# SUSTAINABILITY



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Rovio is a mobile-first gaming company that is best known for the global Angry Birds brand, which started as a popular mobile game in 2009 and has since evolved from games to various entertainment, animations and consumer products in brand licensing. Rovio produced The Angry Birds Movie (2016) and its sequel, The Angry Birds Movie 2, was released in 2019. The company offers multiple mobile games and has seven games studios – two in Espoo (Finland), one in Stockholm (Sweden), Copenhagen (Denmark), Montreal and Toronto (Canada), as well as a subsidiary in Izmir (Turkey) called Ruby Games, which was acquired in 2021. Most of the employees are based in Finland where Rovio is headquartered. Rovio became a public company in 2017, and its shares are listed on the main list of NASDAQ Helsinki stock exchange with the trading code ROVIO.

Rovio has reported its Corporate Responsibility activities since 2017 as non-financial reporting. The Sustainability 2021 report already partially follows the international Global Reporting Initiative (GRI) Standards. The Rovio 2022 sustainability reporting is planned to be fully compliant with the GRI standards. The referred standards are listed in the GRI Global Reporting Initiative (GRI) Standard and its Content Index in page 28.

While the new EU taxonomy regulation for sustainable activities does not currently apply to us, we are closely monitoring the development and requirements in relation to the regulation, and are making preparations accordingly.

# Rovio sustainability in brief

Rovio's mission is to craft joy with player-focused gaming experiences that last for decades. Joy is both our end goal and the means for us to get there. The joy we find in our work translates to games and entertainment that spark imagination and put smiles on peoples' faces. We want to deliver high-value experiences to our players, and we never take their time with us lightly. We believe joy can stand the test of time and ultimately create meaningful changes.

Our vision for sustainability is clear: We want to lead the industry in creating safe and joyful gaming experiences that are crafted in a diverse and inclusive work culture while respecting our planet.

#### Focu **n**

#### Focus areas

With **safe & responsible gaming** we aim to create a safe and enjoyable gaming environment for all our players.



**People & society**. As games are made from people to people, we see that the importance of diverse and inclusive work culture and our support to the larger society continues to be one of the areas of focus.

**Climate & environment** combines all our efforts to mitigate our negative environmental impacts and to seize the opportunities to raise awareness on important matters everybody can act on.

# 2021 sustainability highlights

# Collaboration with UNICEF Finland

# Cooperation with World Health Organisation

# Appointment of Chief Sustainability Officer

# Setting sustainability goals

# Compensation of CO<sub>2</sub> emissions

In 2021 we continued the work with UNICEF Finland to support and give a second chance to the most vulnerable adolescent girls in and out of school in Senegal.

We are proud to have made a commitment for the next three years 2022–2024 to support UNICEF's education program in Sierra Leone, starting in 2022.

During 2021 we worked with WHO on two in-game campaigns in Angry Birds Friends. These events reached millions of people and raised awareness on the importance of mental health, and offered tips on how to stay active at home during the Covid-19 pandemic.

Heini Kaihu was appointed as CSO in September 2021. The creation of this role strengthens our commitment to fully integrate sustainability in all of our operations and activities. Reflecting the importance of the CSO role, Heini sits in the leadership team.

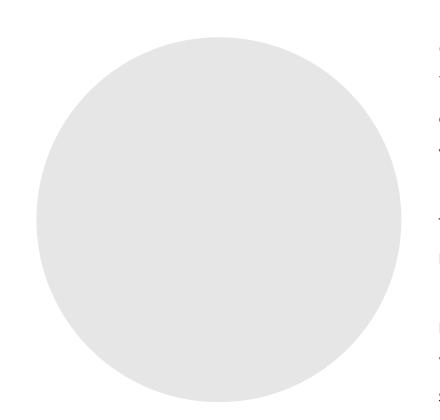
Creating clear goals for each of the sustainability focus areas is key to monitoring our progress.

Safe & responsible gaming, people & society, and climate & environment will each have their own annual goals we follow and report on. By committing to these goals, we aim to create engaging gaming experiences to our players in a more sustainable way.

In 2021 we made a significant pledge to reach carbon neutrality during 2022. Rovio has been compensating part of its emissions since 2018 and the natural next step was to go carbon neutral by covering all relevant value chain emissions. This includes emissions that are caused by playing our games or watching our YouTube channel.



# Message from Chief Sustainability Officer Heini Kaihu



Our mission is to *craft Joy with player-focused gaming experiences that last for decades*. This means that the joy we find in our work translates to what we create. Our games and entertainment spark imagination and put smiles on peoples' faces. We want to deliver high-value experiences to our players, and we never take their time with us lightly.

Looking at the world, as well as our industry, acting responsibly is now more important than ever. It will not be possible to live and work tomorrow if we don't take seriously our responsibility to build and protect our social, economic and environmental capital.

We Craft Joy has truly shown its meaning during 2021 with Covid-19 pandemic still restraining our lives, as during this time we all needed a bit of joy to our days. During the year we have been constantly challenged to learn new ways to do our work and maintain the Rovio spirit and culture. The most important factor has been open and constant communication, and both the physical and mental wellbeing of our colleagues has been and will remain our top priority.

In 2021 we took big leaps forward on defining and creating a detailed strategy for each of our sustainability focus areas. We established the safe & responsible gaming strategyfor the coming years to further ensure our games are safe and joyful for everyone. With people & society, we want to create a more inclusive future by focusing on diversity, equity and inclusion. We also continued to drive our climate & environment strategy forward, making sure we do our part in protecting the planet. In November 2021 we pledged to reach carbon neutrality in 2022. This means that any  $CO_2$  released into the atmosphere from our operations is compensated by an equivalent amount through certified climate projects.

We were also successful in defining our sustainability goals. Based on the strategy work, we are proud to commit to continue fostering safe and responsible gaming space and to drive the strategy forward. We want to improve inclusivity & equity, build diversity and promote our values in the society, and we are committed to minimizing negative impacts and maximizing positive impacts for our planet.

We want to deliver the gaming experiences to our players in a sustainable way by devoting our best work to these sustainability goals and objectives, which are detailed later in the report. I'm very proud of our accomplishments in 2021, and in 2022 we will continue to build on this work. Our ambition is to add value to every function in the company and give back to the industry and surrounding world through our activities and commitments.

I was appointed as Chief Sustainability Officer in September 2021. Since joining Rovio nine years ago, I've seen the company grow into the corporate citizen it is today through continuous learning and acting responsibly. We at Rovio want to see sustainability effectively integrated throughout our strategy, operations, products, practices and interactions. The work is guided by our sustainability vision and we want to live up to this vision.

"In 2021 we took big leaps forward in defining and creating a strategy for each of our sustainability focus areas."

# Our business

## **Business** model

Rovio's operations are divided into two business models: Games and Brand Licensing, with separate business models for both.

The Games business unit creates, develops and publishes mobile games and explores the future of gaming initiatives. At the end of 2021, Rovio's games had been downloaded more than 5 billion times since 2009. The prevailing revenue model in the mobile gaming market is free-to-play (F2P), which means that games can be downloaded and played for free. However, players can choose to make in-app purchases, e.g. to progress more quickly, gain access to new content or unlock special features. Rovio's games may also contain ads and by watching them players can progress faster or gain alternative in-game benefits. Rovio's subsidiary Ruby Games operates in the hyper-casual market, where revenue streams come mainly from in-game ads.

The Brand Licensing team licenses Rovio's Angry Birds brand and the related characters. Rovio has over 100 licensees around the world, who manufacture products and produce content according to Rovio's approval process. They commit to respecting the guidance on Rovio's trademarks and comply with the Rovio Code of Conduct for Partners and agree to have relevant audits performed.

At the end of 2021, 95% of Rovio's group revenue came from games, and 3% from brand licensing and 2% of revenue came from custom contracts.

# Free-to-play business model of games

Rovio develops games and runs paid and organic user acquisition campaigns in digital media channels

Players download games from application stores for free

Players make in-application purchases

Players watch ads in the game

80%

Rovio Group revenue\* \*\*

15%

Rovio Group revenue\* \*\*

# Brand Licensing business model

Rovio licenses Angry Birds brand to product manufacturers and content creators directly or through agents

Manufacturers make the products and are responsible for distribution.

Content creators create content and are responsible for distribution

Royalties from licensing

3%

Rovio Group revenue\*



<sup>\*</sup>Q4 2021

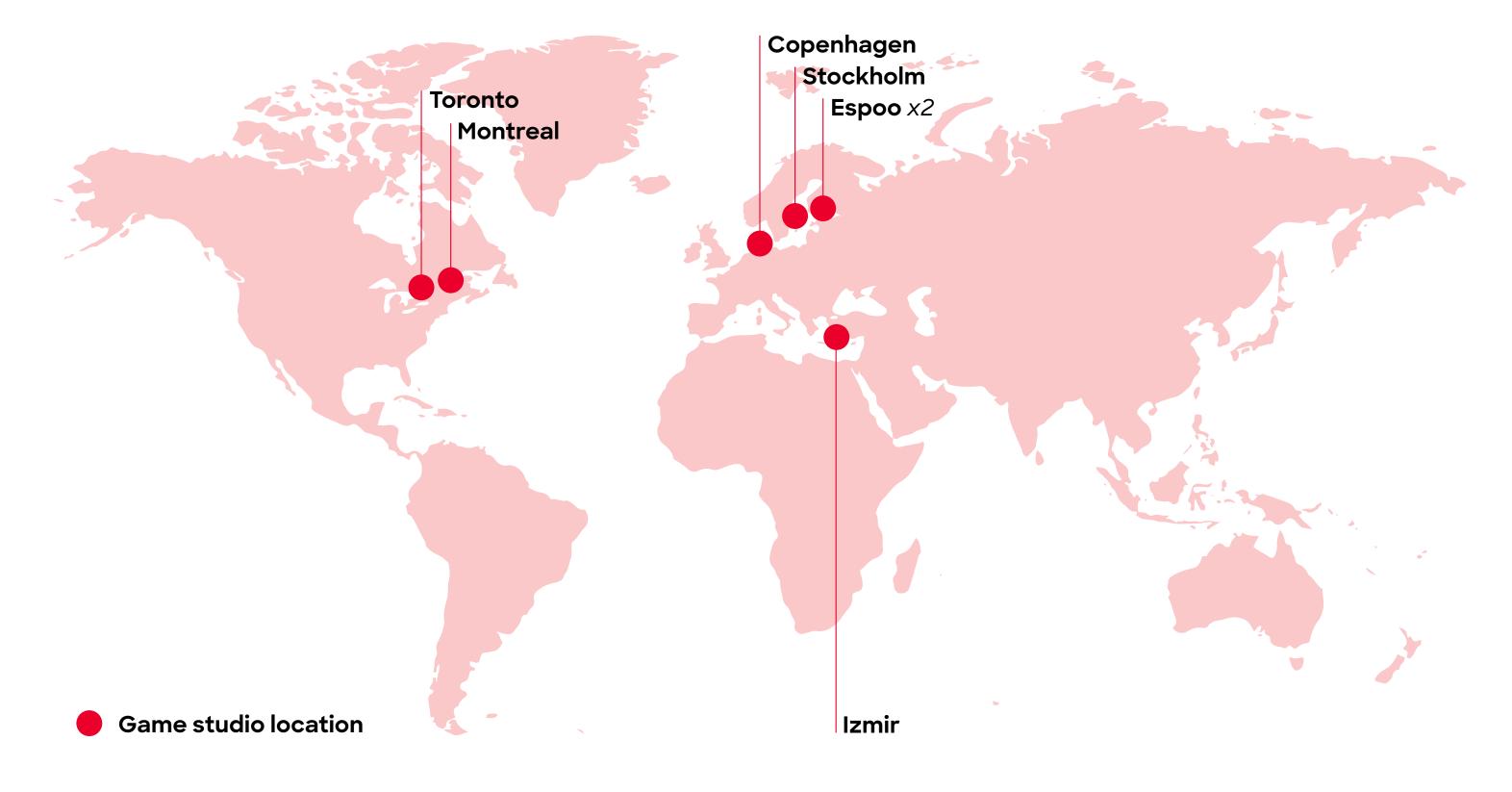
<sup>\*\*2%</sup> in 2021 group revenue came from custom contracts

# Rovio market presence and key figures

Rovio operates in the highly dynamic mobile gaming market, with the focus mostly on western territories (the US and Western Europe). Gaming continues to be a mainstream entertainment with nearly 3 billion players globally at the end of 2021. The gaming market generated USD 180.3 billion in revenue in 2021 across PC, console and mobile. This is more than movie box office, video streaming and recorded music combined.

Rovio has seven games studios across Europe and Canada. We are headquartered in Espoo, Finland where also our Brand Licensing team is located. We are already well positioned in the market through our Puzzle studio in Espoo and Advanced casual studio in Stockholm, and we aim to grow our presence in new market areas through our other studios. Copenhagen studio focuses on casual RPG, Strategy studio in Espoo focuses on casual strategy, while in 2021 established Toronto studio is exploring new avenues in the traditional casual market. Our Montreal studio focuses on Future of Gaming initiatives around gaming megatrends. Through the acquisition of Ruby Games, we now have a growing presence in hyper- and hybrid-casual.

**₹ROVIO** 



Group revenue 286.2 EUR million

Games revenue 276.4 EUR million

Group Adjusted
Operating Profit
43.67
EUR million

Group adjusted operating profit margin 15.3%

Game downloads\*

\*since 2009

2021 figures

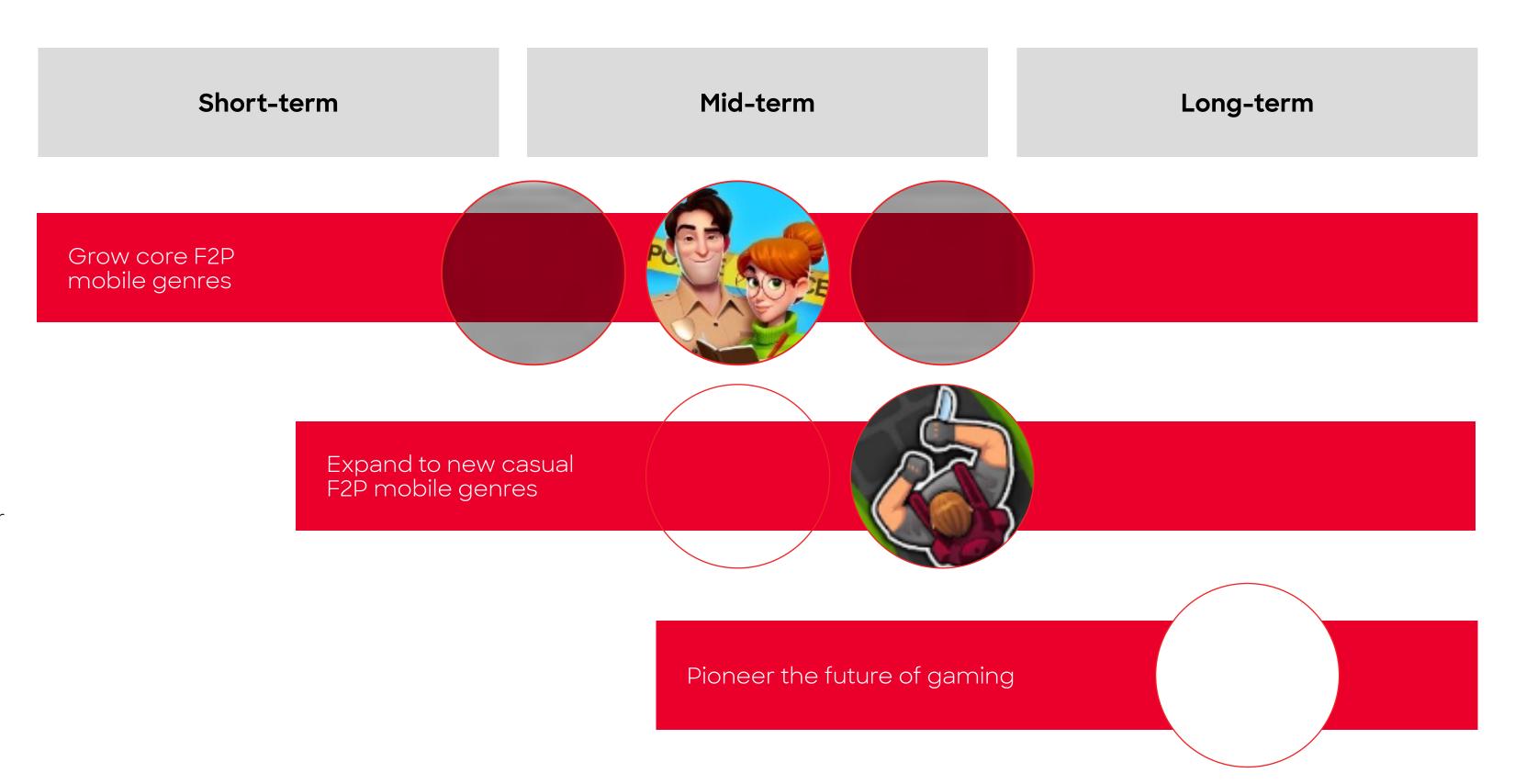
# Our strategy



## Company strategy

In pursuit of our mission – We craft joy with player-focused gaming experiences that last for decades – we focus on three strategic pillars: (1) grow our current core free-to-play (F2P) mobile genres Puzzle and Slingshot, (2) expand to new casual F2P mobile genres, and (3) explore future growth opportunities beyond core F2P mobile. Our strategy focuses on casual and wide appeal games – areas with proven expertise, which enables us to maximize the value of our network of users. We operate in a Games-as-a-Service (GaaS) business model, driving player engagement and monetization through live operations. Our goal is to grow through systematic investments into the three areas both organically and inorganically.

Angry Birds is Rovio's unique asset and key competitive advantage. With four touchpoints of *Play, Engage, Watch and Consume*, we want to address different types of audiences, both new and existing, bringing them experiences in various formats. Our ambition is for the brand to stay with fans throughout their lives. The Angry Birds IP is a key growth driver for Rovio games as it brings more visibility and organic downloads, and lowers Cost-Per-Installs (CPI) for our games.



# Sustainability strategy

Sustainability strategy is an important tool for us when we set sustainability guidelines. It puts the most material topics at the forefront of our work and gives us clarity on our focus. The strategy is based on three focus areas. The selection of the focus areas is based on our company strategy, our mission and values, and the sustainability materiality analysis conducted in 2020.

In safe & responsible gaming we focus on the sustainability of our core products, whereas in people & society we are talking about matters that concern our employees and surrounding society. With climate & environment, we want to highlight that we are doing our best to mitigate the burden caused to our dear planet – the only stakeholder that has no voice.

We have also clarified our way of working, as we build our sustainability with continuous improvement and focus on long-term perspective instead of quick wins. Going forward, we want to see sustainability even deeper embedded into our core business and operations, and we ensure that by involving the key stakeholders in defining the strategy and action plan. Lastly, in our work, we want to prioritize those opportunities that can deliver shared value to us and to our stakeholders.

#### Focus areas



Safe & responsible gaming

People & society

Climate & environment

Way of Working

Continuos improvement Long-term perspective Shared value creation

#### Foundation

Rovio strategy

Mission & values

Materiality analysis

# Our sustainability focus areas

We have three strategic focus areas in sustainability, namely safe & responsible gaming, people & society, and climate & environment. Firstly, we aim to create a safe and enjoyable gaming environment for all our players. Secondly, as games are made for people, by people, we see that the importance of diverse and inclusive work culture fueling innovation. Our support to society also continues to be one part of this focus area. In addition, we combine all our efforts to mitigate our negative environmental impacts and to seize the opportunities to raise awareness on important matters everybody can act on.

# Safe & responsible gaming

#### Strategy developed in 2021

This focus area is closest to our core products - mobile games - and closely related to the social sustainability of our games. We aim to create a safe space for our players to enjoy a fun and enjoyable gaming experience. We put the player at the center of our activities and constant player feedback is used to refine the games and ensure a safe environment for all.

In 2021, we developed a long-term strategy for a safe and responsible gaming domain. The strategy minimises harmful aspects that our players may face, and enforces positive aspects in the gaming space for the players. Additional important initiatives include streamlining the internal processes and guidelines for the benefit of our players as well as ensuring efficient and effective internal operations.

# What is safe and responsible gaming at Rovio



MINIMISING factors worsening gaming space

E.g. harmful player conduct, poor data protection, cheating

MAXIMISING factors improving gaming space

E.g. embracing privacy, easy to understand Player Code of Conduct and documentation, diverse characters We continuously further develop the ways to minimise harmful user-generated content in our games. User-generated content is defined as any kind of content that can be created or customized by players, such as usernames, chat messages, and guild names or descriptions. Our player experience team actively engages with our player community to prevent and act on poor behavior. We aim for all Rovio games to be free of hate, free of adult-only content, free of harassment, and free of activities damaging to our players. Furthermore, Rovio's Player Code of Conduct stipulates what we expect from our players. To ensure we are fully compliant, Rovio has a designated Player Safety and Compliance Manager for our games.

#### Active player in the industry

Being actively involved in industry development to promote safe and responsible gaming is very important to us. We will be presenting our safe and responsible gaming strategic framework in the Fair Play Summit, which is part of the Game Developer Conference held in San Francisco in March 2022. Rovio is a member of the international Fair Play Alliance (FPA) established by gaming companies, which has now over 120 members. The goal of the alliance is to promote fair online gaming by sharing best practices and research between members. FPA's "Disruption and Harms in Online Gaming Framework" was used in the development of our strategic framework. In addition, we are regularly in contact with our peers and gaming associations to make sure we all actively pursue important topics in the gaming industry together.

#### Responsible use of player data

Over the years, we have invested heavily in our technology and data related capabilities. Responsible data processing is a core part of Rovio's technology strategy and an area where we strive for continuous improvement. As part of our privacy governance, Rovio has a designated Data Protection Officer to oversee data protection related matters. Amidst a rapidly evolving regulatory landscape, we actively engage with other gaming companies in an effort to translate new legislative requirements into concrete actions for the industry and Rovio. We continuously monitor regulatory developments, such as EU-level regulations related to safe internet use and the protection of minors.

#### **Identified risks**

The risks we have identified in safe & responsible gaming are mainly related to information security, privacy protection as well as inappropriate in-game behavior, user-generated content, and discrimination. Risks related to information security and privacy protection are managed by carefully designed automated in-game processes that minimize the chances of information security breaches, as well as by internal processes and guidelines that guide Rovio employees. Guidelines for game developers, the monitoring of player behavior in games, and user surveys aim to ensure that games are safe and fun for players. We aim to remain at the forefront of any development in the industry, for instance being involved with the Fair Play Alliance and other initiatives, and constantly monitoring the latest industry and regulatory developments in order to manage risks.

#### **READ MORE ON**



Rovio Player Code of Conduct

Fair Play Alliance



#### Safe & responsible gaming goals and targets

#### GOALS

- Continue fostering safe and responsible gaming space for our players
- Drive forward and execute safe & responsible gaming

Targets 2021	Status 2021	Targets 2022	Relevant UN's Sustainable Development Goal
1. Conduct strategic analysis	Completed	1. Advance strategic initiatives	17 PARTNERSHIPS FOR THE GOALS
2. Set strategic initiatives	Completed	2. Streamline requirements and monitoring framework	
3. Build a working group for safe & responsible gaming	Completed	3. Participate and influence in the relevant industry and legislative forums	

## People & society

#### Diversity drives innovation and inclusive leadership

Our ambition is to create growth and to do that, one needs to differentiate. Differentiation requires innovation, and innovation is fueled by diversity. The global player community represents a wide diversity of demographics with players in nearly every country. To create games and experiences that resonate with the players, it is imperative that our employee community reflects that diversity. At the end of 2021, Rovio consisted of people from 54 nationalities, each of whom brings their own unique perspective to their craft.

Diversity leads to deeper understanding of markets, players, and us people. It helps to unleash collaborative creativity, and being a diverse and value-driven workplace helps us attract talent who also sees these as important tools for developing more inclusive games in the future. But diversity alone is not enough. For it to have a true impact, it needs an inclusive work culture that welcomes different viewpoints and enables employees to do the best work while being and feeling respected and valued for who they are.

We support and equip our leaders with training that increases understanding and provides them with the tools and behaviors to be managers that advocate for equity, inclusion and diversity. We have a leadership training program open for all Rovians to become better leaders for themselves and the colleagues around them.

It is also recognized that despite training, some unconscious biases may be difficult to fully remove. For that reason, we ensure our people processes that support systemic inclusion in behaviors and practices. This includes e.g. evaluating our holistic sourcing and hiring process as well as creating a more inclusive career development process.

#### What is diversity, equity & inclusion (DE&I) at Rovio

## MAXIMISING factors boosting DE&I

E.g. inclusive culture welcoming different opinions and voices, diverse representation of employees, DE&I tied to company strategy & operations

Diverse and inclusive company

## MINIMISING factors weakening DE&I

E.g. lack of diverse role models, culture tolerating insensitivity and inappropriate behaviour, lack of awareness of unconscious biases

Number of nationalities\*

496

Number of employees\*

6/ 28

mployees, %\*

Employees, %\*
Men % / Women % /
Other %\*\*

ployees\*

/ ) ) う

Leadership team, %\*
Men % / Women %

\*At the end of 2021

\*\*Trans, non-binary, not self-describing, empty



Our commitment to equity, inclusion and diversity means compensating our employees fairly based on the work that they perform and the responsibilities they have. We review and validate periodically our compensation philosophy, related practices and actual salaries to secure that they are fair and competitive. To further emphasize commitment to sustainability, and set the direction for the future, we have for the first time included a people-related sustainability target in the 2022 short-term incentive program for the CEO and the Leadership Team.

#### Our contribution to society

We want to do our part in supporting the surrounding society in a responsible way that is efficient and aligned with our values. In the collaboration with UNICEF Finland, we have been able to support education and development of digital skills of the most vulnerable adolescent girls in Senegal through UNICEF's Salmaïtou project. The project reinforced the social entrepreneurship, innovation and digital skills of 100 girls between the ages of 10 and 18. It helped them to improve self-confidence to join the workforce of emergent sectors, innovate their own businesses, and to be active in their own communities. This was done through training, mentorship, and incubation to selected projects, which are also key ingredients of our own success. We have also supported smaller grassroots initiatives that are aligned with our sustainability strategy. One example of this was our sponsorship of Pride Game Jam Helsinki, which celebrated LGBTQIA+ people by creating a safe space for expressing oneself through art, music and video games.

Our game teams see that in-game content campaigns and integrations are an effective way to amplify and support important social causes. To give a few examples, we were proud to partner with the World Health Organization (WHO) on two Angry Birds Friends tournaments. Stay Active tournament featured 24 brand-new levels themed around sports and healthy living, as well as WHO recommendations and tips to stay active during the Covid-19 pandemic. In a similar manner, the Self-Care tournament was created to raise awareness for mental health issues in honor of World Mental Health Day.

Angry Birds 2 game supported SpecialEffect for the fourth year in row. A UK-based charity dedicated to sharing the joy of gaming with people with disabilities that hinder their ability to play in traditional ways. Angry Birds 2 team donated all daily UK revenues of October 1st to SpecialEffect.

#### Our values



Be **BOLD** 



Embrace **INNOVATION** 



Act with INTEGRITY



#### People & society goals and targets

#### GOALS

- Improve inclusivity & equity
- Build diversity
- Promote our values in the society

Targets 2021	Status 2021	Targets 2022	Relevant UN's Sustainable Development Goals
1. Kick-off strategic DE&I program	Completed	1. Conduct data and inclusivity analysis	4 QUALITY EDUCATION
2. Create a model to track DE&I data	Completed	2. Publish DE&I strategy and targets	5 GENDER EQUALITY
3. Secure strategic partnership for future years	Completed	3. Set roadmap for DE&I actions	17 PARTNERSHIPS FOR THE GOALS

### Climate & environment

#### Our approach

We want to minimize negative impacts and maximize positive impacts to the environment. Although our business is heavily focused on immaterial products and services, we acknowledge that running a digital business consumes natural resources – mainly through the use of electricity – and therefore causes negative impacts on the climate & environment.

We recognize our responsibility to drive the change and we have gradually increased our efforts on mitigating negative impacts. This includes our latest commitment to become carbon neutral in 2022. At the same time, we have recognized that minimizing footprint is not everything we can do. We want to maximize our handprint. By handprint, we mean the positive impacts we can create with our actions. As we constantly reach millions of players and followers we can use our position and reach to raise awareness for important climate & environmental actions.

#### Raising awareness

In 2021 we partnered with a game-based learning platform Kahoot! to create six climate change themed and Angry Birds branded quizzes. With the quizzes, we reached 4.35 million players. We also took part in Playing for the Planet Alliance's Green Game Jam for the second year in a row. The studios participating in Green Game Jam innovate, create and implement in-game features and green nudges that raise awareness for environmental matters and/or drive players towards direct action. In 2021 Rovio's participation was a 'Mariner Hat Event' that raised awareness of the importance of ocean & coral reef protection supporting 'Glowing Glowing Gone' campaign. With this 10 day event Angry Birds 2 reached 5.8 million players.

#### **READ MORE ON**



Kahoot!

Green Game Jam

Glowing Glowing Gone

'Glowing Glowing Gone'
campaign in Angry Birds
2 raised awareness for
ocean and coral reef
protection, and it reached
5.8 million players



#### Climate & environment goals and targets

#### GOALS

- Minimize negative impact on our planet
- Maximize positive impact on our planet

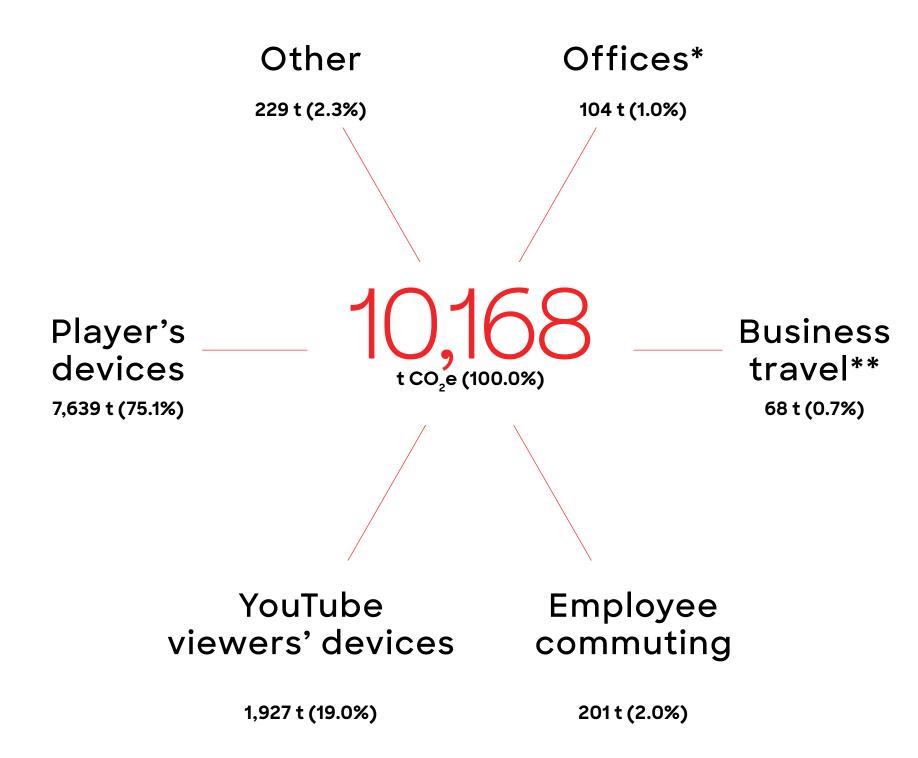
Targets 2021	Status 2021	Targets 2022	Relevant UN's Sustainable Development Goals
1. Widen carbon accounting system boundaries to cover all relevant emission sources	Completed	1. Reach verified carbon neutrality	13 CLIMATE ACTION
2. Set roadmap to go carbon neutral	Completed	2. Publish roadmap to go beyond carbon neutral	17 PARTNERSHIPS FOR THE GOALS
3. Integrate climate & environmental topics to Angry Birds brand activities	Completed	3. Launch multiple awareness creation campaigns	
4. Drive forward industry wide climate & environment initiatives	Completed	4. Develop carbon accounting principles in collaboration with the gaming industry	

### Road to carbon neutral

A mandatory component of our carbon neutral commitment was to improve the coverage of our carbon inventory to be in line with the GHG Protocol. Without including all the necessary emission sources and compensating those through certified projects we could not claim to be carbon neutral.

In previous years we have focused more on the most significant emissions sources that are our headquarters office, employee travels from Espoo and Stockholm offices, and energy consumption of player's devices. For the 2021 emission disclosure, there were a couple of major changes. Firstly we included emissions for all our offices, including employee commuting. One additional emission category was device energy use of our YouTube viewers. For players, we changed the calculation model to be based on actual play/view time instead of the previous rough assumption of one daily active user consuming full battery a day. Our partner, South Pole, helped us to identify all mandatory emissions sources and calculated and verified our emission figures.

As we work mostly with digital products, the carbon footprint is our key environmental metric. Based on our calculations our total carbon footprint for 2021 was 10,168 CO<sub>2</sub>e tons. Out of this 10,168 CO<sub>2</sub>e tons, 10,115 were categorized as Scope 3 and 53 were categorized as Scope 2 emissions. Rovio did not have any direct Scope 1 emissions as all our offices are leased, we do not manufacture any physical products and we do not own any company vehicles. Rovio's carbon intensity related to revenue was 35.53 (in tons of CO<sub>2</sub> equivalent per million euro of revenue).



<sup>\*</sup>includes Espoo, Stockholm, Copenhagen, Izmir and Shanghai

<sup>\*\*</sup>includes air, taxi, hotel

# Corporate Governance

#### Governance structure

The ultimate responsibility for the management and operations of Rovio Group and its subsidiaries lies with the governing bodies of the parent entity Rovio; the General Meeting of Shareholders, the Board of Directors and the CEO, supported by the Leadership Team. The shareholders take part in the supervision and governance of Rovio through the resolutions of General Meetings of Shareholders. The General Meeting of Shareholders is the Company's highest decision–making body.

#### **Board of Directors**

The general objective of the Board of Directors is defining and directing strategy for the Rovio Group and duly arranging the business, administration and operations of the entire Rovio Group. The Board of Directors has a quorum when more than half of the members are present. The Board of Directors approves Rovio Group's ethical values, evaluates and monitors issues pertaining to significant risks and risk management activities and risk management policies. Rovio has two Board committees.

#### **Audit Committee**

The Board's Audit Committee assists the Board of Directors in matters relating to financial reporting, internal control and risk management systems, and related party transactions in accordance with the duties specified for audit committees in the Finnish Corporate Governance Code. The purpose of the Committee is to assist the Board in ensuring and monitoring the appropriate arrangement of the governance, controls, and risk management and thus releasing the Board's time for strategic matters.

#### **Remuneration Committee**

The Board's Remuneration Committee is responsible for preparing matters pertaining to the remuneration and appointment of the Chief Executive Officer (CEO) and the members of the Leadership Team, evaluating the performance of the CEO, and making recommendations to the Board on the Company's remuneration framework. The Committee also prepares the remuneration policy and the remuneration reports.



Governance



#### **Nomination Board**

The Annual General Meeting on March 30, 2021, decided to establish a permanent Shareholders' Nomination Board. The primary task of the Nomination Board is to ensure that the Board of Directors and its members have sufficient expertise, competence, and experience to meet the needs of the Company. The nomination board is a corporate body of the Company's shareholders and responsible for preparing proposals and submitting them to the Annual General Meeting and, if needed, to an Extraordinary General Meeting concerning the nomination and remuneration of the members of the Board of Directors and remuneration of the members of the Committees of the Board of Directors.

#### **CEO and Leadership Team**

The Chief Executive officer (CEO) is responsible for managing and controlling Rovio's business and day-to-day operations in accordance with the directions and instructions of the Board of Directors. It is the duty of the CEO to ensure that Rovio's operations are in compliance with the laws and regulations applicable at the time. The CEO is the Chair of the Leadership Team. The Leadership Team prepares Rovio Group's strategic and annual planning, supervises the implementation of plans and financial reporting, and prepares significant investments as well as mergers and acquisitions. The Leadership Team is the highest governance body for sustainability matters.

#### **Chief Sustainability Officer**

In September 2021 Rovio appointed a Chief Sustainability Officer (CSO) to supervise the creation and implementation of sustainability strategy, actions, and reporting. The CSO is part of the Leadership Team and reports to the CEO. In 2021 CSO established a cross-functional sustainability working group to assist in defining and implementing strategies in each focus area, reporting and communication, and identifying sustainability matters that are most relevant for Rovio.



### **Business conducts**

We are committed to respecting human rights and promoting their fulfillment and protection in our operations. Rovio's Code of Conduct outlines the general principles of ethical and responsible behavior standards. The Code of Conduct and sub-policies are applicable to all Rovio employees, including the employees of its subsidiaries and the members of the Board of Directors. Every person to whom the Code of Conduct applies has the obligation to ensure that they understand the guidelines and comply with them. We also require our consultants, freelancers, suppliers, licensees, and any other partners to comply with Rovio's Code of Conduct or similar Rovio guidelines.

We also have a separate anti-bribery policy in place which covers matters such as gifts, hospitality, and conflicts of interest. We have a zero-tolerance approach to bribery and other corruptive practices. When it comes to gifts and hospitality, employees must not give or receive gifts or hospitality to/from current or potential suppliers, customers, or other Rovio stakeholders unless a gift or hospitality is given or received during the ordinary course of business and, in all circumstances, is of moderate value. Cash gifts are never acceptable.

We also have a separate Code to Address Workplace Harassment policy to ensure that all individuals working at Rovio Group are aware and committed to fighting against all kinds of harassment and bullying, and know whom to contact and how to proceed if they have experienced harassment or are accused of harassment. All employees are expected to behave respectfully and courteously towards other employees, clients, customers, and partners at all times.

Rovio organizes regular Code of Conduct, Anti-Corruption, and Compliance training among employees. The training coverage is monitored and the target is to reach 100% coverage. Rovio provides a whistleblower tool for the employees, to report observations and suspected misconduct related to the securities market, corruption, harassment, and other forms of unethical and unacceptable behavior. To ensure proper documentation and to confirm the date and time of the incident, the reports are submitted either anonymously via our whistleblower tool or non-anonymously by sending an email to whistleblowing@rovio.com (which is automatically forwarded to the General Counsel). Two reports were filed via the official whistleblower channels in 2021. We are planning on opening a Rovio Whistleblower tool for external stakeholders in 2022.

#### **READ MORE ON**



Rovio's risk management policy

Rovio Code of Conducts

# Key memberships and organisations





#### **UNICEF Finland**

In 2021 we continued the work with UNICEF Finland to extend our reach and deliver support to the most vulnerable people. Our core support was directed to the Salmaïtou Project in Senegal, which aims to give a second chance to the most vulnerable adolescent girls in and out of school. Due to COVID-19, the project was delayed but it was successfully relaunched in 2021.

We also continued the Staff for UNICEF donation model that allows Rovio employees to give a voluntary donation which Rovio then doubles. Staff for UNICEF donations were directed to UNICEF's Global Education Program.

The work with UNICEF is closely aligned with our values and sustainability strategy. Therefore Rovio & UNICEF Finland has agreed to continue collaboration for the next three years during 2022-2024.

#### Playing for the Planet Alliance

Rovio is a founding member of the Playing for the Planet Alliance, which was launched in 2019 during the Climate Summit at UN Headquarters in New York. Together the members of the Alliance have the ability to reach more than 1 billion video game players. In joining the Alliance, members have made commitments ranging from integrating green activations in games, reducing their emissions and supporting the global environmental agenda through initiatives ranging from planting millions of trees to reducing plastic in their products.

#### Fair Play Alliance

Rovio is a member of international The Fair Play Alliance (FPA). FPA is a coalition of gaming companies and provides a forum for gaming professionals and companies to work together to develop and share best practices to build healthy communities and respectful player interactions in online gaming. The mission of FPA is well in line with our commitments to Safe & Responsible Gaming.

#### **FIBS**

Finnish Business Society (FIBS) is the largest corporate responsibility network in the Nordics. We've been a member of FIBS since 2014. Every year, FIBS organizes events that gather thousands of corporate responsibility experts, decision-makers, and influential people from all fields together to learn and be inspired by the latest practices and solutions in the field of sustainable business.

#### Neogames

Moreover, Rovio is a member of Neogames, which is the Finnish umbrella organization for the gaming industry, as well as a signatory to the European Commission's initiative "Alliance to better protect minors online". Rovio is also a member of the German Entertainment Software Self-Regulation Body USK.



# Appendix

# Rovio's sustainability key performance indicators and results

People & society	
Number of employees (average in 2021)	496
Nationalities	54 nationalities
Share of women/men/other among employees	women 28% / men 67% / other* 5%
Share of women/men among leadership team	women 25% / men 75%
Share of women/men among Board of Directors (Includes members for full year 2021)	women 33% / men 67%
Employee age structure	45% under 35 51% 35-50 4% over 50 average age 37 years
eNPS - yearly average	28 (Q1 31, Q2 27, Q3 26, Q4 28)

Climate & environment		
Scope 1, 2, 3 emissions		
Scope 1:	Not applicable	
Scope 2:     Offices     Remote work     Energy consumption	53	
<ul> <li>Scope 3:</li> <li>Air travel</li> <li>Hotel nights</li> <li>Energy consumption for players' mobile devices</li> <li>Energy consumption for YouTube viewers' devices</li> <li>Employee commute</li> </ul>	10,115	
Carbon intensity (in tons of CO <sub>2</sub> equivalent per million euro of revenue)	35.53	
CO <sub>2</sub> emission offset	100% offset through certified offset program	



<sup>\*</sup>Trans, non-binary, not self-describing, empty

#### Global Reporting Initiative (GRI) Standard and its Content Index

Index No.	Index name	Related page
Organisational profile		
102-1	Name of the organisation	1
102-2	Activities, brands, products, and services	1
102-3	Location of headquarters	7
102-4	Location of operations	7
102-5	Ownership and legal form	1
102-6	Markets served	7
102-7	Scale of the organization	15
102-8	Information on employees and other workers	15
102-13	Membership of associations	25
102-14	Statement from senior decision-maker	4
102-16	Values, principles, standards, and norms of behavior	16
102-17	Mechanisms for advice and concerns about ethics	24
Governance		
102-18	Governance structure	22
102-20	Executive-level responsibility for economic, environmental, and social topics	23
102-53	Contact point for questions regarding the report	29
102-55	GRI content index	28

Index No.	Index name	Related page
Energy		
302-1	Energy consumption within the organization	20
302-2	Energy consumption outside of the organization	20
Emissions		
305-1	Direct (Scope 1) GHG emissions	20
305-2	Energy indirect (Scope 2) GHG emissions	20
305-3	Other indirect (Scope 3) GHG emissions	20
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	15



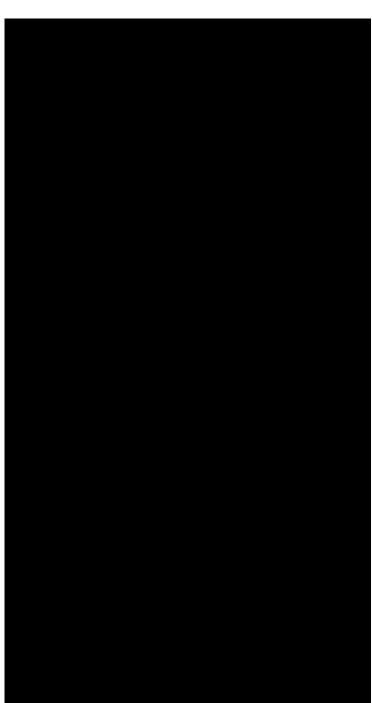
For more information on Rovio's sustainability

INVESTORS.ROVIO.COM/EN/SUSTAINABILITY

# MORE INFORMATION



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