

PlanetPlay Green Credential Report 2024

Mission

PlanetPlay harnesses the undeniable power of video games to tackle the most pressing environmental challenges of our time. By integrating sustainable choices into the video games experience, we transform play into powerful, real-world action. With proven data, models, and outcomes, our mission is to drive substantial funds towards effective, scalable projects that are directly combating climate change.

Vision

We envision a world where the collective enthusiasm for video games becomes a driving force for global environmental transformation. PlanetPlay is at the forefront of a movement that not only reverses the tide of climate change but also sets the standard for sustainable decarbonization. We are committed to being the leading advocate and catalyst for pro-climate action across the video-games industry.



Strategy

- Mobilise the Global Video Games Community: With a proven technology platform and the engagement of over 3.3 billion players worldwide, we are leading the charge in uniting the global video games industry around impactful climate action.
- Guarantee Accountability and Measurable Impact: Our rigorous due diligence and supervisory processes ensure that every initiative we support is effective, transparent, and results-driven.
- Support a Proven Pipeline of Climate Projects: We continually expand and refine our portfolio of climate projects, using data-backed assessments to guarantee their effectiveness and relevance to the video games community.
- Evolve with Precision: Our technology-driven platform is continually updated to meet the evolving needs of our users and partners, ensuring that PlanetPlay remains at the cutting edge of both video games and environmental advocacy.
- Drive Public Awareness and Global Accountability: By leveraging proven tools, data, and best practices, we not only raise awareness but also inspire meaningful action towards a sustainable future.
- Foster Public Awareness and Accountability: Incubate a culture of climate action by providing tools, data, and best practices to drive public awareness.



Governance

Chair

Rhea Loucas

Founder and Chief Executive Officer of Sphaira Innovation

Vice Chair

Dirk van Daele

Co-Founder and Joint Chief Executive Officer of CIRCLO³ Group Sàrl

Board Member

Dr Thomas Werlen

Managing Partner of Quinn Emanuel Urquhart & Sullivan

Board Member

Dr Gabriela Maria Payer

Vice-Chairwoman of Sygnum Bank

Board Member

Pierre Malleveys

Co-Head of the Merchant Banking team for Stanhope Capital

Financial Transparency

Sphaira Innovation AG (parent company of PlanetPlay) is audited by EY (Ernst & Young) from 2023, clear segregation on green project spending vs. operating spending is presented all the time to the board and stakeholders.

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Green Project Investment Q&A

1. Project Selection Criteria

What specific criteria does Sphaira Innovation use to identify climate action projects worth supporting?

1. We support the people who directly execute the project, rather than the middleman or agencies.
2. We support projects that generate multiple SDG impacts, with climate as a focus, but tap into other criteria as well. Five or more SDG goals are preferred.
3. We consider the impact a project could generate, with a preference for high efficiency climate impact .

How do you prioritise different types of climate action projects (e.g., renewable energy, carbon capture, reforestation)?

1. We prioritise the projects that could more efficiently generate higher impact. For example, we have evaluated a carbon capture technology but chose to delay deployment as it currently offers low efficiency, while the impact it can generate is relatively small.
2. Different types of climate projects have different entry level investment requirements: we started with lower entry barriers so we could move ahead quickly.
3. Because PlanetPlay raises funds from players and the games industry, we consider carefully which projects will best fit the preference of those groups.

To what extent do you take local community involvement and benefits into consideration when selecting projects?

1. Local community involvement is a big plus when we are considering whether to support projects, as illustrated by our Hongera Cookstoves partnership (see below).



2. Due Diligence Process

Could you describe the due diligence process Sphaira Innovation follows before committing to a climate project?

1. We are governed by three layers of governance: Management level; a Risk Committee sitting on the Board; and then full Board level. The first layer of due diligence on a project is undertaken by the Sphaira management team, gathering all information to assess if it fits our above-stated criteria. We then submit findings to the Risk Committee for feedback. If the Risk Committee agrees that the project is a good fit it will recommend it to the Board for approval.
2. Due diligence steps include:
 - o Project Overview and Initial Screening;
 - o Carbon Credits Validation and Verification (if project generate carbon credits);
 - o Environmental and Social Impact Assessment;
 - o Regulatory and Legal Compliance;
 - o Financial Analysis and Risk Assessment ;
 - o Technical Feasibility;
 - o Monitoring, Reporting, and Verification (MRV).

How do you assess the credibility and track record of project partners or organisations you're collaborating with?

- We prefer to work with publicly-listed companies, as their track-records are usually more verifiable than private companies or NGOs. If we can't find a public company to partner with, we will always hire third party experts to undertake due diligence on our behalf.



Do you conduct site visits or third-party audits as part of the due diligence process?

1. Yes, we conduct site visits and audits as part of the due diligence. For example, our first project, Hongera Cookstoves, was based near the Mount Kenya region. Our CEO and team visited the factory and met with the local community involved in the project.
2. We also have regular meetings with the project developer and as well regular update reports for monitoring.
3. Finally, we make sure all projects we work with are governed by credit worthy organisations or standards for the climate impact: this is a very important aspect for our due diligence.

3. Project Monitoring and Impact Assessment

What metrics or indicators do you use to measure the environmental impact of the projects you support?

1. For a majority of the projects, where carbon credits are issued by credit worthy standards bodies (e.g. Goldstandard), we use the carbon credits issued as measurement of the environmental impact. The calculation details are described in the standard under the specific methodology the project fits in.
2. For other projects where carbon credits are not issued, we use alternative metrics, such as the amount of people reached, educated or participated, plus all related project specific indicators as measurement.

How frequently are projects evaluated for performance, and what is your approach if a project doesn't meet initial expectations?

1. We obtain updates on a weekly basis, and more detailed reports on a monthly basis for thorough review.
2. If the project doesn't meet initial expectations, we will conduct a further in-depth review to see if things could be improved and problems solved, with action taken immediately. In the rare case that a problem could not be solved, then we will stop the project immediately.



Do you use any specific tools, technologies, or platforms to monitor the long-term sustainability and outcomes of your supported projects?

1. PlanetPlay is the platform that connects individuals and our partners with their impact. On the impact section of PlanetPlay platform, the overall impact made collectively is presented and updated in real time as project progress. For individual users, their personal impact is also presented live in their profile page. Everything is transparent.

4. Transparency and Accountability

How does Sphaira Innovation ensure transparency in its project selection and monitoring processes?

1. Once the project is deployed, the monitoring process still takes place in both layers of governance. Management level will monitor the project and obtain at least weekly update

What methods are in place to report on the success and challenges of projects to stakeholders, investors, and the public?

1. The PlanetPlay website reports on the project progress, success and challenges and it is available to the public. This information is also shared regularly via our social media channels.
2. We also present regular updates during Board meetings relating to the progress and success of all the green projects we support.



Can you share examples of how your team has adjusted or intervened in projects that did not meet their objectives? This can be anonymous, of course.

1. Before we partnered with Hongera Cookstoves, we assessed two other projects that use the same methodology: one was in Southeast Asia and the other in the middle of South America. Both projects failed to pass the first round of due diligence.
2. Ahead of the Subway Surfers x J Balvin campaign, we met with a very famous tree planting company with the aim of starting a new collaboration. However, the Sphaira management team halted discussions due to the company's vague reporting and monitoring methodology.

5. Community and Stakeholder Engagement

How does Sphaira Innovation engage local communities and stakeholders in the projects it supports?

1. For every project we support the local communities are always a priority: which is great as most green projects and their methodologies require a deep level of local engagement.
2. Using our Hongera Cookstoves project as an example, all workers for the manufactory are hired locally, providing jobs for the local community. After the cookstove is deployed, there is also further education and training to make sure the families are actually using them. Furthermore, 30% of the issued carbon credits are allocated to the local communities for economic purposes prior to other stakeholders.



6. Risk Management

How do you identify and mitigate risks associated with the climate action projects you fund or support (e.g., financial, environmental, operational risks)?

1. We conduct all of our standard Due Diligence as detailed above, plus the IB DD for each and every project. All of the Due Diligence material is reviewed three times by the Sphaira Management Team, the Risk Committee and the Board. If needed, we also hire third party experts to help us assess the risks.

In the case of high-risk projects, how do you balance potential environmental impact with the financial or operational risks involved?

1. We always search for the best possible protection for our stakeholders, primarily through our Board, which has rich experience in investment and risk management. We see operational risk management as the fundamental factor to deliver promised environmental impact.
2. Using the Hongera project again as an example, we not only ask for the priority rights on all the issued certificates but also have a deed contract established with our partner company DGB in case they can't deliver a successful project and pass the criteria for Co2 certificates issuance.

7. Scalability and Replicability

How do you assess whether a project has the potential to be scaled up or replicated in other regions or contexts? What role does scalability play in your decision to support a particular project?

Scalability is one of the key areas we focus on in all of our projects. Before we make any investment in a project, we always assess if it is scalable. Normally we need an addressable market of at least 100 times the initial project and ideally a pipeline of 10 times. This is to ensure that our approach can generate a large scale of impact and move the needle on climate challenges.



8. Collaboration with Other Organisations

How do you collaborate with other organisations, governments, or investors to co-fund or support larger climate projects? How do you ensure alignment between Sphaira Innovation's goals and those of your partners?

1. We are open to all kinds of collaborations, all of which will again be subject to due diligence and assessed by the three layers of our compliance structure. Potential partners will also need to contribute resources to the project.
2. For example, we are now searching for a partner to undertake our first solar farm project, and exactly those requirements above are necessary for us to establish the partnership.

9. Long-Term Vision and Impact

How does Sphaira Innovation ensure that the projects it supports lead to sustained, long-term climate benefits? How do you evaluate the long-term contributions of the projects to global climate goals, such as the Paris Agreement targets?

1. At Sphaira, we think about impact generating from three pillars: People Power; Green Investment; and Innovation. Starting from the video games industry and gamers, this is a community reaching out to over 3 billion people. Through our fundraising, awareness raising, surveys and data collection, we are able to drive a significant amount of green investments, and use the data to inform the market, nudge behaviour change, and even influence policy making (e.g. via our collaboration with UNDP).
2. We take a holistic view on tackling climate change and generating long-term impact, which means all efforts have to be sustainable, and measurable. In the long term, through meaningful partnerships and long term consistent efforts made, we want to move the climate agenda forward significantly. We have set our goal to be removing/reducing 1 billion tons of carbon emissions per year, and the final objective is to drive changes from both private and public sectors, helping the planet resolve climate change issues.



Collaboration with the United Nations

PlanetPlay has joined forces with the United Nations Development Programme to launch a new initiative called [Play2Act](#).

Through a poll embedded in popular games, Play2Act aims to capture public views about how video games can contribute to addressing the urgent and interconnected climate and nature crises affecting people and the planet.

The poll, set to launch with an initial rollout in the last quarter of 2024, followed by a second phase anticipated in mid-2025, is being conducted in the framework of the '[Games Realising Effective and Affective Transformation \(GREAT\)](#)' project funded by the European Union Horizon and UK Research and Innovation (UKRI).

The GREAT initiative, running from 2023-2026, aims to explore the innovative potential of games in helping citizens express their preferences and attitudes on policy issues, including the climate crisis.

Play2Act will use in-game polls to gather insights from players, particularly younger audiences, on how green video games content and video games can be powerful tools to help fight climate change and preserve nature. This interactive approach allows players to share their views while staying immersed in their favourite games.



Flagship green project: Hongera Energy Efficient Cookstoves Project

Partnering alongside leading carbon project developer and ecosystem restoration specialist DGB Group, the work on the Hongera Energy Efficient Cookstoves Project has been recognised with the important Gold Standard Project Design Certification (1), a vital milestone for the initiative.

- 68,000 energy efficient cookstoves to rural homes in 2024
- This initiative leads to an average of 100,000 tonnes of avoided CO2 emissions per year.
- Reinvestment of project returns into local community development
- Improved social + economic conditions for resident communities

The Environmental Impact

The Hongera project has seen over 68,000 efficient cookstoves delivered to local rural families in Kenya by year end 2024. These stoves use significantly less firewood than traditional open-fire stoves, providing benefits to women, households, and the environment:

- Collecting firewood is an arduous job, particularly with many areas being deforested in the region. The new cookstoves require less firewood, which means that women are spending on average 5.7 hours per week less (2) on difficult – and sometimes risky – trips to collect wood.
- The World Health Organisation states that indoor air pollution resulting from solid fuels (like firewood) leads to an estimated 4 million premature deaths per year among children and adults from respiratory and cardiovascular diseases (3). The new cookstoves produce less smoke, thereby decreasing the exposure to the key pollutants up to 70% (4).
- PlanetPlay's initiative with the Hongera Energy Efficient Cookstoves leads to an average of 100,000 tonnes of avoided CO2 emissions per year.

1. Hongera Cookstoves Field Indoor Air Pollution Test Report, Kenyatta University - Dept. of Energy Engineering, February 2023.

2. Performance Monitoring report Hongera Energy Efficient Cookstoves Project 30/01/2023-31/03/2024, verified by the independent auditor and The Gold Standard [SEE COMMENT]

3. WHO Indoor Air Quality Guidelines: Household Fuel Combustion. Geneva: World Health Organization; 2014.

4. Hongera Cookstoves Field Indoor Air Pollution Test Report, Kenyatta University - Dept. of Energy Engineering, February 2023.



The Gold Standard Project Design Certification of the project means that PlanetPlay's contribution has been recognised internationally as a long-term sustainable project. The goal for the project is to deliver 150,000 cookstoves, which will have a huge impact on the region and the overarching mission of tackling international environmental issues.

A self-funding and innovative donation model

PlanetPlay, via its parent company Sphaira Innovations, used its own funds to make a genuine climate impact before proposing the 'green video games' initiative to games studios.

Now, PlanetPlay is actively working with game studios throughout the world to harness the power of players. The PlanetPlay Marketplace allows consumers to buy games on any platform, in-game currencies, unique game items and much more. 100% of the PlanetPlay revenue goes directly to green projects, like Hongera Cookstoves. Players and studios can track CO2 reduction and see the difference they are making to the planet.

Sphaira chose an innovative method by operating on a donation basis, with the intention of retiring the carbon certificates rather than trading them. Control was maintained via a ledger, ensuring that only approved counterparties could retire the certificates.

Scalable approach and long-term commitment

While the Hongera project focuses on avoiding deforestation and providing clean cookstoves in Kenya, this process lays the foundation for future PlanetPlay projects in the fields of biodiversity and renewable energy, aligning with the interests of our partners.