included GAP assessments, data discovery exercises, and risk analyses based on interviews with key stakeholders and reviews of their existing documentation. As a result of these activities, Stillfront was able to provide best-practice templates and accelerators which enabled the younger and less mature studios to quickly establish a more solid and formal foundation for their privacy capabilities. The coordination and knowledge sharing across the group will facilitate a more rapid and consistent remediation of the identified improvement areas.

The DPO role includes targeted audits, in addition to continuously advising the business in regard to privacy and GDPR. The purpose of the audits is to test and assess compliance with GDPR, local privacy legislation and evaluate how previously identified compliance gaps have been handled. The result from each audit will be documented and reported to the Stillfront's internal Privacy Group as well as Stillfront's Board of Directors. Deloitte has identified certain focus areas for their annual DPO audit plan for 2021, including retention and legal basis for processing.

All professionals of Stillfront are offered regular data privacy and data protection training.

We recognize that data privacy and data protection is an ongoing project that demands continuous improvement. In 2020 no substantiated claims about data breaches were reported.





## SUSTAINABILITY PLANS FOR 2021

Going forward, we will explore how our business can contribute to global agendas. During 2021, we will connect our impact to the Global Goals and apply these in our reporting.

### CARBON REDUCTION PLAN



Establish a carbon reduction plan.

### SUSTAINABILITY TRAINING



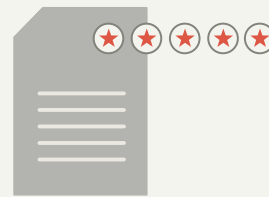
All co-workers will receive sustainability training.

### WOMEN IN MANAGEMENT POSITIONS



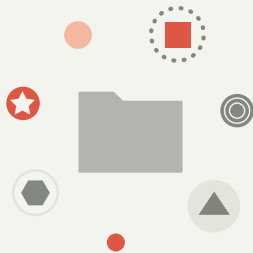
We will set a target for share of women in management positions.

### EMPLOYEE SATISFACTION SURVEY



The Talent Management Program will be followed by an employee satisfaction survey.

### DIVERSIFIED PORTFOLIO



Explore how we can further diversify our portfolio.

### THE GLOBAL GOALS



We will connect our impact to the Global Goals.



***“Regular data privacy and data protection training is an ongoing project that demands continuous improvement. In 2020 no substantiated claims about data breaches were reported.”***

# Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Stillfront Group AB (publ),  
corporate identity number 556721-3078.

## Engagement and responsibility

- > It is the board of directors who is responsible for the statutory sustainability report for the year 2020 on pages 10–28 and that it has been prepared in accordance with the Annual Accounts Act.

## The scope of the audit

- > Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and 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 opinion.

## Opinion

- > A statutory sustainability report has been prepared.

Stockholm, 20 April 2021

Öhrlings PricewaterhouseCoopers AB

Nicklas Kullberg  
Authorized Public Accountant



**STILLFRONT**  
GROUP



[stillfront.com](http://stillfront.com)