



Sustainability report 2025

Epidemic Sound Group AB



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Introduction

Epidemic Sound's mission is to soundtrack the world. In doing so, we are dedicated to being the soundtracking platform that innovates the industry, empowers artists and creators and unlocks the potential of our employees. We strive to minimize our impact on the climate and conduct business fairly. We are actively working to ensure our platform supports both creativity and a sustainable future.

In a rapidly changing landscape, 2025 was the year we focused on setting the baseline and developing processes for further understanding our impact.

A key achievement was the validation of our near-term science-based targets by the Science Based Targets initiative (SBTi). This rigorous, data-driven process established a clear and ambitious path for our emission reduction journey towards 2030 and serves as a core pillar of our climate strategy.

Alongside this long-term commitment, Epidemic Sound strengthened our operational foundation. We implemented the first iteration of a sustainability due diligence process for a select group of suppliers, laying groundwork for a more resilient and responsible supply chain intended for expansion in 2026.

As the report demonstrates, this year we have evolved our sustainability reporting to a more streamlined format. While the structure of the report has been simplified, our commitment and momentum for our sustainability initiatives remain. Epidemic Sound has a continued focus on the material issues that drive long-term value for our business and our stakeholders, supported by transparent data and clear targets.

The sustainability report has been prepared on a consolidated basis and is part of Epidemic Sound AB's directors' report. The report covers the fiscal year January 1-December 31, 2025.

Strategy, business model and value chain

Sustainability is integral to how we operate and our five focus areas in the sustainability strategy reflect the connection to our business operation and strategy.

- **Impact** – We aim to grow our business and revenue while minimizing our greenhouse gas emissions in line with the Paris Agreement 1.5 degrees.
- **Potential** – We are a workplace where everyone, regardless of gender, age, background or other protected characteristics are given opportunities to operate at their full potential.
- **Empower** – We empower our artists to create the music they envision. Our team of music professionals will provide our artists with tools, knowledge and resources to unlock their full potential.
- **Fair** – With solid processes and clear governance we protect the data entrusted in us and respect our users and business partners' privacy. We conduct business with integrity and respect market practices.
- **Innovation** – We innovate the music industry through engaging with new laws and regulations. We are the go-to partner for artists who wish to have their music widespread and protected at the same time.



Epidemic Sounds' value chain is quite simple, yet global. We own and distribute music and sound effects through Epidemic Sound's own platform and tools as well as third-party platforms. We employ people in Sweden, United States of America, United Kingdom, Germany, Netherlands, Norway and South Korea, with consumers and end-users from all over the world.

With our business model of restriction free music and sound effects, we solve the end-users' need to soundtrack short content, long content, commercials, movies and stores without risking fines or blocking of their content on global platforms such as YouTube. With the largest music and sound effects catalog of its kind, the catalog is seen and heard over 3 billion times per day, and the business impacts on a large and global scale. Epidemic Sound's main markets are North America, Europe and Asia Pacific area.

Our value chain is reflected in the double materiality assessment (DMA) and overall internal governance, with identified sustainability matters spanning across the most important value chain stakeholders, such as suppliers, artists, employees and consumers and end-users. Epidemic Sound is a SaaS company, which is reflected in the most significant procurement: software, cloud computing and hosting, professional services and hardware.

Part of value chain	Key stakeholder	Input	Expected output
Upstream	Suppliers	<ul style="list-style-type: none"> • Production of goods • Professional services 	<ul style="list-style-type: none"> • Business continuity
Upstream	Artists	<ul style="list-style-type: none"> • Music and sound effects 	<ul style="list-style-type: none"> • Upfront payments and streaming royalties for artists
Own operations	Employees	<ul style="list-style-type: none"> • Operate and develop Epidemic Sound 	<ul style="list-style-type: none"> • Soundtracking platform of restriction-free music and sound effects • Growth opportunities for employees • Revenue
Downstream	Consumers and end-users	Enterprise customers, professional creators and subscribers who use our music and sound effects	Content and communications using our music and sound effects as well as tools integrated into different platforms



Stakeholder dialogues

The stakeholder dialogue provides insights into impacts, risks and opportunities our business and industry could face, and it is a way for us to ensure our strategy focuses on what is important and has an impact on us and our stakeholders. The stakeholder dialogues were conducted in 2023 and laid the foundation for the DMA. Our management team and Board of Directors are continuously informed of our stakeholders' views with different periodicity depending on topic and stakeholder group. Information is shared in management team meetings, department meetings and in company-wide meetings held every month. The DMA is annually reviewed with a focus on prioritization and inclusion of sustainability matters. The assessment is recognized and approved by our management team and the Board of Directors.

The table details Epidemic Sound's main stakeholders, primary ways of engagement, and each stakeholder group's most important matters. The engagement method is tailored to each group based on their direct and indirect influence and relationship with Epidemic Sound. To ensure we always include relevant stakeholders, an evaluation is conducted each year.

Stakeholder group	Engagement method	Key sustainability matter
Employees	<ul style="list-style-type: none"> Ongoing surveys (Office vibe) Work environment meetings Selected interviews 	<ul style="list-style-type: none"> Diversity, equality and inclusion Training and Development Safe and balanced workplace Climate impact and energy use
Artists	<ul style="list-style-type: none"> Ongoing surveys Ongoing dialogue Selected interviews 	<ul style="list-style-type: none"> Empower our artists Protection of music
Owners and investors	<ul style="list-style-type: none"> Ongoing dialogue Selected interviews Sustainability committee meetings (bi-annual) 	<ul style="list-style-type: none"> Climate impact and energy use Empower our artists Protection of music Right to privacy and responsible use of data Fair soundtracking Diversity, equality and inclusion Training and Development Safe and balanced workplace Industry engagement
Enterprise customers	<ul style="list-style-type: none"> Ongoing surveys Ongoing dialogue Selected interviews 	<ul style="list-style-type: none"> Empower our artists Climate impact and energy use Right to privacy and responsible use of data
Professional creators and users	<ul style="list-style-type: none"> Quarterly NPS survey Desktop analysis 	<ul style="list-style-type: none"> Empower our artists Right to privacy and responsible use of data
Regulators (national and international)	<ul style="list-style-type: none"> Ongoing dialogue Desktop analysis Selected interviews 	<ul style="list-style-type: none"> Industry engagement Fair soundtracking Right to privacy and responsible use of data



Double materiality assessment

We used industry benchmarks, stakeholder dialogues and desktop analysis to review our materiality regarding environmental, social and governance matters. We conducted the assessment in 2023, based on the format presented in the Commission Delegated regulation (EU) 2023/2772. The assessment spans across identified key stakeholder groups and our entire value chain.

Impact (I) was assessed based on an inside-out perspective where we reviewed how our business activities impact people and the environment. A scale of one to five was applied to likelihood, scale, scope and remediability. Risks and opportunities (ROs) were assessed based on an outside-in perspective where we reviewed the extent people, and the environment financially affects Epidemic Sound. We applied the same scale; one to five, on likelihood and magnitude of financial impact. The scale is based on a percentual effect on turnover. For a topic to be material it had to meet the threshold for either impact materiality and/or financial materiality. Our management team and Board of Directors recognized the DMA in 2023 after validation of the results by selected internal stakeholders.

The DMA is annually reviewed to ensure it and therefore our strategy reflects the current and anticipated impacts, risks and opportunities (IROs) for our company. In 2025 we made smaller adjustments to the DMA results to reflect changes and adjustments in our business strategy and way of operating. The matter of payment practices was assessed to be nonmaterial and thus removed from our DMA. We have not identified specific activities, geographies or relationships that could result in a heightened risk of adverse impact.



Environment

Epidemic Sound acknowledges the role we play in reducing and mitigating the impacts from climate change. In 2025 we progressed in our climate journey, as our near-term, science-based emissions reduction target was officially validated by the Science Based Targets initiative (SBTi).

Environmental risks

Our main negative impact on the climate is through our procurement of goods and professional services, followed by our business travels and energy use at our offices and co-working spaces. In 2025, approximately all (100%) of our total GHG emissions were in scope 3. The scenario analysis conducted in 2024 confirms our identified risks in climate change and energy use and mix. For a full description of our climate scenario analysis, please read our sustainability statement for 2024 available on our corporate website.

Physical risk	Risk description	Value chain concentration	Time horizon
Chronic and Acute	<p>Extreme weather events</p> <p>Dependence on data centers and not being in control of them means that Epidemic Sound cannot control the safeguard of the data centers against extreme weather events.</p>	Upstream	Medium to long-term
Chronic and Acute	<p>Weather impacts on geographies of our employees</p> <p>We have employees in regions that are more affected by extreme weather events. For example, warm and cold storms in New York, and wild forest fires in California. This could negatively impact our employees' ability to conduct work and carry out their daily activities.</p>	Own operations	Medium to long-term
Acute	<p>Environmental emergencies</p> <p>Our supply chain could be affected by environmental emergencies and cannot deliver its products or service on time or at all. Products that are at risk are electricity suppliers, software updates and access to hardware supply.</p>	Upstream	Long-term



Transition risk	Risk description	Value chain concentration	Time horizon
Regulatory	<p>Increased reporting</p> <p>Development of sustainability could impact on our ability to keep up with integrating requirements on time and in an effective way.</p>	Own operations	Short-term
	<p>Impact on revenue stream</p> <p>Investing in companies that are not classified as green by emerging regulations. For example, we invest in a company that is not aligned with regulation, indicating that we are not increasing in sustainable businesses.</p>	Own operations	Long-term
Market	<p>Shift in stakeholder behavior</p> <p>Lack of interest from investors based on poor sustainability performance or transparency.</p> <p>End-users lose trust in Epidemic Sound due to insufficient sustainability performance not meeting consumers and end-users' expectations. Causing loss of revenue.</p>	Own operations Downstream	Medium-term
	<p>Energy price and availability</p> <p>Energy price volatility and energy limitations for data centers and our offices, as well as for our home offices.</p>	Upstream Own operations	Long-term
	<p>Competency</p> <p>Lack of broad competency in the implications of climate change and climate risk in the organization. Increased risk of not meeting stakeholder expectations and requirements.</p>	Own operations	Medium-term
Technology	<p>Technology infrastructure</p> <p>The infrastructure of renewable energy takes time in some regions e.g. the US, resulting in not meeting climate targets and stakeholder expectation.</p>	Own operations	Long-term
Reputation	<p>Investments</p> <p>Epidemic Sound might lose on investments as we are not considered "sustainable" by society and mainly our consumers and end-users.</p>	Own operations	Long-term
	<p>Attract and retain</p> <p>Low or poor reputation in our climate change performance might lead to difficulties in attracting and retention of employees.</p>	Own operations	Long-term
	<p>High-emitting enterprises</p> <p>Epidemic Sound needs to accept high-emitting enterprises as consumers and end-users and are dependent on them, resulting in reputational damage.</p>	Own operations	Long-term



Environmental governance and targets

Our Code of Conduct (CoC) is an overarching policy, shortly describing our way of working within all areas of sustainability. The objective of the policy is to clearly communicate with all internal stakeholders, employees and contractors, how we conduct business and where to turn in case of breaches and questions.

The CoC specifically addresses the precautionary approach, the importance of considering environmental impact when procuring goods and professional services as well as the need to always consider whether business travels are needed. To ensure our external stakeholders follow our values, we have a Business Partner Code of Conduct (BPCoC) that is for all suppliers and business partners to read and follow. The BPCoC specifically addresses our expectation that our business partners will actively reduce the use of energy and materials as well as reducing waste where possible. We encourage our business partners to set their own climate targets and monitor their climate footprint and implement measures to minimize the footprint.

Furthermore, we have a travel policy, overseen by our People & Culture department, that applies to internal stakeholders. The travel policy clarifies that all travels must have a business purpose and are to be approved by the manager.

In 2025 our SBTi targets were validated which confirmed that our climate ambitions are aligned with the latest climate science. Our official climate targets are:

- Reducing absolute scope 1 and 2 GHG emissions by 52% by 2030, from a 2023 base year.
- Ensuring that 80% of our suppliers by emissions (covering purchased goods and services) have science-based targets by 2028.

As part of this process, Epidemic Sound refined the data calculation methodologies, leading to a more accurate and comprehensive understanding of our climate footprint. Enhanced accuracy enabled us to re-state previous years' climate data, providing a consistent and transparent baseline for future reductions. Notably, Epidemic Sound fully included upstream leased assets (Scope 3.8) to reflect emissions from district heating and cooling at the Stockholm office, ensuring a more complete picture of our operational impact.



Our greenhouse gas (GHG) emissions (tCO₂eq)

Gross Scopes 1, 2, 3 and Total GHG emissions	2025	2024	2023
Scope 1 GHG emissions			4
Gross scope 1 GHG emissions (tCO ₂ eq)	-	-	4
Scope 2 GHG emissions			
Gross location-based scope 2 GHG emissions (tCO ₂ eq)	37	11	8
Gross market-based scope 2 GHG emissions (tCO ₂ eq)	0	10	6
Scope 3 GHG emissions			
Total gross indirect (scope 3) GHG emissions (tCO ₂ eq)	11,185	9,647	7,740
1 Purchased goods and services	9,376	8,049	6,587
2 Capital goods	14	8	10
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	0.08	0.04	0.03
5 Waste generated in operations	1,550	1,427	983
6 Business traveling (excl. hotel stay)	231	150	143
7 Employee commuting (only employees working from home)	15	14	17
8 Upstream leased assets			
Total GHG emissions (location-based) (tCO₂eq)	11,222	9,659	7,752
Total GHG emissions (market-based) (tCO₂eq)	11,185	9,657	7,751
GHG intensity per net revenue	2025	2024	2023
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/mSEK)	6	5	5
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/mSEK)	6	5	5

Scope 1: Direct emissions

For 2025, Epidemic Sound continued to report zero scope 1 emissions. This sustained achievement reflected a 100% reduction from our 2023 baseline, following the relocation of our Los Angeles office in 2023/2024, which eliminated the use of natural gas and thus removed our direct emissions.

Scope 2: Indirect emissions

Our scope 2 emissions present a mixed picture, highlighting both challenges and significant progress. Our location-based emissions increased substantially from 11 tCO₂eq in 2024 to 37 tCO₂eq in 2025, a 236% rise. This increase was primarily attributed to the relocation to a larger office space in New York in 2025. While the new office is more expansive, the magnitude of the increase was not in line with expected electricity use and has prompted further investigation into electricity consumption patterns.

Conversely, our market-based scope 2 emissions saw a 100% reduction, falling from 10 tCO₂eq in 2024 to zero in 2025. This achievement reflected Epidemic Sound's complete transition to sourcing electricity from renewable sources for both our Stockholm and New York office, supported by the procurement of Energy Attribute Certificates (EACs) for our New York office. This demonstrated an immediate commitment to decarbonizing our purchased electricity, at the same time we recognize the ongoing importance of focusing on energy efficiency measures and switching to renewable electricity use in the coming years.

Scope 3: Value Chain Emissions

Total scope 3 emissions increased by 16%, from 9,647 tCO₂eq in 2024 to 11,185 tCO₂eq in 2025. The primary drivers of these emissions remained consistent, with purchased goods, services, and capital goods accounting for 9,376 tCO₂eq (84% of total market-based emissions), and business travel contributing 1,550 tCO₂eq (14%). This increase in scope 3 was mainly due to the elevated procurement of software tools and services, reflecting operational growth and investment in digital infrastructure.



We acknowledge that our continued investment in AI tools, while fundamental to innovation and operational efficiency, contributed to these emissions. Our strategy is to manage these emissions proactively through strategic supplier engagement focused on renewable energy, efficient product design for our AI products, and a commitment to robust GHG accounting. This ensures we are not only measuring AI's impact but actively working to mitigate it within its value chain. While business travel remained at a similar level, we anticipate reductions in 2026 following a stricter implementation of our travel policy.

For information on our GHG accounting, see chapter 'Calculation methodology for our GHG accounting' on page 20.

Our SBTi performance

SBTi performance	2025	2024	2023
Reduce absolute scope 1 and 2 GHG emissions 52% by 2030	100%	8% -	
80% of suppliers by emissions, covering scope 3.1, will have science-based targets by 2028	49%	43%	55%

We had two science-based targets validated in 2025. In 2025, we reached our target of scope 1 and 2 (market-based) absolute reduction of 52% by 2030. Main actions to reach the target was to procure EACs for our New York office and continue the use of certified renewable electricity use for our Stockholm office. We recognize that we need to switch to renewable energy use at the New York office to maintain the target achievement moving forward.

The second target of 80% of supplier emissions, from procurement of goods and services (Scope 3.1), to have science-based targets by 2028 has fluctuated across the years. This fluctuation was mainly due to changes among Epidemic Sound's top suppliers and an increase in total procurement from suppliers that did not have science-based targets.

In 2025, we initiated a pilot-project where software suppliers' climate performance was reviewed as part of a larger high-level due diligence process. This review, encompassing 34 suppliers, was designed to both identify potential sustainability risks and to track progress against Epidemic Sound's SBTi target for supplier engagement. This initiative contributed to an increase in emissions from suppliers with science-based targets in 2025, a positive indicator that more of Epidemic Sound's top suppliers had decided to set such targets. As a result of this enhanced review, Epidemic Sound increased the percentage of supplier emissions covered by science-based targets from 43% in 2024 to 49% in 2025. This improvement was attributed to identifying more suppliers with existing targets and a strategic focus on procuring goods and services from suppliers who already had science-based targets. Epidemic Sound aims to continue this trajectory through its continued efforts within sustainability due diligence of its suppliers.



Our employees

We are dependent on talented, bold and creative people to soundtrack the world and our employees are key to our business success and future development. To attract and retain our talents, and to continuously develop our employees, we regularly seek understanding on what can be improved in our physical and psychosocial workplace.

Our People & Culture department supervises our efforts regarding employees and regularly schedules surveys, reviews and work environment committee meetings to collect knowledge and to share updates on our workplace to employees. In 2025 we finalized the implementation of our collective bargaining agreement for our Sweden-based employees and focused our efforts on improving our work environments.

IROs identified to employees relate to diversity, equality and inclusion, training and development, workplace topics such as safety, work-life balance and harassment. We address them in our sustainability strategy under the area 'Potential'.

Our policy framework is based on the Code of Conduct, with underlying policies and guidelines to support specific risks and impacts. We are also clear on our stands that we provide equal opportunities to all, which means that we recruit, promote, train and reward based on merits and facts. Lastly, it is clearly communicated in our CoC that we will always promote a safe and healthy workplace where we continuously work to improve the workplace and encourage employees to report any risks of illness. To address our social IROs we have policies and guidelines in addition to our Code of Conduct.

Anti-discrimination & harassment policy. The policy set out our zero-tolerance approach against any discrimination and harassment. The policy applies to all employees and non-employees. The Chief People & Culture is accountable for the policy content and implementation.

Training and development Performance & Development (P&D) review process. The guide communicates our P&D review process on the purpose of the reviews, and how they are conducted in a structured way and documented for future reference and discussion. The policy applies to all employees. The Director of People Management is accountable for the policy content and implementation.

Work environment policy. The policy describes Epidemic Sounds' expectations for a work environment that's free from risks of incidents, injuries, and illness. The policy applies to all employees and non-employees. The Director of People Management is accountable for the policy content and implementation.

Whistleblower (WB) policy. The policy encourages all those who have serious concerns about suspected wrongdoings to come forward and speak up and provides guidance on how to file a report. The policy applies to all employees and non-employees. The Director of People Management is accountable for the policy content and implementation.

The Epidemic Ways of Working. The guide describes how we implement flexible work, allowing employees to work from home, while applying the majority principle across a month. The policy applies to all employees. The Director of People Management is accountable for the policy content and implementation.



Diversity, equality and inclusion

Employees per the 31st of December	2025	2024
Female ¹	266	269
Male	302	291
Total employees (headcount)	568	560

Gender diversity within top management	2025	2024
Female ¹	19	20
Male	22	19
Total employees (headcount)	41	39

Employees per country	2025	2024
Sweden	470	469
United States	49	50
Other	49	41
Total employees (headcount)	568	560

Epidemic Sound's commitment to a balanced and inclusive workforce remained central. In 2025, the overall gender balance reflected 47% women¹ and 53% male employees. This represented a slight shift from 2024 (48% women and 52% male).

Within Epidemic Sound's top management (comprising the CEO, management team, and one level below), a similar balance was maintained with 46% female and 54% male representation, a minor adjustment from 51% female and 49% male in 2024. While minor fluctuations in representation could occur in a rapidly evolving organization, Epidemic Sound's overarching commitment to gender balance and increasing diversity remained a strategic imperative, and Epidemic Sound continued to actively monitor and work towards these goals.

While gender balance is a key metric, we recognized the importance of broader diversity. Over 87% of all employees were between the ages of 30-50 years old, a consistent trend over the years. In 2025 we actively worked to expand our diversity metrics. For Q3 2026, we have planned to launch an updated employee satisfaction survey that would include additional questions on nationality and other diversity dimensions, providing a more comprehensive picture of our employee diversity.

¹ For the purpose of this report, the category "female" included employees who identified as non-binary or who had chosen not to disclose their gender.



Employee engagement and development

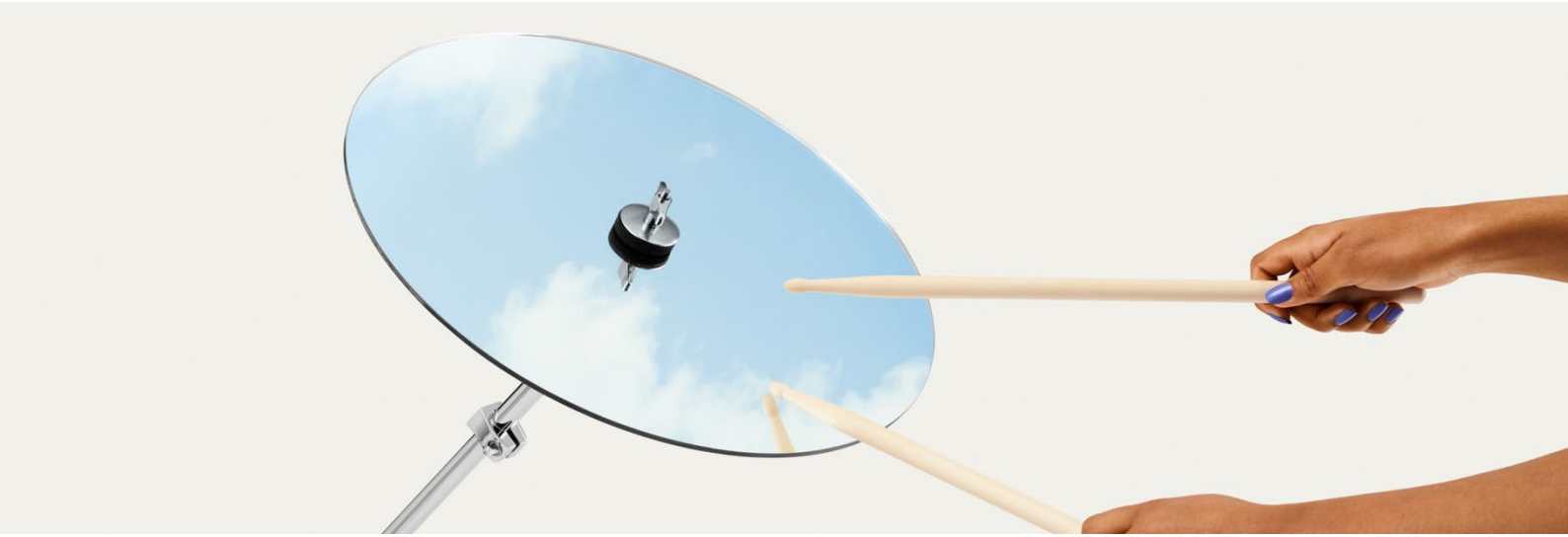
Epidemic Sound's overall employee engagement score stood at 7.4, which is within the range established by our key risk framework and our goal for 2025. This reflected a continued positive sentiment within the workforce. We continued to conduct our mid-year and full-year employee reviews. All employees were invited by their manager to a formal performance and development discussion at the beginning of 2025.

In 2025, our voluntary turnover was 7%, our target was for voluntary turnover to be below 10%. This indicates that our efforts to improve our workplace environment and way of working are having a positive effect on employees. We hope to continue this trend and remain a good place to work.

Well-being and workplace initiatives

2025 was a significant year for strengthening Epidemic Sound's employee relations framework in Sweden with the implementation of the Collective Bargaining Agreement in April. This agreement formalized our dedication to fair, transparent, and collaborative workplace practices, ensuring employees' voices are heard as Epidemic Sound continues to grow.

Furthermore, we made substantial investments in the physical workspaces to foster creativity, collaboration, and well-being across our offices. To support our expanding global teams, new and relocated offices were opened in New York, Los Angeles, Paris, and Berlin, providing modern, custom-designed hubs tailored to employee needs, which promoted a stronger community and brand identity. At our main office in Sweden, we responded to employee feedback for more quiet areas, and created a dedicated space with fully equipped workstations to support focused work and diverse working styles.



Our artists

Epidemic Sound's operating model is restriction free music, where the artists we sign creates music and sound effects that are accessible to our consumers and end-users via our platforms and tools.

We want to always deliver diverse high-quality music and sound effects, and we believe that with a diverse roster of artists, our music catalog will be equally as diverse. Following the close partnership we have with our artists, we need and want to foster a good relationship based on transparency and equal treatment. We have identified that artists are positively impacted by Epidemic Sound due to our unique remuneration model, our offering to artists and our diversity and inclusion efforts. Our music department is constantly communicating and dialogue with artists on topics such as distribution opportunities, track creation and overall satisfaction with our collaborations.

We are dependent on our artists for tracks and sound effects, and we need the music and sound effects to have a high-quality as well as cover a multitude of genres and moods. The dependency on our artists is therefore both a risk and an opportunity as we are financially dependent on the music and sound effects our artists create. Our focus on artists is therefore a priority and Epidemic Sound's commitment to artists is based on four cornerstones: equitable partnership, distribution, development, and collaboration.

- **Equitable partnership** - payment for each track, 50/50 split on all music streaming royalties and a soundtrack bonus.
- **Distribution** - we offer visibility among our global network of content creators and brands.
- **Development** - continuously work to improve our artists' creative skills through close collaboration with our A&Rs. This is offered to all artists that work with us.
- **Collaboration** - we offer a multitude of different ways to collaborate with other artists, for example through writing camps and seminars. Within this cornerstone is also our commitment to the mental health of our artists. We provide access to mental health services for all artists.

For more information on our commitment to artists, please see website:

<https://corporate.epidemicsound.com/about-us/how-we-work-with-artists/>

Fostering talent and collaboration

Ensuring artists have the resources and support to build a sustainable career is an example of how we work within the strategic pillar 'Empower'. We continued to foster an environment where all artists were provided with opportunities to grow and expand their creativity. In 2025, we continued the mentorship program "The Bridge," where experienced musicians were paired with emerging Epidemic Sound artists. This program provided valuable guidance to artists navigating the complexities of a career in music.

Simultaneously, Epidemic Sound's "Extra Version" remix series created a platform for artists' work, enabling collaborations with renowned producers to bring fresh perspectives to our catalog. These collaborations are aimed to amplify artists' reach to new global audiences and celebrate the possibilities of musical creation.



Artist diversity and engagement

We remain committed to promoting diversity within our artist community. In 2025, Epidemic Sound successfully reached one of our two targets related to signing artists from underrepresented genders. We reached our target of 50% of artists related to 'Extra versions' to be from underrepresented genders. While the target for net new artists to be 50% from underrepresented genders was just missed, we continued to actively work towards this goal.

Our engagement with artists was continuous and transparent. In 2025, Epidemic Sound conducted two NPS (Net Promoter Score) surveys, with over 60% participation. The results consistently indicated that artists valued the creative freedom, flexibility, and payment structures provided. We also conducted an annual DEI mapping survey to further understand and support the diversity within our artist community.

Through these efforts, Epidemic Sound not only provided new platforms and financial opportunities but actively invested in the long-term careers of our artists, supporting a creator economy where artistry thrive, innovation serves creativity, and artists have the opportunity to build a sustainable future.

Our commitment to artists

In 2025, we reinforced our commitment to artists. We boosted our bonus payouts by 43% overall for 2026. This included a new \$1 million remuneration pool to reward AI-related adaptation and an increase in the annual Soundtrack Bonus from \$3.7 million to \$4.2 million. Our commitment remains to music made by real artists and ensuring that the value of human creativity is recognized and rewarded.

Our commitment also extended to how we develop and deploy new technologies. We actively involved select artists in shaping the functionality of tools like the new AI-powered platform, Adapt, ensuring new opportunities for discovery and income were unlocked while safeguarding artistic freedom, including the ability to opt out of having tracks adapted. Recognizing the rapid pace of technological change, we prioritize continuous dialogue with our artists and industry experts to anticipate and adapt to evolving trends, ensuring our policies and tools remain at the forefront of fair and sustainable practices.



Governance

We have implemented a decentralized approach to sustainability governance. Members of the management team, Department heads and Director of Sustainability regularly monitor progress on material sustainability matters according to current policies, ambitions, targets and actions.

The Board of Directors receives regular progress reports on our sustainability efforts by the Director of Sustainability. The Director of Sustainability regularly reports on progress and challenges to the Chief of Business Operations & Communications who in turn reports to the CEO and the management team.

These efforts are integral to our 'Fair' pillar, ensuring that Epidemic Sound conducts business with integrity, protects our stakeholders' rights, and safeguards the creative ecosystem. This year, our focus was on strengthening the operational due diligence, enhancing our policy implementation, and ensuring its employees were equipped to navigate complex ethical and compliance considerations.

The Board of Directors ensures that risks, including sustainability risks such as data privacy and security, and leadership training and employee well-being, are continuously monitored and managed effectively through regular risk reviews. In 2025 we added climate change, more specifically our climate targets and our employee gender balance to our risk register.

Identified IROs related to governance and is also addressed in our governance framework are related to data security and data protection, as well as protection of our music.

Governance framework and training

Epidemic Sound's Code of Conduct ("the Code") serves as the cornerstone of our ethical framework, reflecting our values, business practices, risks, and stakeholder expectations. It serves as a comprehensive guide for all employees, Board members, consultants, and contractors, ensuring ethical and legal decision-making. The Code is an integral part of the onboarding process, with regular training provided to all employees.

We actively monitor compliance with our training programs. For our anti-bribery and corruption training, we aimed for an 80% completion rate for all enrolled employees in 2025, achieving a completion rate of 78%. Beyond mandatory training, we provided additional training sessions in responsible AI use and phishing awareness, to empower its employees with knowledge that extended to their personal digital safety.

'Speak Up' process

We want to foster an environment where individuals feel safe to raise concerns without fear of retaliation. Our comprehensive Speak Up process (also referred to as our whistleblower process) includes an internal and external process. Employees, consultants and contractors can report breaches and raise concern to our internal channel, which is a dedicated email address, they can also report directly to their manager or their People partner. In addition, we have an external channel where both internal and external stakeholders can raise a concern that allows for anonymous reporting.



Our internal 'raise a concern' and our external process via a third-party online platform follows the same structured process. Once a report is made, the individual filing the report is informed that a report has been made and receives further information on the process. An investigator is then assigned to the case and depending on the case and how it was filed, it will be the Director of People management, a People partner or an external consultant that will be assigned. The investigation is then initiated and potential risks for the individual filing the report are identified and action taken if it is needed for the safety of the individual. Follow-up measures are then made to ensure a positive outcome. We document the entire process to avoid future occurrences. We will not tolerate any negative effects if anyone reports a concern in good faith. All forms of retaliation against an individual who has raised a concern in good faith are prohibited.

Data privacy and responsible use of data

Protecting personal data and ensuring responsible use of information is paramount to Epidemic Sound. Our approach is clearly articulated in our Privacy Policies, Cookie Policy, and Business Partner Code of Conduct, all available on our corporate website. These policies detail what data is collected, how it is processed, the right to withdraw consent, and how to report breaches.

All employees are required to complete 'Introduction to Security' and 'GDPR basic training' to ensure a foundational understanding of data protection. Epidemic Sound's Director of Security provides continuous updates and reminders during, for example monthly all-hands meetings, reinforcing best practices in data and IT security. To further our employees' understanding of data privacy, we successfully reached the target of at least 5% of all company employees engage in the additional privacy programming during 2025. We also reached our target of achieving 95% completion of annual security awareness training by 2026.

Epidemic Sound recognizes the potential of AI technology to enhance user experience and product development. Our stance is to responsibly leverage AI while prioritizing data privacy. We ensure all data collection and usage in our product development is aligned with our policy framework and data processing, giving stakeholders clear rights regarding access, erasure, and restriction. We have implemented robust organizational and technical measures, including firewalls, fraud detection, and continuous monitoring, to protect personal data against unauthorized access and ensure a secure data and IT environment. Our Director of Security actively engaged with stakeholders and legal communities to continuously update and improve their processes and guidelines.

Protection of music and freedom of expression

Music is at the core of Epidemic Sound's business, and we are committed to protecting the creations entrusted to us by our artists while simultaneously enabling freedom of expression for content creators. Epidemic Sound's business model allows consumers and end-users to utilize our music and sound effects free of restrictions in content, thereby preventing demonetization or blockage on platforms such as YouTube. This provided a unique opportunity for creators to express themselves freely.

To uphold the integrity of our artists' work and our brand, we have established clear prohibitions on where music can be used, extending beyond legal requirements. Epidemic Sound's music could not be used in content that is defamatory, illegal, immoral, racist, hateful, derogatory, or discriminating, nor in content that constitute encouragement of violence, disinformation, or pornography. We also prohibit use of music in connection with sensitive political content or adult entertainment. Our legal and music department ensures these agreements and conditions are clearly communicated.

Epidemic Sound's dedicated Digital Rights Management (DRM) team plays a crucial role in identifying and addressing unauthorized use of our music. They engage regularly with stakeholders who use our music without authorization and initiate dialogue to resolve these issues. This proactive approach, combined with ad-hoc reporting from artists and employees, ensures the music entrusted to us is protected and used in accordance with our values and licensing terms.



Sustainable supply chain management

As a digital company, our procurement primarily consists of software, data processing services, electricity, and personal services. Recognizing the inherent risks in procurement, we have established a comprehensive procurement process outlined in our procurement policy. This framework details how we procured software, goods, and services based on expenditure and supplier category. A critical component of this process is to ensure our suppliers read and comply with our Business Partner Code of Conduct (BPCoC). In 2025, Epidemic Sound further strengthened the operational due diligence by launching a pilot program to test our supplier screening process for software suppliers, contributing to both risk management and our SBTi commitment.

Our Business Partner Code of Conduct mirrors the structure of the Code and cover five key chapters: Thriving Together (workplace standards), Caring for the Environment (environmental performance), Doing Business (ethics, anti-corruption, fair competition), Protecting Data and Information (privacy, IP), and an Outro (Speak Up process for business partners, audit rights).

The 2025 due diligence pilot program involved 34 software suppliers in a high-level review aimed at identifying sustainability risks and assessing alignment with our scope 3 engagement target. The successful outcome of this pilot confirmed the efficacy of Epidemic Sound's process for these types of suppliers, and we plan to continue developing and expanding these due diligence processes to include more suppliers in the future.



Calculation methodology for our GHG accounting

Scope 2

Activity data (MWh electricity use) is collected on a monthly cadence from supplier invoices. For our Stockholm and New York offices we collected data directly from invoices. For our co-working spaces, we estimate energy consumption based on the number of employees, estimated average attendance at the offices and weather factors.

To calculate location-based emissions from our Stockholm and New York office we have applied country specific emission factor from IEA and AIB. For our market-based emissions we have applied a supplier specific emission factor, as we procure 100% renewable electricity.

Scope 3

For scopes 3.1 and 3.2 we are not able to report them as separate categories of emissions, due to limitations in our data collection process. We use spend-data to calculate our scope 3.1 and 3.2 emissions. Data is collected directly from our procurement system. All suppliers are classified according to a corresponding category in EXIOBASE. The emission factor applied from EXIOBASE is an average of the countries where we operate in to reflect the global procurement and use of our goods and services. We have applied the average conversion rate from the European Central Bank to convert our spend-data to euro, to accommodate for the emission factor (tCO₂e/euro).

Scope 3.3 emissions are calculated using the same activity data as for scope 2 and then applying a transmission & distribution emission factor as well as a WTT (Well-To-Tank).emission factor. We have sourced the emission factors from IEA, DEFRA and supplier specific where possible.

Scope 3.5 emissions are calculated using waste data from our landlord at the Stockholm office. We have applied emission factors on the generated waste treatment methods sourced from DEFRA (2025). For our co-working spaces, we have extrapolated data based on waste per employee at the Stockholm office and applied per number of employees located at co-working spaces.

Scope 3.6 emissions are calculated by our business travel booking platform. We have included all business travel and calculated emissions including Radiative Forcing (RF) for air travels.

Scope 3.7 emissions represent our estimated emissions from employees working from home. We have estimated the number of hours worked from home based on statistics on average office attendance. We have applied the number of workdays in Sweden for 2025 and further assumed that an employee work 8 hours a day. Finally, we have applied an emission factor from DEFRA on home working on the total estimated hours worked from home.

Scope 3.8 emissions have been calculated based on a market-based approach; we have therefore used the calculated emissions provided from our supplier of district heating and cooling to our Stockholm office. We have also included the estimated electricity use from our co-working spaces. We have used emission factors from IEA, AIB and eGRID.



Contacts

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Sustainability

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