

ESG Questionnaire

STILLFRONT
GROUP



1. General industry

Please list the industry's three biggest sustainability related challenges

- 1) Scope 3 emissions: Energy consumed by users when playing the games.
- 2) Data privacy and security: Operations aligned with GDPR and other applicable data protection and privacy regulations.
- 3) Human capital: Gender equality, diversity and inclusion.

How does the firm compare to industry peers regarding sustainability initiatives? Above, on par, or below?

Stillfront considers itself as above industry peers regarding sustainability initiatives. During 2020, we expanded our sustainability work to cover everything from daily operations to the environmental impact of our games.

Is the company a signatory of the UN Global Compact or Science Based Targets, report to the CDP or engage in any other relevant sustainability initiatives?

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 FAIR 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 FAIR model regulates how we take responsibility for our content and our gamers behaviour towards each other.

2. Environment

Please list, if any, the firm's climate related opportunities

- 1) Control over and disclosure of CO2 emissions ultimately leading to climate neutrality.
- 2) Climate compensation through partnerships with actors such as South Pole.

Please list the firm's three primary risks related to climate change

- 1) Increased counter-party risk.
- 2) Increased demand for, and shortages of, electricity.
- 3) Reduced global trade.

Does the firm anticipate any climate related investments?

- 1) Costs related to more sustainable purchasing procedures.
- 2) Costs related to waste management, focusing on electronic waste.

Does the firm rely on any scarce resources for its operations? If so, what efforts are made to mitigate the risk of those resources becoming even more scarce in the future, e.g. recycling, reusing, substitutes or improved resource efficiency?

No, Stillfront does not rely on any scarce resources in its operations.

Transition related risks (for example changed customer preferences or legislation): Do you anticipate any risks or opportunities due to the transition to a carbon neutral society? Is there any risk of the firm's offering being negatively affected? If yes, is the firm well positioned to handle that risk?

Opportunities: Developing games that are fun, smart and entertaining, and at the same time have a positive impact on people and society.

Risks: The largest climate footprint of Stillfront is Scope 3 emissions, of which we have a limited chance to impact. Currently we offset these emissions to achieve climate neutrality, but in the longer term we need a more robust solution.

Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact. (If applicable, please list the corresponding most relevant UN Sustainable Development Goals). How are they tracked and communicated?

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.

3. Social

Does the firm have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?

Stillfront has not been implicated in any significant ESG-related controversies. We have initiated a Talent Management Program including corporate values, Code of Conduct training as well as sustainability education. 90% of our co-workers have completed the Code of Conduct training.

Does the company conduct any other community engagement activities aside from those directly connected to the business?

No.

Circular economy: How are purchases and waste managed? Please list the firm's demands on its suppliers, if applicable.

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.

Are there any goals, policies, or Codes of conduct applicable to the firm's suppliers? How often does the firm conduct audits of its suppliers?

No. In practice, Stillfront works closely with suppliers to make sure they are compliant with regulatory requirements, as well as continuously working on finding solutions for increased recycling throughout the value chain.

4. Governance

Do all staff members receive continuous training on anti-corruption? Is there an external whistle-blower function? Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct? Have any preventive measures been taken?

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. Staff members receive continuous training on this.

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.

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. Historically, no substantial cases have been reported.

Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen.

As we are headquartered in Stockholm, Sweden, our business tax residence is in Sweden.

Are there independent members of the Board of Directors?

Yes, the majority of the Board members are independent in relation to the company, company management, and the company's major shareholders.

Please state if and to what extent, the company has transactions with related parties?

Purchase and sales transactions with related parties are on market terms. Transactions between the Parent Company and subsidiaries are service and management fees. There are no purchases of goods and services from related parties.

Is the remuneration of the CEO and other members of the management team in line with industry peers? Which KPIs dictate the remuneration (particularly if sustainability and gender diversity are included)?

Salaries and benefits to the CEO and other senior executives are reported in the annual report and are regarded as in line with industry peers. Remuneration to the CEO is decided by the Board of Directors, and remuneration to other senior executives, by the CEO. The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration based on annual performance targets (bonus), pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration. The variable cash remuneration for an executive manager may correspond to not more than 50% of the fixed annual cash salary. The variable cash remuneration shall be linked to predetermined and measurable criteria such as earnings, achievements in relation to the budget, the development of the Company's share price and personal performance.

Please indicate the relative split of men/women at every level of the firm, particularly the Board of Directors and management team.

- Share of female professionals: 26%
- Senior positions held by women: 25%
- Executive management team positions held by women: 37.5%
- Board of Directors positions held by women: 50%

Is the Head of Sustainability a member of the management team? If not, who does that person report to?

Yes, the Head of IR, Communication & Sustainability is a member of the management team.

Policies or agreements in place?

- Code of conduct: **Yes**
- Code of conduct for suppliers: **No**
- Diversity policy: **Yes**
- Anti-corruption policy: **Yes**