

Transparency Act Statement – Funcom

Funcom is subject to the Norwegian Transparency Act. This statement has therefore been prepared in accordance with Section 5 of the Act and covers our implementation of due diligence assessments as outlined in Section 4. The goal is to ensure transparency regarding how Funcom works to safeguard fundamental human rights and decent working conditions within our own operations and throughout our supply chain.

Company organization, area of operation, and policies

Funcom is an international developer and publisher of video games and a part of the Tencent group. We have our headquarters in Oslo, along with offices in several other countries. Our business includes the development, publishing, and marketing of digital gaming products.

We have anchored our due diligence work within our management and have conducted internal information sessions and discussions with relevant key personnel to ensure awareness and ownership in connection with the Transparency Act.

We follow the OECD Guidelines for Multinational Enterprises in our due diligence work. This includes identifying risks, assessing findings, and implementing measures. All employees are encouraged to report any internal or external concerns regarding unethical practices to their immediate supervisors, safety representatives, or our Legal department.

Inquiries and questions related to Funcom's efforts regarding human rights and decent working conditions can be directed to: sustainability@funcom.com. We will respond within 3 weeks.

Actual negative consequences and significant risks

Through our due diligence assessments, we have not identified any actual negative impacts on human rights or decent working conditions in our own operations or among our suppliers. We have conducted a risk assessment of our supply chain, with particular focus on key external development partners and technology providers, as well as other relevant business partners such as marketing partners and merchandise providers. Risk areas that are assessed individually include: risk of human rights violations and poor working conditions, risk of negative environmental and climate impact, and risk of corruption. None of our suppliers have received a "High" risk rating in any of these areas. A few suppliers have been marked as "Unknown" due to their minor significance and/or lack of sufficient data to assess their risk or that of their subcontractors. Our action in such cases has been to terminate the cooperation due to this lack of information.

We have sent out mapping surveys to our relevant suppliers to gather information about their routines, policies, and compliance with human rights and labor standards, their climate footprint, and their assessment of corruption risk. Based on the responses and our evaluations, we have not identified any further risk of violations of the Transparency Act's requirements. It is emphasized that these surveys are not the sole basis for our risk assessment but are used as a supplement to the overall evaluation.

Some suppliers are assessed with extra scrutiny due to their importance and low substitutability. These are typically partners involved in game development, such as external programmers or testers, and marketing collaborators. They are mainly small companies or sole proprietors with whom we are well-acquainted with through contractual agreements and project collaboration. Additionally, they are mostly based in countries with generally low risk of human rights or labor rights violations (e.g., USA/Canada/Europe).

Higher-risk suppliers are typically those we order merchandise or hardware from, as they often have extensive chains of subcontractors. Our approach to handling such risks is to use large, reputable, and market-leading suppliers based in Europe. These actors, in turn, impose solid requirements on their subcontractors and manufacturers. We never place orders directly with factories, as we are not able to conduct factory visits or similar checks.

Implemented measures and outcomes

Although no specific violations or high-risk cases have been identified to date, we have established routines for monitoring and periodically evaluating suppliers. We are also working to integrate ethical business practice requirements into our contracts where relevant.

We plan to further develop our framework for responsible supply chains and are considering implementing additional control routines and audits in collaboration with key partners. The expected outcome of these measures is increased insight and confidence that our suppliers comply with requirements related to human rights and decent working conditions.

Measure 1: Anchoring responsibility within management

Measure 2: Annual review of internal procedures for supplier follow-up, along with annual risk assessment of new suppliers

Measure 3: Ensure increased and continuous awareness among company purchasers through training and discussions about the Transparency Act

Measure 4: If non-compliance with OECD Guidelines for Multinational Enterprises is identified the following measure is implemented: termination of supplier cooperation or initiation of dialogue with the supplier to identify and follow up on necessary improvements in internal practices to align with the guidelines. The chosen course of action will depend on the supplier's importance to the business and how easily they can be substituted.

This statement has been reviewed and signed by the Board.

Oslo, May 26, 2025