



**SUSTAINABILITY REPORT 2018**

# SUSTAINABILITY WORK

Operating in the gaming industry is an ethical challenge. How do you sustain growth while promoting moderate consumption? At Aspire Global, we believe it is through a sustainable business model and a focus on long-term relationships with all our stakeholders while minimizing social and environmental impact.

## GENERAL PRINCIPLE

At Aspire Global, we want to conduct our business in a manner that is sustainable in the long-term. We wish to create a footprint that reflects our high moral, corporate values and respect for all parties concerned. With that in mind, we are constantly seeking to raise the bar for our work and to set an example to others.

## RESPONSIBILITIES

Aspire Global has a policy for sustainability, the responsibility of which lies with Aspire Global's Board of Directors, who must approve of any changes to it. This policy is binding on all corporate entities within the Aspire Global group. Other group policies, guidelines, workflows, and practices need to be compliant with this policy. Aspire Global's CEO holds direct control of the policy and is responsible for keeping it maintained and up to date in light of changing circumstances, regulations and needs – internal as well as external.

The Regulation Manager together with the Compliance Manager report to the CEO on the progress within the area of compliance and regulation, while the Officer of Responsible Gaming monitors and reports on the progress within responsible gaming.

## STRATEGY

Aspire Global has seven main stakeholders: players, partners, suppliers, employees, investors, authorities and the local society. In order to structure the sustainability work, a number of areas have been identified in which our operations impact our stakeholders and we have the responsibility and ability to control our foot print. In each area, Aspire Global has set a vision or a general approach as well as the current challenges. As of 2019, our aim is to add additional quantitative measurements of sustainability to our annual report based on our current status and our future goals.

**///** We are committed to proactively conducting business in a manner that is sustainable, fair and responsible to all parties concerned.

## 1. PLAYERS

**Aspire Global wants to be a provider of an entertaining and safe gaming environment when it comes to issues of responsible gaming, integrity, payment and prevention of fraud. The main challenge in this area is to be up to date with new technical challenges and opportunities as well as having the required support, resources and routines to continuously update the offering accordingly.**

### Responsible gaming

In the area of responsible gaming, Aspire Global promotes a healthy gaming behavior, aiming at proactively identify and approach players who are showing signs of unhealthy gaming behavior and/or are unsatisfied with their gaming habits. When it comes to minors, the company's general approach is that people under 18 should not be playing for money, which is why minors are prohibited from accessing the company's services in all markets, also where this is not regulated by law.

Being a platform provider but also an operator means challenges differ. As a provider, Aspire Global maintains an active dialogue with partners, providing them with routines, tools and support for healthy marketing. As an operator, it's mainly about monitoring and approaching players directly, actively offering support and proactive tools for unhealthy behavior, such as limits in deposits and sessions, blockage of products, marketing, websites etc. Currently, tools for self-blocking and deposit limits are the most commonly used. In parallel, Aspire Global is connected to national services for voluntary, proactive gaming blockage in the regulated market in which we are operating, such as Spelpaus.se in Sweden and Gamestop in the UK. Aspire Global also actively refers players to organizations specialized in dealing with gaming related problems.

### Integrity

Maintaining integrity is about ensuring the highest standard of system and data security as well as providing a reliable, fair and transparent gambling product free from betting-related corruption. Aspire Global regularly conducts controls, analyses tests and implements innovative tools to further increase security. Aspire Global also engages test labs who conduct to conduct penetration tests of various brands to

identify potential vulnerabilities before they are exposed and abused. Data protection is managed by a designated Data Protection Officer responsible for compliance. This work is based on an extensive review of operations, current contracts and other arrangements for sharing data with partners, vendors, and clients, as well as internal procedures to safeguard protection before sharing personal data. Aspire Global was compliant with GDPR (The European General Data Protection Regulation) when it entered into force in May 2018 and are keeping track of any changes in the GDPR regulations to make sure we continue to be compliant.

### Payment and prevention of fraud

Aspire Global's platform is integrated with a number of trusted payment solutions in each market. This provides seamless and safe payment and pay-out handling. The company also has a highly secure fraud prevention scheme with constant payment analysis. Fraud and risk management is handled through an established and efficient routine for such matters.

**Aspire Global wants to be a provider of an entertaining and safe gaming environment when it comes to issues of healthy consumption behavior, integrity, payment and prevention of fraud.**

## 2. PARTNERS

**Aspire Global's partners are operators whose brand(s) is operating on Aspire Global's platform. Aspire Global believes that long term relationships based on mutual interests, generates healthy, sustainable growth for all parties. The main challenge from a sustainability perspective, is to find a common ground when identifying market opportunities and the optimal level of efforts required to realize the full potential of these.**

Aspire Global is responsible for all aspects of daily operations while partners focus on marketing their brand. Allowing both parties to focus on their respective strengths, optimizes growth and profitability for all. A close dialogue also benefits routines for responsible gaming as it enables us to pinpoint and implement relevant actions faster.

Partners are regularly updated on the Aspire Global's rules, tools and strategies and an active exchange is promoted through regular meetings, workshops, case studies and newsletters. Aspire Global also creates customized incentive plans and unique marketing, which requires dedicated, long-term teams at Aspire Global – a constant HR-challenge for a fast-growing company. Against this backdrop, an additional challenge is to allocate resources in an

efficient manner, allowing strong partners to try their own wings while staying closer to smaller and mid-sized partners, enabling them to grow big.

**”** A close dialogue with our partners benefits routines for responsible gaming as it enables us to pinpoint and implement relevant actions faster.

## 3. SUPPLIERS

**Aspire Global's main suppliers are game developers and marketing companies. Other suppliers are providers of office-related services as well as legal or financial services. As with partners, Aspire Global believes that long term relationships based on mutual interests, generates healthy, sustainable growth for all parties involved.**

### Third party suppliers

Aspire Global has a number of suppliers of digital marketing services where efficiency can be measured and evaluated based on key performance indicators (KPIs). Examples of such marketing companies are Facebook or Google as well as various affiliate companies – advertising networks that funnel customers to Aspire Global's own brands (B2C) as well as B2B-brands, based on performance-based agreements. Under these agreements, the suppliers undertake to act in accordance with an ethical standard, for instance when it comes to not marketing in websites with pornographic or drug-related content, websites targeted at minors, or websites that condone criminal activity. In the event that Aspire Global should become aware of this type of breach of contract, the cooperation would be discontinued immediately. Aspire Global believes that this is sound practice and part of the industry's progress towards a more sustainable and professional approach to marketing.

As for game development, Aspire Global has proprietary game development but mainly provides games directly from game companies or via game hubs. One challenge is to find a healthy balance between entertainment and monetary

appeal in the games in order to generate sound, profitable growth over time, another is to align the interests from our partners with our third-party suppliers, which is done through common workshops.

### Office suppliers

When it comes to services related to office supplies and maintenance, Aspire Global aims at choosing local companies in Malta, Tel Aviv and Kiev, as it supports the local community while making sense environmentally and business-wise.

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## 4. EMPLOYEES

**Aspire Global offers exciting career opportunities in a modern, flexible, stimulating and healthy working environment. For a fast-growing company such as ourselves, maintaining and retaining talent at the required pace is a constant challenge. Not only when it comes to recruitment, but also in terms of structure and routines for a sound HR-function.**

### Talent management

Aspire Global offers a modern, flexible, stimulating and healthy working environment that enables a work-life balance. When it comes to promoting talent, and developing personal skills, our fast growth has created a challenge when it comes to HR-processes in the three offices. New routines are currently taking shape and being implemented on basis of employee surveys and best-practice. We are convinced that diversity drives innovation and are proud that people from more than ten different countries work within Aspire Global. Optimizing our workforce based solely on expertise creates a diverse and uniquely competent workforce as professional qualities are not being compromised over other factors such as cultural background, gender or physical disabilities. Aspire Global has a zero-tol-

erance policy on discrimination and sexual harassment and the share of women working in the company as a whole is 47%. Women accounted for 14% of executives, 22% of directors and around 62% of managers in 2018.

/// Aspire Global offers a modern, flexible, stimulating and healthy working environment that promotes talent while enabling a work-life balance.

## 5. INVESTORS

**Aspire Global aims at delivering long-term value for shareholders through a sustainable business model. One challenge in this area is to sustain strong growth while maintaining responsible operations, another is to get the shareholders onboard when it comes to trusting that this is the sustainable way forward – that a reasonable growth level is the optimal growth level long-term.**

### Return on investment

Aspire Global strives towards sustainable and healthy growth with reasonable financial targets in the short- to medium term. Operations are focusing on segments with long-term potential and the revenue model is based on mutual partner incentives.

/// Aspire Global strives for a fair share value through transparency, predictability and accessibility.

### Investor relations

As a publicly listed company, Aspire Global aims at maintaining a fair share value through predictability based on clear and relevant financial information. Routines and content for financial reporting is continuously being improved based on feedback from the capital market and the company is identifying additional forums to meet with potential and current investors such as capital markets days or seminars. In line with the above, we evaluate, prioritize and allocate appropriate corporate resources, including human resources.

## 6. AUTHORITIES

**Aspire Global is focusing operations to regulated markets and aims at actively contribute to reforming the gaming industry as a whole together with authorities and various stakeholders. The main challenge in this process is to interpret and adjust to the new market conditions.**

### Compliance

The gaming industry is going through a reformation with several markets being regulated. In this process, a major challenge is how to interpret and comply with regulations. Structures are still emerging and serious gaming companies have the opportunity to influence the future conditions together with authorities and various stakeholders, to the benefit of all parties involved. For the system to function and canalize the vast share of the industry, the level of control and supervision has to be reasonable. Finding the balance will take time and require a process of trial and error.

### Influence

In addition to complying with all laws, Aspire Global intends to maintain a close dialogue with relevant authorities and stakeholders, and contribute to the reformation of the industry through professionalism, transparency and valuable experience.

**///** Aspire Global aims at actively contributing to reforming the gaming industry together with authorities and various stakeholders.

## 7. SOCIETY

**Aspire Global impacts the local society in which it operates as well as the global society when it comes to environment and the impact from the gaming industry as a whole.**

### Environmental impact

Being an online business, Aspire Global has a relatively limited impact on the natural environment. Nonetheless, we are committed to seeking opportunities to lower the impact of our infrastructure and daily operations. Our largest footprint is coming from servers, energy use, and business travels, emissions. As a result, we aim at choosing video conference calls over business travel or by upgrading technology to energy saving alternatives.

### Global social impact

When it comes to our global social footprint, we focus on regulated markets where we can contribute to a better and safer gaming environment by adhering to relevant rules and regulations as well as norms and standards for online gaming, locally and internationally. We also stay up to date on changes through close dialogue with authorities and experts, and by actively taking part in industry dialogues.

### Local social footprint

When it comes to local impact, we are regularly active in a number of social initiatives and charities such as donation campaigns and social projects, such as trainee programs where interns without previous work experience are hired for 2-4 months in order to gain valuable knowledge and better understanding of the industry, as well as formal working experience.

**///** We focus on regulated markets where we can contribute to a better and safer gaming environment for everyone.

## PLAYERS

	General approach	Actions/channels	2018
RESPONSIBILITY	<ul style="list-style-type: none"> <li>Minors should not be playing for money. Access to services is prohibited to those under the age of 18</li> <li>Identify and support players who are showing signs of problematic behavior or are unsatisfied with their gaming habits</li> </ul>	<ul style="list-style-type: none"> <li>Apply identity verification methods to ensure our policy and restrictions are not violated</li> <li>Publish information on all our websites to help customers identify problems at an early stage</li> <li>Proactively offer support and tools for game-related problems</li> <li>Refer to organizations specialized in dealing with such problems</li> </ul>	<ul style="list-style-type: none"> <li>An Officer of Responsible Gaming, Motti Gil (CFO), was appointed to ensure the guidelines and routines for responsible gaming are followed. In 2018, 40% of employees underwent training on responsible gaming</li> <li>Aspire Global started implementing automatic alerts in order to be more initiative with players at risk. In 2019, the company intends to automatize a higher share of these alerts, to focus human resources on active personal approach</li> </ul>
INTEGRITY	<ul style="list-style-type: none"> <li>Aspire Global welcomes stronger integrity protection</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to General Data Protection Regulation (GDPR) as of May 2018</li> </ul>	<ul style="list-style-type: none"> <li>On May 25<sup>th</sup> 2018, GDPR entered into force and Aspire Global was compliant. Considerable measures had been taken to ensure that practices would comply with data protection laws and the industry's best practices. During 2018, all Aspire Global employees underwent mandatory training on GDPR</li> </ul>
SAFETY AND FRAUD	<ul style="list-style-type: none"> <li>Safe and trusted payment solutions</li> </ul>	<ul style="list-style-type: none"> <li>Highly secure fraud prevention scheme with constant payment analysis</li> <li>platform is integrated with a number of trusted payment solutions in each market</li> </ul>	<ul style="list-style-type: none"> <li>A number of new payment solutions were integrated for some smaller markets with growth potential.</li> </ul>

## PARTNERS

	General approach	Actions/channels	2018
OFFERING	<ul style="list-style-type: none"> <li>Full-service offering optimizing every aspect of casino operations, allowing partners to focus entirely on marketing</li> <li>Close, long-term partnerships</li> </ul>	<ul style="list-style-type: none"> <li>Regular case studies</li> <li>Regular meetings with key partners to get feedback on the company's road map</li> <li>Monthly newsletter with recent updates</li> </ul>	<ul style="list-style-type: none"> <li>Updated offering and platform with the launch of sports betting and bingo</li> <li>Aspire Global was nominated for "Best White label partner" and "Best Customer support", while Karamba was nominated for "Best innovation of the Year" and "Innovation in sports betting" at the annual EGR, in London in June</li> </ul>
COMPLIANCE	<ul style="list-style-type: none"> <li>Licensed in many jurisdictions, each setting high standards that we constantly strive to meet and exceed</li> <li>Features and services updated to accommodate regulations and guidelines in each jurisdiction</li> <li>Aspire Global is responsible for daily operations and partners are updated on routines, tools and strategies</li> </ul>	<ul style="list-style-type: none"> <li>Platform continuously updated with new features relating to regulation and ongoing compliance</li> <li>In-house regulation and compliance team monitors operations, conducts training and provides partners with regulatory updates and marketing guidelines</li> </ul>	<ul style="list-style-type: none"> <li>The compliance and regulation department was expanded with additional employees</li> </ul>

## EMPLOYEES

	General approach	Actions/channels	2018
TALENT MANAGEMENT	<ul style="list-style-type: none"> <li>Offer attractive career opportunities in the global tech hubs of Malta, Tel Aviv as well as in Kiev, Ukraine</li> </ul>	<ul style="list-style-type: none"> <li>Continuous and ongoing training programs based on personal needs and goals, including management training</li> <li>Occasional workshops on personal development themes</li> <li>Aspire Global is working with an organizational consultant to strengthen managerial skills through one-on-one sessions</li> <li>Performance dialogues on regular basis – manager/employee twice a year, CEO/employee once yearly</li> </ul>	<ul style="list-style-type: none"> <li>The working force grew by a third, more than 50 employees, and the tech team in Kiev, Ukraine is still expanding. HR-processes are developing along the way and in 2018 a number of initiatives were implemented, such as training sessions and the “shadowing” of senior co-workers for apprentices</li> </ul>
EQUALITY/DIVERSITY	<ul style="list-style-type: none"> <li>Advocate of equality</li> <li>See great value in diversity</li> <li>Zero tolerance policy towards discrimination</li> </ul>	<ul style="list-style-type: none"> <li>Continually monitor and adjust gender distribution at all levels of the company</li> <li>Act firmly and swiftly to prevent all forms of sexual harassment based on ethnic/cultural background or sexual preference</li> </ul>	<ul style="list-style-type: none"> <li>Aspire Global has a balance between women and men in most departments, including finance and technology</li> <li>Women accounted for 14% of executives, 22% of directors and around 62% of managers</li> </ul>
OCCUPATIONAL HEALTH AND SAFETY	<ul style="list-style-type: none"> <li>Offer a modern, flexible, stimulating and healthy working environment that enables a work-life balance</li> </ul>	<ul style="list-style-type: none"> <li>Various benefits such as parental leave and health benefits in accordance with the laws and standards of the three countries (Malta, Israel and Ukraine)</li> <li>Occasional surveys to monitor employee satisfaction and adjust various HR-guidelines</li> </ul>	<ul style="list-style-type: none"> <li>Benefits such as private health insurance, frequent eye exams, subsidized transportation (Tel Aviv) and meals, weekly breakfasts and yoga/pilates classes in the office, free gym classes and nutrition workshops to promote a healthy lifestyle</li> </ul>

## INVESTORS

	General approach	Actions/channels	2018
ROI	<ul style="list-style-type: none"> <li>Deliver long-term value</li> </ul>	<ul style="list-style-type: none"> <li>Business model focused on segments with long-term potential</li> <li>Revenue model with shared partner incentives</li> <li>Financial goals aimed at sustainable and healthy growth with healthy short to medium-term targets</li> </ul>	<ul style="list-style-type: none"> <li>In December, the board updated the financial targets in line with the company's ambition for the coming three-year period. According to the new targets for 2019-2021, Aspire Global is expecting to reach revenues of €200 million in 2021 and an EBITDA of €32 million, excluding material acquisitions. This corresponds to an EBITDA-margin of 16%, compared to 15% in previous targets</li> </ul>
TRANSPARENCY/RELIABILITY	<ul style="list-style-type: none"> <li>Maintain a fair share value through predictability based on clear and relevant financial information</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate, prioritize and allocate appropriate corporate resources</li> <li>New website designed to improve investor relations</li> <li>Adjust/improve routines and content for financial reporting based on feedback from the capital market</li> <li>Identify additional forums to meet with potential and current investors such as capital markets days or conferences</li> </ul>	<ul style="list-style-type: none"> <li>On September 13<sup>th</sup>, Aspire Global hosted the company's first Capital Markets day in Stockholm to meet with shareholders, analysts and media to present the company and the investment case more closely</li> <li>Participated in a number of conferences, meetings and presentations to further expose the company to existing shareholders and potential investors</li> </ul>
REGULATIONS/BUSINESS ETHICS	<ul style="list-style-type: none"> <li>Adhere to relevant rules and regulations for publicly listed companies</li> </ul>	<ul style="list-style-type: none"> <li>Stay up to date on regulatory changes</li> <li>Close dialogue with authorities and experts</li> <li>Active part in industry dialogues</li> </ul>	<ul style="list-style-type: none"> <li>Updated various IR-routines according to new regulations</li> <li>Produced our first Annual Report as a publicly listed company</li> </ul>

## SUPPLIERS

	General approach	Actions/channels	2018
THIRD PARTY SUPPLIERS	<ul style="list-style-type: none"> <li>Long-term relationships</li> <li>Sound business ethics</li> <li>Choose local suppliers if possible to support the local community and because it makes sense business-wise</li> </ul>	<ul style="list-style-type: none"> <li>Active dialogue</li> <li>Regular review and update of agreements</li> </ul>	<ul style="list-style-type: none"> <li>Reviewed all material agreements and amended them to reflect regulatory changes, current issues and new market terms</li> <li>Initiated more frequent workshops to improve the offering through wider perspectives and mutual interests</li> </ul>

## AUTHORITIES

	General approach	Actions/channels	2018
COMPLIANCE	<ul style="list-style-type: none"> <li>Aiming at actively contributing to reforming the gaming industry as a whole together with authorities and various stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Complying with laws and contributing through professionalism, transparency and valuable experience</li> </ul>	<ul style="list-style-type: none"> <li>January 1<sup>st</sup>, 2019, the Swedish re-regulation entered into force and Aspire Global was ready to address the market after months of technical preparations to comply with Swedish regulations. Aspire Global integrated the automatic Swedish gaming shutdown service Spelpaus.se</li> </ul>
INFLUENCE	<ul style="list-style-type: none"> <li>Aspire Global intends to contribute to the reformation of the industry</li> </ul>	<ul style="list-style-type: none"> <li>Maintain a close and active dialogue with relevant authorities and stakeholders, and participate in various industry initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Prior to the Swedish regulation entering into force, Aspire Global followed the development closely and since the start of 2019, Aspire Global is participating actively in industry meetings with other gaming companies and the Swedish gaming authorities, Spelmyndigheten, contributing to the mutual process of adjusting regulations for public marketing</li> </ul>

## SOCIETY

	General approach	Actions/channels	2018
ENVIRONMENTAL IMPACT	<ul style="list-style-type: none"> <li>Aspire Global has limited environmental impact on society through its operations but tries to minimize what little impact there may be from office supplies, travelling and energy use</li> </ul>	<ul style="list-style-type: none"> <li>Minimize the need for business travel through technological solutions such as video conferencing</li> <li>Minimize impact from infrastructure and daily operations</li> </ul>	<ul style="list-style-type: none"> <li>Moved to a new office in Tel Aviv at the end of 2017. The new office is located nearby the railway station and employees are encouraged to use public transportation</li> </ul>
GLOBAL SOCIAL IMPACT	<ul style="list-style-type: none"> <li>Welcome and promote regulation</li> </ul>	<ul style="list-style-type: none"> <li>Focus on regulated markets where Aspire Global can contribute to a better and safer gaming environment</li> </ul>	<ul style="list-style-type: none"> <li>Participating in an active dialogue with the gaming authorities together with other licensed gaming companies in order to reach a better balance in regulations</li> </ul>
LOCAL SOCIAL IMPACT	<ul style="list-style-type: none"> <li>Engage in/contribute to the local community</li> <li>Observe cultural traditions</li> </ul>	<ul style="list-style-type: none"> <li>Active in a number of charities such as donation campaigns and local social projects, where employees are encouraged to participate</li> </ul>	<ul style="list-style-type: none"> <li>Annual company donation to "Krembo Wings", an Israeli youth movement that brings together young people with and without special needs, emphasizing the importance of respect for diversity and every person's right to be socially included and accepted</li> </ul>



 **aspire**Global