### Complaint to Competition and Markets Authority regarding App Age Rating

#### A. Executive Summary

- 1. We represent Good Law Project Limited ("**Good Law Project**"), a private company limited by guarantee having its registered office at 3 East Point High Street, Seal, Sevenoaks, Kent, United Kingdom, TN15 0EG (the "**Complainant**").
- 2. We have been instructed by Duncan McCann, the Tech and Data Lead at Good Law Project, to make a complaint (the "**Complaint**") regarding breaches of consumer, data protection and competition law by Apple and Google in relation to the age rating provided for apps in their app stores. In summary, the age rating prominently provided in the app store fails to reflect the terms and conditions and privacy policies of mobile applications ("**apps**"), which is frequently set much higher to cater for aspects of the app's business model, particularly lawful data processing.
- 3. The issue at the heart of this Complaint is that apps frequently design their content to be attractive to a wide range of users, and specifically including children. However, their monetisation strategies depend on in-app purchases and data processing that require appropriate adult consent. The failure by the app stores to apply suitable age ratings means children and parents do not have a fair presentation of the suitability of the apps for children, and may even be misled into believing apps are suitable for children, when in fact those apps employ aggressive monetisation strategies that are only suitable for adults or for children with explicit parental consent.
- 4. The conduct described below is unlawful for three reasons.
  - a) First, it is an unfair commercial practice, in breach of the relevant consumer protection regulations.
  - b) Second, the conduct results directly in unlawful data processing both by the apps for which misleading age ratings are provided, and by the platforms that host the app stores.
  - c) Third, given the effective monopoly of Apple and Google over their respective app stores, and the resulting special responsibility to protect consumers' interests, these breaches of consumer and data protection law constitute abuses of their respective dominant positions.
- 5. These breaches are serious, and demand a remedy, given the financial windfall that results both to the apps and their host app stores from the practices. Where the relevant consumers are children, the app stores which host the apps should adhere to appropriately enhanced standards of consumer protection in marketing these digital products not the diminished and inadequate approach currently employed. The problem is most acutely seen in freemium apps which monetise through user engagement, and which employ data processing practices to maximise the effectiveness of these strategies. The apps profit from increased downloads and in-app purchases arising from user monetisation, and the app stores in turn enjoy commissions of up to 30% on these transactions.
- 6. The practices have a straightforward remedy, which is that the app stores apply appropriate age guidance for all apps or introduce requirements on apps which are marketed at children to require express parental consent. This should be implemented immediately, along with appropriate sanctions for wrongdoing, so that the rules are clear for all market participants, and to act as an effective deterrent in the future.

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- 7. The CMA has a variety of powers available to it to address the conduct:
  - a) The CMA has commenced an investigation into whether Apple and Google should be designated as having strategic market status ("SMS") in respect of, among other things, their provision of services which enable the installation, distribution and operation of native apps on mobile devices.<sup>1</sup> If the CMA designates Apple and Google as having SMS, it will have the power to impose conduct requirements on them, requiring them to remedy the conduct;
  - b) The CMA has the power under section 33 of the Competition Act 1998 (the "CA 1998") to give directions to entities which have breached Chapter II of the CA 1998. As set out below, Apple and Google's conduct breaches section 18 of the CA 1998; therefore, the CMA has the power to investigate, make a decision in respect of, and give directions to remedy the conduct; or
  - c) Under its consumer protection powers, the CMA has the power to investigate and issue a (provisional or final, as appropriate) infringement notice pursuant to sections 181 and/or 182 of the DMCCA 2024, or, following the commencement of an investigation by the CMA into the Conduct, seek an undertaking pursuant to section 185 of the DMCCA 2024, requiring that Apple and Google rectify the conduct.

#### **B.** The Complainant and the Companies

- I. The Complainant
- 8. The Complainant is bringing the Complaint to invite the Competition and Markets Authority ("**CMA**") to investigate a potential issue which it has identified which may pose risks to child users of mobile ecosystems; namely, discrepancies between the age requirements to use apps under their own terms and conditions and privacy policies, and the age ratings displayed by the companies which operate the app stores.
- 9. Good Law Project is a company limited by guarantee without share capital, founded by Mr Jolyon Maugham KC, with objects including promoting the sound administration of the law, challenging injustice and inequality, and promoting compliance with the law by public and private actors. The Tech and Data Lead at Good Law Project is Mr Duncan McCann, who has substantial experience of tech and digital regulation, in particular as it relates to children's rights and safety in the online world.
- 10. The Complaint is also supported by 5Rights, which is Mr McCann's former employer. 5Rights is an international NGO working with and for children for a rights-respecting digital world, founded by Baroness Beeban Kidron in 2018. It is focused on driving change and improving the online environment for children and society as a whole. 5Rights has a history of engaging with large tech corporations on issues including child security online.
- 11. Financial support has been provided by the Digital Freedom Fund, which is a philanthropic funding organisation which exists to support the digital rights community in Europe to advance and protect

<sup>&</sup>lt;sup>1</sup> CMA, Apple: Notice Under Section 11(1) Of The Digital Markets, Competition And Consumers Act 2024 (23 January 2025) <u>https://assets.publishing.service.gov.uk/media/67911972e2b9324a911e26db/Apple\_investigation\_notice.pdf;</u> CMA, Google: Notice Under Section 11(1) Of The Digital Markets, Competition And Consumers Act 2024 (23 January 2025) <u>https://assets.publishing.service.gov.uk/media/679115a4e2b9324a911e26d6/Google\_investigation\_notice.pdf</u>

human rights in digital spaces and reduce the negative impact of technology in the world.

### II. The Companies

12. This Complaint relates to conduct by companies in the corporate groups controlled by Alphabet Inc. ("**Google**") and Apple, Inc. ("**Apple**"). In particular, the Complainant understands on the basis of publicly-available documentation that the relevant entities within the Apple and Google corporate structures are Apple, Inc., Apple Distribution International Ltd, Apple (UK) Ltd, Apple Europe Ltd, Alphabet, Inc., Google LLC, Google Commerce Limited and Google Payment Limited (the "**Companies**").

#### Apple

- 13. Apple Inc., with registered address at One Apple Park Way, Cupertino, California, is the parent company of the Apple corporate group. As such, it is responsible for determining the terms upon which iOS<sup>2</sup> app developers distribute apps on devices running on iOS, and requires app developers to enter into the App Developer Program Licence Agreement ("DPLA") before being permitted to distribute apps. Apple Inc. is a subject of the CMA's SMS investigation.
- 14. Apple Distribution International Ltd, with registered office at Hollyhill Industrial Estate, Hollyhill, Cork, Republic of Ireland, is ultimately wholly-owned by Apple Inc.<sup>3</sup> Apple Distribution International Ltd is appointed as 'commissionaire' for the marketing and download of applications through the App Store under the DPLA.<sup>4</sup> Apple Distribution International Ltd is also understood to be the data controller for Apple's data processing.<sup>5</sup>
- 15. Apple (UK) Limited, with registered office at 280 Bishopsgate, London, EC2M 4AG, is ultimately wholly-own by Apple Inc. Apple (UK) Limited provides services to group affiliates, and, the Complainant understands, employs individuals who are responsible for the management, content production and technical engineering behind the App Store.<sup>6</sup> Apple (UK) Limited is a subject of the CMA's SMS investigation.
- 16. Apple Europe Limited, with registered office at 280 Bishopsgate, London, EC2M 4AG, is ultimately wholly-own by Apple Inc. As with Apple (UK) Limited, Apple Europe Limited provides services to group affiliates, and, the Complainant understands, employs individuals who are responsible for the management, content production and technical engineering behind the App Store. Apple Europe Limited is a subject of the CMA's SMS investigation.

#### Google

17. Alphabet Inc., with registered office at 1600 Amphitheatre Parkway Mountain View, CA 94043, is

<sup>&</sup>lt;sup>2</sup> iOS is Apple's proprietary mobile operating system software provided by Apple to app developers.

<sup>&</sup>lt;sup>3</sup> Apple Distribution International Ltd is wholly owned by Apple Operations International Limited, which is wholly owned by Apple Inc.

<sup>&</sup>lt;sup>4</sup> 'Commissionaire' is defined in the Developer Program Licence Agreement as an agent who purports to act on their own behalf and concludes agreements in his own name but acts on behalf of other persons. The Developer Program Licence Agreement is accessible at: <u>https://developer.apple.com/support/terms/apple-developer-program-license-agreement/</u>

<sup>&</sup>lt;sup>5</sup> See Apple-Affiliated Companies, accessible at <u>https://www.apple.com/legal/privacy/en-ww/affiliated-company/</u>, which states that "Depending on your location, the Apple entity acting as data controller for Apple's data processing is: [...] Apple Distribution International Ltd., located at Hollyhill Industrial Estate, Hollyhill, Cork, Republic of Ireland, for users in the European Economic Area."

<sup>&</sup>lt;sup>6</sup> The Competition Appeal Tribunal held that, on the basis of job advertisements for such roles posted by Apple (UK) Limited and Apple Europe Limited, it was reasonable to expect that the staff employed in the UK by Apple were employed by these entities and worked on such matters.

the ultimate parent company of the Google corporate group. As such, the Complainant understands that Alphabet Inc. is responsible for setting the policies and corporate structures of the Google group. Alphabet Inc. is a subject of the CMA's SMS investigation.

- 18. Google LLC, with registered office at 1600 Amphitheatre Parkway Mountain View, CA 94043, is the primary operating subsidiary of the publicly traded parent company Alphabet Inc. Google LLC is the entity with which app developers contract under the Google Developer Distribution Agreement ("DDA"), which governs the terms and conditions on which app developers are able to distribute apps on the Google Play Store (the "Play Store"). Within the UK, Google LLC is the entity which provides the Play Store service, as stated in the Google Play Terms of Service.<sup>7</sup> Google LLC is also the designated data controller for users of Google services based in the UK.<sup>8</sup> Google LLC is a subject of the CMA's SMS investigation.
- 19. Google Commerce Limited, with registered office at 70 Sir John Rogerson's Quay, Dublin 2, D02R296, Ireland, provides content on the Play Store. When a user downloads, views, uses, or purchases content on or using the Play Store, the user will enter into a separate contract based on the Google Play Terms of Service with Google Commerce Limited. <sup>9</sup>
- 20. Google Payment Limited, with registered office at 5 New Street Square, London, EC4A 3TW, is responsible for the processing of payment transactions in the UK on behalf of fellow Google group companies, including of payment transactions for purchases through the Play Store.

### C. The Conduct

- 21. This Complaint relates to the age ratings for apps published on the app stores (the "**age rating**") by the Companies. The Complainant has identified a discrepancy between the required age of users by companies publishing apps on the app stores within the terms and conditions and privacy policies of such apps, and the age ratings applied to the apps by the Companies allowing access to the apps within the app stores (the "**Conduct**").
- II. Application of age ratings in the App Store and Play Store
- 22. Mr McCann became aware of this issue in or around August 2021, while employed by 5Rights.
- 23. 5Rights raised the issue with the Information Commissioner's Office ("**ICO**"), including sending evidence of the issue, in September 2021. The ICO informed 5Rights that it had reached out to Apple and Google, who, it is understood, were aware of the issue but did not wish to incorporate the age requirements of an app from its published terms and conditions into the age rating displayed in the app stores. Furthermore, in its response to 5Rights the ICO did suggest that 5Rights submit a complaint to the CMA as the regulator best placed to deal with this issue. The ICO also communicated that they would be willing to support the CMA should they commence an investigation. The Complainant is not aware of any further action by the ICO in this regard.
- 24. In 2022, 5Rights conducted an investigation of the issue, including discussions with the period of the Games Rating Authority (which operates as the administrator of the PEGI rating system) and the period of the company, Director General of Pan-European Game Information ("**PEGI**").<sup>10</sup> The period of the transmission of transmission of the transmission of the transmission of the transmission of transmission of the transmission of transmiss

<sup>&</sup>lt;sup>7</sup> Accessible at: <u>https://play.google.com/intl/ALL\_uk/about/play-terms/</u>

<sup>&</sup>lt;sup>8</sup> Google, Privacy Policy: Privacy & Terms, accessible at: <u>https://policies.google.com/privacy?hl=en-gb</u>

<sup>&</sup>lt;sup>9</sup> See clause 3 of the Google Play Terms of Service, accessible at: <u>https://play.google.com/intl/ALL\_uk/about/play-terms/</u>

<sup>&</sup>lt;sup>10</sup> As discussed below, PEGI is responsible for setting the age rating system for the Play Store.

to sign the Terms and Conditions of the game could be worth considering.

- *III.* Application of age ratings in the App Store and Play Store
- 25. The Companies use different ratings systems to rate the content of apps on their respective app stores. Apple uses its own system of age ratings (4+, 9+, 12+, 17+),<sup>11</sup> and Google applies the PEGI system developed for games (Pegi3, Pegi7, Pegi12, Pegi16 & Pegi 18). The types of content within each rating are set out in **Appendix 1**.
- 26. Apple sets its own age ratings for apps by collecting information from app developers, such as whether an app contains violence, mature or suggestive themes, alcohol, tobacco or drug use or references, and instances of gambling or purchasable loot boxes. App developers can also designate whether the app should display in the Kids category in the app store, whether the app is suitable for ages 12+ or lower, and whether the app is only suitable for users over the age of 17 (although app developers do not appear to necessarily align with the terms and conditions required for the app, and may create an app which is not specifically designed for children, but which nevertheless is appealing to children due to its design). Apple then converts the information provided by the app developer to an Apple global age rating.<sup>12</sup> Under Apple's system, apps are graded from 4+, where "Apps in this category contain no objectionable material,"<sup>13</sup> to 17+, where "Apps in this category may also contain frequent and intense offensive language; frequent and intense cartoon, fantasy, or realistic violence; and frequent and intense mature, horror, and suggestive themes; plus sexual content, nudity, alcohol, tobacco, and drugs which may not be suitable for children under the age of 17."<sup>14</sup>
- 27. Apple's rating system is based on the content displayed in the app, and not on any data processing regulations. Apple states that "*If you believe your app may not be suitable for users under 17, select "This app is 17+". Your app's global age rating will display as 17+ on the App Store, but the content descriptions will still reflect your selections in App Store Connect.*" However, Apple does not ask app developers whether their privacy policy or terms and conditions require users of the app to be over a certain age.<sup>15</sup>
- 28. Google uses the PEGI rating system for ratings in Europe and the Middle East. The PEGI rating system replaced a number of national age rating systems with a single standardised system.<sup>16</sup> It was as developed by the Interactive Software Federation of Europe, and takes effect under a code of conduct.<sup>17</sup> PEGI is supported by major console manufacturers such as Sony, Microsoft and Nintendo.
- 29. Google states that the PEGI rating is used to indicate "whether there's something in a game that might be unsuitable for children and young people, such as violence, scary scenes, sexual

- <sup>13</sup> Apple, App Store: Get Started Age Rating, accessible at: <u>https://apps.apple.com/us/story/id1440847896</u>
- <sup>14</sup> Ibid.

<sup>16</sup> PEGI, The PEGI Organisation, accessible at: <u>https://pegi.info/page/pegi-organisation</u>

<sup>&</sup>lt;sup>11</sup> See Apple, Reference: Age ratings, accessible at: <u>https://developer.apple.com/help/app-store-connect/reference/age-ratings</u>

<sup>&</sup>lt;sup>12</sup> Apple, App Store Connect Help, Manage app information: Set an app age rating, accessible at: <u>https://developer.apple.com/help/app-store-connect/manage-app-information/set-an-app-age-rating/</u>

<sup>&</sup>lt;sup>15</sup> Apple, App Store Connect Help, Manage app information: Set an app age rating, accessible at: <u>https://developer.apple.com/help/app-store-connect/manage-app-information/set-an-app-age-rating/</u>

PEGI, Code of Conduct for the European Interactive Software Industry regarding age rating labelling, promotion and advertising of Interactive software products and maintenance of safe online gameplay, accessible at: <u>https://www.eesc.europa.eu/sites/default/files/resources/docs/4041-cnect-code-of-conduct-for-the-european-interactivesoftware-industry 2012.pdf</u>

content, drugs or swearing." Google states that:

"We use content ratings to:

- Inform you of potentially objectionable content within an app.
- Block or filter your content in certain territories or to specific users where required.

When our systems indicate that you may be under 18, we also use ratings to:

- Block the acquisition and purchase of mature content.
- Block or filter mature content on Browse pages and Play search."<sup>18</sup>
- 30. In respect of both the App Store and the Play Store, the underlying terms and conditions of use of the app, or the data privacy policy of the app developer, do not appear to be used in determining the age rating. The underlying terms and conditions often require a user to be older than the age rating applied to that app in the app store; for example, an app may have an age rating of PEGI 3 or 4+ based on the content of the app, but the terms and conditions may require a user to be at least 13 years of age in order to agree to them. Conversely, in some cases, the age rating applied in the relevant app store may be higher than that required by the app's terms and conditions.<sup>19</sup>
- 31. The age rating applied by the Companies are prominently displayed on the app download screen. Examples are provided in **Appendix 2**.
- 32. Given the prominent display of the age rating in the app stores, it is more likely that users will be guided by the displayed age rating, rather than the terms and conditions of the app, or the privacy policy (which are often only available online, and are therefore inconvenient for users to access).

# Popular and/or child-focused apps have a divergence between the content rating and the terms and conditions

- 33. Since the required age of a user under an apps' terms and conditions or privacy policy are not directly considered when setting the app's age rating, there may be a discrepancy between the prominently-displayed age rating and the age required by the terms and conditions or privacy policy. This includes for apps which are responsive to searches which would indicate that they are appropriate for children, as well as popular apps which may be attractive to children.
- 34. Gaming apps are likely to be attractive to children and young users. Children under the age of 8 enjoy apps that involve their active participation, in particular through 'learning-by-doing' through simulators for playing sports, taking care of pets, and trying on clothing. Children are also attracted to apps which let them have fun and enjoy playing games: of a sample of 88 children, 100% mentioned "fun" in relation to games, 95% value the entertainment afforded by videos, movies

<sup>&</sup>lt;sup>18</sup> Google, Apps and Games content ratings on Google Play, accessible at: <u>https://support.google.com/googleplay/answer/6209544?hl=en-GB</u>

<sup>&</sup>lt;sup>19</sup> For example, the terms and conditions of Yubo, a messaging app, do not allow users under the age of 13 to create a profile (see clause 10 of Yubo's terms and conditions: <u>https://www.yubo.live/privacy/our-goal-is-to-provide-a-safe-and-trusted-space-so</u>). In the App Store, Yubo is given the 17+ age rating. In the Play Store, Yubo is given the 'Parental Guidance Recommended' PEGI rating.

and cartoons, 94% enjoy playing games, and 72% value apps that are "funny".<sup>20</sup>

35. Research by Ofcom has shown that substantial proportions of children game online (18% of 3-4 year-olds; 34% of 5-7 year-olds; and 67% of 8-11 year-olds).<sup>21</sup> Research commissioned by Ipsos has shown that approximately 20% of children spend on in-game extras, and of these, approximately 75% spend between €1-20 per month.<sup>22</sup> The Office of Fair Trading ("**OFT**") has noted that:<sup>23</sup>

"A significant determinative factor [as to whether it is reasonably foreseeable that a game is likely to appeal to children] is whether children are known to play the game or if the game is marketed to children. However, other factors or attributes that may mean a game is likely to appeal to children are set out in this indicative and non-exhaustive list:

- inclusion of characters popular with or likely to appeal to children
- cartoon-like graphics
- bright colours
- simplistic gameplay and/or language
- the game concerns an activity that is likely to appeal to or be popular with children
- the game is available to be downloaded, signed up to or purchased by anyone and is not age-restricted
- the game is featured in a children's section of an app store"
- 36. Based on this, we identified examples of apps which are likely to be accessed by children, or which are likely to be attractive to children:

<sup>&</sup>lt;sup>20</sup> See Dias, P., & Brito, R. (2021). Criteria for selecting apps: debating the perceptions of young children, parents and industry stakeholders. Computers and Education, 165, [104134]. <u>https://doi.org/10.1016/j.compedu.2021.104134</u>

<sup>&</sup>lt;sup>21</sup> Ofcom, Children and Parents: Media Use and Attitudes (29 March 2023) <u>https://www.ofcom.org.uk/siteassets/resources/documents/research-and-data/media-literacy-research/children/childrens-media-use-and-attitudes-report-2023.pdf?v=329412</u>

<sup>&</sup>lt;sup>22</sup> Ipsos, In-game spending: A report by Ipsos for Video Games Europe (formerly ISFE) on parents' supervision of in-game spending (<u>https://www.videogameseurope.eu/wp-content/uploads/2023/09/Video-Games-Europe In-Game-Spending-2023 Final-Sept.pdf</u>); Ipsos, Children's in-game spending: A report by Ipsos for Video Games Europe (<u>https://www.videogameseurope.eu/wp-content/uploads/2024/09/In-game-spending-by-children-parental-control-tools-2024-GameTrack-Survey.pdf</u>).

<sup>&</sup>lt;sup>23</sup> OFT, The OFT's Principles for online and app-based games (4 June 2015), available at: <u>https://assets.publishing.service.gov.uk/media/5a7c6a29e5274a5590059b52/oft1519.pdf</u>

- a) We carried out searches on the Play Store and App Stores for "games for kids", which returns results including "Pop Us!", and "Snake.io". Similarly, a search online for "best apps for kids" returns a page on Apple's website<sup>24</sup> which lists apps including "Toca Boca World".
- b) We examined the popular app games, "White Out Survival", "Clash of Clans" and "Candy Crush Saga", on the basis that these have characteristics that may be attractive to children.<sup>25</sup>
- 37. We have set out screenshots showing the display of the age rating, and information regarding privacy policies and terms and conditions, of these example apps in **Appendix 2**.
- 38. For each of these example apps, the relevant terms and conditions of use are set out below:

App developer	App name	Age rating	Terms and conditions
Century Games Pte. Ltd.	White Out Survival	Pegi 7 4+	You must be at least 13 years old to play the Game. If you are under 18, you must have parental or legal guardian consent. By using the Service, you confirm that you have the legal capacity to enter into these Terms. <sup>26</sup> [Please note that the app can be accessed without verifiable parental consent apparently being obtained.]
King.com Limited	Candy Crush Saga	Pegi 3 4+	You are at least 13 years old, or else you must not use our Services. If you are the parent or guardian of a minor aged 13 or older (depending on the applicable laws of your country), you are agreeing to these Terms on your behalf and on behalf of your minor(s) who you have authorised to use the Service pursuant to these Terms <sup>27</sup> YOU MUST BE AND HEREBY AFFIRM THAT YOU ARE AN ADULT OF THE LEGAL AGE OF MAJORITY IN YOUR COUNTRY OR STATE OF RESIDENCE. If you are under the legal age of majority and over the age of 13, your parent or legal guardian must consent to these Terms as set out in paragraph 1.3.

<sup>&</sup>lt;sup>24</sup> Apple, Try Something New: Top Apps for Kids, available at: <u>https://apps.apple.com/us/story/id1543998945</u>

<sup>&</sup>lt;sup>25</sup> "Clash of Clans" and "Candy Crush Saga" have been identified as apps with popular in-app purchases, which leads to increased commissions being paid to the Companies (see paragraphs 120 – 126 below). See Wappier, The Most Popular In-App Purchases of the Last Decade (24 April 2020), available at: <a href="https://wappier.com/most-popular-in-app-purchases/#:~:text=According%20to%20SensorTower%2C%20US%20subscription.for%20purchases%20made%20in%2">https://wappier.com/most-popular-in-app-purchases of the Last Decade (24 April 2020), available at: <a href="https://wappier.com/most-popular-in-app-purchases/#:~:text=According%20to%20SensorTower%2C%20US%20subscription.for%20purchases%20made%20in%2">https://wappier.com/most-popular-in-app-purchases/#:~:text=According%20to%20SensorTower%2C%20US%20subscription.for%20purchases%20made%20in%2</a> Dapp. "White Out Survival" is an example of a popular app with high revenues and user growth. SensorTower, Whiteout Survival third fastest to \$1 billion of 2023 releases (July 2024), accessible at: <a href="https://sensortower.com/blog/whiteout-survival-usd1-billion-milestone">https://sensortower.com/blog/whiteout-survival-usd1-billion-milestone</a>

<sup>&</sup>lt;sup>26</sup> <u>https://whiteoutsurviv.com/conditions.html</u>

<sup>&</sup>lt;sup>27</sup> <u>https://www.king.com/termsAndConditions</u>

App developer	App name	Age rating	Terms and conditions
Kooapps LLC	Snake.io	Pegi 3 4+	You must be at least 13 years old to use the Service. If you are between the ages of 13 and 18, you may use the Service only under the supervision of a parent or legal guardian who agrees to be bound by these Terms and any applicable additional terms. By agreeing to these Terms, you represent and warrant to us that: (a) you are at least 13 years old; (b) you have not previously been suspended or removed from the Service; and (c) your registration and your use of the Service is in compliance with any and all applicable laws and regulations. <sup>28</sup>
Toca Boca	Toca Boca World	Pegi 3 4+	KIDS, IF YOU ARE YOUNGER THAN 18 YEARS OLD, OR ANY OTHER AGE OF MAJORITY APPLICABLE IN YOUR COUNTRY, YOU MUST HAVE A PARENT OR LEGAL GUARDIAN READ AND ACCEPT THESE TERMS OF SERVICE ON YOUR BEHALF AND TAKE FULL RESPONSIBILITY FOR COMPLIANCE WITH THESE TERMS OF SERVICE. <sup>29</sup> A person under the age of 18, requires consent of their parents or legal guardians in order to use the Services. How such parental consent is provided depends on the Services and/or the platform that the Services is provided on. Where parental consent is required, Toca Boca hereby recommends that parents/guardians monitor the child's online activity and use of the Services. A parent/guardian who wishes to recall their previously provided consent to a child's access to and use of the Services should disconnect from the Services.
SayGames Ltd	Pop Us!	Pegi 3 12+	You represent that you are 16 years or older. If you are younger than 18 years, you can only download our Games and play them on your device, if your parent(s) or legal guardian have/has reviewed this Agreement and allowed you to download our Game o [sic] and play our Game subject to these Agreement. SayGames may require adequate proof of your identity and age and consent from a parent or guardian at any time. <sup>30</sup>

<sup>&</sup>lt;sup>28</sup> <u>https://kooapps.com/terms.php</u>

<sup>&</sup>lt;sup>29</sup> <u>https://www.tocaboca.com/docs/en/terms-of-service</u>

<sup>&</sup>lt;sup>30</sup> <u>https://say.games/terms-of-use</u>

App developer	App name	Age rating	Terms and conditions
Supercell	Clash of Clans	Pegi 7 9+	Before accessing or using the Service, including browsing any Supercell website or accessing a game, you must agree to these Terms of Service and the Privacy Policy. A guest account may be created for you for the use of the Service, and you may also be required to register an account on the Service (collectively "Account"). These Accounts include, for example, game Accounts and Supercell ID. By using or registering for an Account or otherwise using the Service, you affirm that you are the legal age of majority in your country of residence. If you are not, your legal guardian must review and agree to these Terms of Service. <sup>31</sup>

- 39. These are selected as examples only, and do not by any means comprise the entirety of the issue. In **Appendix 4**, we have set out a table which reviews the top 500 apps by in app revenue, and examines the discrepancy between the age rating displayed on the app store and the user age required by the apps' terms and conditions. Of these, 51% appear to be gaming apps<sup>32</sup> or otherwise likely to appeal to children on the basis of their content or design; and of these:
  - a) 45% display a lower age rating the relevant app store than required by the app's terms and conditions;<sup>33</sup> and
  - b) 74% display a lower age rating the relevant app store than required by the app's privacy policy.<sup>34 35</sup>
- 40. The terms and conditions of use of an app are generally harder to access than the ratings set out in the app store, and usually require users to navigate to a separate web page. For example, for each of the examples discussed above, accessing the terms and conditions requires navigating to the developers' web page and clicking a link at the bottom of the webpage. This is much more inconvenient for users to access than the prominently-displayed age ratings on the app stores, and unlikely to be used frequently.
- 41. The terms and conditions or privacy notice of the app itself are not included in the criteria used by either Apple or Google in determining what rating it should have on the app store. This means that the rating given to the app in the store may fail to reflect both the legal and corporate requirements of age appropriateness.
- 42. Some apps appear to take extra steps to encourage age verification. For example, when accessing the 'Candy Crush Saga' app for the first time, a user is presented with a screen stating

<sup>&</sup>lt;sup>31</sup> <u>https://supercell.com/en/terms-of-service/</u>

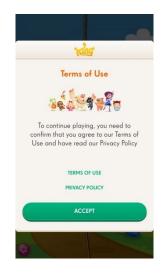
<sup>&</sup>lt;sup>32</sup> Excluding gambling games or games specifically targeted at adults.

<sup>&</sup>lt;sup>33</sup> In addition, 73 (29%) of the apps reviewed which were considered likely to appeal to children did not specify an age requirement in their privacy policy.

<sup>&</sup>lt;sup>34</sup> This includes apps for which the terms of service state that younger users require parental consent to play. This is because the Complainant considers that parents or guardians of minors are also likely to be misled by the age rating displayed in the app stores.

<sup>&</sup>lt;sup>35</sup> In addition, 16 (6%) of the apps reviewed which were considered likely to appeal to children did not specify an age requirement in their privacy policy.

that "To continue playing, you need to confirm that you agree to our Terms of Use and have read our Privacy Policy".



- 43. However, this appears to be an exception to general practice. When accessing the other apps discussed above on an account without user age details provided, none of them appeared to carry out any age verification process.
- 44. This issue has been publicly noted by organisations such as the Canadian Centre for Child Protection ("**C3P**") (a Canadian NGO) and the Tech Transparency Project (a US NGO). For example, C3P has found that "*app age ratings are not consistent between Apple's App Store and Google Play. Nor were the app age ratings from the stores consistent with the age rating in the app's terms of service. Even in instances where an app's age ratings are similar between the mobile app stores*".<sup>36</sup>

### D. The Conduct leads to breaches of UK consumer law

- I. Legal framework
- 45. The current legislation designed to protect consumers from misleading statements is contained in the Consumer Protection from Unfair Trading Regulations 2008 (the "**CPUTR 2008**") and the Digital Markets, Competition and Consumers Act 2024 ("**DMCCA 2024**").
- 46. Parts 3 and 4 of the DMCCA 2024, respectively, grant the CMA new enforcement powers in respect of specified relevant infringements, including of the CPUTR 2008; and repeal and replace the CPUTR 2008 in respect of conduct arising after the date of the commencement of the relevant parts of the DMCCA 2024.
- 47. For relevant infringements occurring prior to and concluding before the entrance into force of Part 4 of the DMCCA 2024, the CPUTR 2008 continue to have effect.<sup>37</sup> The Complainant understands that the Conduct remains ongoing; however, for completeness, the relevant test under the CPUTR 2008 is set out below.

<sup>&</sup>lt;sup>36</sup> See C3P, Reviewing the Enforcement of App Age Ratings in Apple's App Store and Google Play (January 2022), pp. 28-30, available at: <u>https://content.c3p.ca/pdfs/C3P\_AppAgeRatingReport\_en.pdf</u>

<sup>&</sup>lt;sup>37</sup> s.252 of the DMCCA 2024.

48. Regulation 3 of the CPUTR 2008 states, as relevant, that:

### Prohibition of unfair commercial practices

**3.**—(1) Unfair commercial practices are prohibited.

(2) Paragraphs (3) and (4) set out the circumstances when a commercial practice is unfair.

- (3) A commercial practice is unfair if—
- (a) it contravenes the requirements of professional diligence; and

(b) it materially distorts or is likely to materially distort the economic behaviour of the average consumer with regard to the product.

- (4) A commercial practice is unfair if—
- (a) it is a misleading action under the provisions of regulation 5;
- (b) it is a misleading omission under the provisions of regulation 6;
- 49. 'Commercial practice' is broadly defined, and includes "any act, omission, course of conduct, representation or commercial communication (including advertising and marketing) by a trader, which is directly connected with the promotion, sale or supply of a product to or from consumers, whether occurring before, during or after a commercial transaction (if any) in relation to a product".<sup>38</sup>
- 50. Regulation 5 provides, generally, that a commercial practice will be misleading where it contains false information relating to the characteristics of the product and causes or is likely to cause an average consumer to take a transactional decision which they would not have taken otherwise.
- 51. Regulation 6 provides, generally, that a commercial practice will be a misleading omission if it omits, hides or provides in an unclear, ambiguous or untimely manner, material information.
- 52. The test in CPTUR 2008 refers to the effect of the practice on the "*average consumer*". However, where a clearly identifiable group of consumers is particularly vulnerable to a commercial practice or product because of their mental or physical infirmity, age or credulity in a way which the entity could reasonably be expected to foresee, and that commercial practice is likely to materially distort the economic behaviour only of that group, the average consumer is taken to be the average member of that group.<sup>39</sup>
- 53. The Complaint understands that the Conduct is continuing. Therefore, for the purposes of the CMA's ability to take enforcement action under Part 3 of the DMCCA 2024, the relevant provisions of the DMCCA 2024 will apply,<sup>40</sup> subject to the limitation that a requirement may only be imposed on the Companies in respect of the Conduct which predates the entrance into force of Part 3 of the DMCCA 2024 if a requirement of a corresponding kind could have been imposed under the

<sup>&</sup>lt;sup>38</sup> Reg. 2 of the CPUTR 2008.

<sup>&</sup>lt;sup>39</sup> Reg. 2(4) and (5) of the CPUTR 2008.

<sup>&</sup>lt;sup>40</sup> Schedule 19, para. 3(3) of the DMCCA 2024.

previous regime.41

- 54. Section 180 of the DMCCA 2024 grants the CMA powers to directly investigate in circumstances where it has reasonable grounds for suspecting that a person has engaged, is engaging or is likely to engage in a commercial practice that constitutes a relevant infringement, or a person is an accessory to such a practice. A relevant infringement is one which harms the collective interests of consumers, meets the UK connection condition, and meets the specified prohibition condition.<sup>42</sup>
- 55. Harm to the collective interests of consumers is established when (i) there is harm to a section of the public and not just to an individual consumer; (ii) this will usually be inferred from an accumulation of a number of individual breaches (which need not be identical in nature); however (iii) it could be one breach provided it affected a number of people; and (iv) a risk of repetition can be harmful to the collective interests of consumers.<sup>43</sup> Since the Conduct harms large numbers of consumers (for the reasons set out below) and is composed of a very large number of individual breaches, the Complainant believes this criteria is satisfied.
- 56. The UK connection condition is met if the trader has a place of business in the UK, carries on business in the UK or engages in activities which are directed to consumers in the UK. Since the Companies carry on business in the UK and the operation of the app stores is directed at consumers in the UK, the Complainant believes that the UK connection condition is satisfied.
- 57. The specified prohibition condition includes, for the purposes of the CMA's direct enforcement powers, breaches of Part 4 of the DMCCA 2024 and of the CPUTR 2008.<sup>44</sup> For the reasons below, the Complainant believes this criterion is satisfied.
- 58. Part 4 of the DMCCA 2024 prohibits unfair commercial practices,<sup>45</sup> and states that such a practice is unfair if it is likely to cause the average consumer to take a transactional decision that the consumer would not have taken otherwise as a result of the practice involving a misleading action, misleading omission, aggressive practice or a contravention of the requirements of professional diligence.
- 59. Sections 226 and 227 of the DMCCA 2024 provide, among other things, that a misleading action will include "an overall presentation which is likely to deceive the average consumer about a matter relating to a product, a trader or any other matter relevant to a transactional decision", and a misleading omission includes a practice which omits material information.
- 60. Sections 246 and 247 of the DMCCA 2024 provide the 'average consumer' test, and state that where a group of consumers is particularly vulnerable to a commercial practice in a way that the trader could reasonably be expected to foresee, as a result of factors including their age or credulity, the average consumer is taken to be a member of that group. The CMA's Unfair Commercial Practices Guidance notes that: "Consumers are treated as vulnerable to a practice or because of the underlying product within the meaning of the UCP provisions, if (among other things) they are vulnerable because of age, physical or mental health, credulity or the circumstances they are in", and give the example that "Children might be particularly vulnerable

<sup>&</sup>lt;sup>41</sup> Schedule 19, para. 3(4) of the DMCCA 2024.

<sup>&</sup>lt;sup>42</sup> s.148 of the DMCCA 2024.

<sup>&</sup>lt;sup>43</sup> See OFT v MB Designs (2005) SLT 69; OFT v Vance Miller [2009] EWCA Civ 3 and OFT v Purely Creative [2011] EWHC 106 (Ch). See also CMA, <u>Guidance on the direct consumer enforcement regime set out in the Digital Markets, Competition and Consumers Act 2024</u> (14 March 2025), Annex B, para. 6.

<sup>&</sup>lt;sup>44</sup> s. 148 (2) of the DMCCA 2024, Schedule 16 of the DMCCA 2024.

<sup>&</sup>lt;sup>45</sup> s.225 of the DMCCA 2024.

to advertisements relating to toys shown on daytime television or within apps that they use."46

- *II.* The Conduct constitutes an unfair commercial practice
- 61. In the Complainant's view, the more prominent and accessible display of the age rating in the app stores is likely to lead consumers in particular, children, given their vulnerability, but also their parents or legal guardians to think that certain apps are suitable for children, when in fact the terms and conditions of the apps themselves state that this is not the case.
- 62. As explained in paragraph 35 above, the OFT has found that games with certain features are likely to appeal to children. The OFT has also stated that, in respect of such games, it is likely to interpret the 'average consumer' test applied under regulations 5 and 6 CPUTR 2008, as referring to the average child the same must apply to the test under sections 246 and 247 of the DMCCA 2024.<sup>47</sup>
- 63. The OFT has considered how apps targeted at children with in-app purchases could avoid misleading the 'average child', and published principles for online and app-based games as a result (the "**OFT Principles**").<sup>48</sup> Principle 2 of the OFT Principles states that:

"All material information about a game should be provided clearly, accurately and prominently up-front, before the consumer begins to play, download or sign up to it or agrees to make a purchase. 'Material information' includes information about the main characteristics of the game and any other information necessary for the average consumer to take an informed decision to play, download or sign up to the game or to make a purchase.

[...]

Depending on context, other material information is likely to include:

• whether the game contains marketing (i.e. promotion of products or services, either of the trader's own or of those of a third party)

[...]

- how, and the reasons for which, personal or other data may be collected and processed (information about traders' obligations under the Data Protection Act 1998 is available at www.ico.org.uk)"
- 64. While the OFT Principles are aimed at app developers, rather than the operators of app stores, the Complainant suggests that the effect of the Conduct is to undermine the effectiveness of this Principle, and to undermine attempts by the app developers to comply with this Principle.
- 65. The display of the age rating is likely to mislead children, as it is prominently displayed and much easier to access than the terms and conditions of the app which set out the actual age requirement

<sup>&</sup>lt;sup>46</sup> CMA, <u>Guidance on the protection from unfair trading provisions in the Digital Markets</u>, <u>Competition and Consumers Act</u> <u>2024</u> (4 April 2025) at para. 2.29.

<sup>&</sup>lt;sup>47</sup> OFT, Children's Online Games: report and consultation (26 September 2013), available at: <u>https://assets.publishing.service.gov.uk/media/53330c4de5274a5660000005/oft1506.pdf</u>

<sup>&</sup>lt;sup>48</sup> OFT, Principles for online and app-based games: OFT1519 (30 January 2014), accessible at <u>https://www.gov.uk/cma-cases/children-s-online-games</u>

to use it.

- 66. In addition, the Conduct is likely to mislead parents. Ofcom research into attitudes towards media by parents and their children has found that the majority of parents supervised their child's online activity closely. Two-thirds of parents of children aged 3-4 reported directly supervising their child's online activity, sitting beside them. Parents of children aged 5-7 were likely to monitor activity by staying nearby and regularly checking (75% of parents for this age bracket), or asking their child what they were doing online. 69% of parents of children aged 8-11 regularly checked what their child was doing online, and 70% would ask their child or remain nearby.<sup>49</sup>
- 67. This demonstrates an understandably high degree of concern by parents about their child's online activity, and indicates that parents are likely to have paid attention to information about suitability of online services, such as apps, for their children. In these circumstances, it appears that if the age rating required by the apps' terms and conditions or privacy policy were known, parents may have made different decisions about purchasing the app for their child, their child's use of the app, and any in-app purchases which they may wish to make for their child. Put another way, the age rating currently employed risks misleading consumers and preventing parents from making informed choices for their children.
- 68. As such, the Complainant believes that the Conduct constitutes an unfair commercial practice.

#### E. The Conduct leads to breaches of UK data protection legislation

#### I. Legal framework

69. The Companies' conduct would also appear to both lead to and facilitate breaches of data protection legislation, including the UK General Data Protection Regulation ("**UK GDPR**")<sup>50</sup> and the Privacy and Electronic Communications (EC Directive) Regulations 2003 ("**PECR**").

#### UK GDPR

- 70. Under the UK GDPR:
  - a) "Personal data" is defined as "any information relating to an identified or identifiable natural person ('data subject'); an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person".<sup>51</sup>
  - b) "Processing" is defined as "any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available,

<sup>&</sup>lt;sup>49</sup> Ofcom, Children and Parents: Media Use and Attitudes (29 March 2023) <u>https://www.ofcom.org.uk/siteassets/resources/documents/research-and-data/media-literacy-research/children/childrens-media-use-and-attitudes-report-2023.pdf?v=329412</u>

<sup>&</sup>lt;sup>50</sup> Regulation (EU) 2016/679 of the European Parliament and of the Council, as retained in UK law following the UK's departure from the European Union.

<sup>&</sup>lt;sup>51</sup> Article 4(1) UK GDPR.

alignment or combination, restriction, erasure or destruction".<sup>52</sup>

- 71. These are broad definitions, and encompass a wide range of data and activities.
- 72. Under Article 5(1) of the UK GDPR personal data must be processed lawfully, fairly and in a transparent manner in relation to the data subject. The lawful bases of processing are:
  - a) where the data subject has given their consent. Pursuant to Article 8 of the UK GDPR, if consent is relied on as the lawful basis for processing personal information belonging to a child under the age of 13, such processing shall be lawful only if and to the extent that consent is given or authorised by the holder of parental responsibility over the child. The data controller is required to make reasonable efforts to verify in such cases that consent is given or authorised by the holder of parental responsibility over the child;
  - b) where the processing is necessary for the performance of a contract to which the data subject is party;
  - c) where necessary for compliance with a legal obligation to which the data controller is subject;
  - d) where necessary in order to protect the vital interests of the data subject or of another natural person;
  - e) where necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller;
  - f) where necessary for the purposes of the legitimate interests pursued by the controller or by a third party, except where such interests are overridden by the interests or fundamental rights and freedoms of the data subject which require protection of personal data, in particular where the data subject is a child.
- 73. With respect to the legitimate interests ground for processing, additional safeguards may be appropriate when relying on this basis to process children's data. The ICO states that:

"The UK GDPR does not ban you from relying on legitimate interests as your lawful basis if you are processing children's personal data. However Article 6(1)(f) specifically highlights children's personal data as requiring particular protection.

If you choose to rely on legitimate interests for processing children's personal data you have a responsibility to protect them from risks that they may not fully appreciate and from consequences that they may not envisage. You must ensure their interests are adequately protected and that there are appropriate safeguards.

A legitimate interests assessment may be a useful tool to help you ensure that you properly consider the children's interests. However, you need to give extra weight to their interests and you need a more compelling interest to justify any potential impact on children on this basis." (emphasis added)<sup>53</sup>

<sup>&</sup>lt;sup>52</sup> Article 4(2) UK GDPR.

<sup>&</sup>lt;sup>53</sup> ICO, When can we rely on legitimate interests?, available at: <u>https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-</u> resources/lawful-basis/legitimate-interests/when-can-we-rely-on-legitimate-interests/#children

### PECR

- 74. Regulation 6 of the PECR provides that a person shall not store or gain access to information stored in the terminal equipment of a user unless that user has been provided with clear and comprehensive information about the purposes of such storage and has given their consent. This includes serving 'cookies' on users, which legally requires the consent of the user.
- 75. The requirement for consent is set by Article 8 of the UK GDPR (as defined in section 3(10) of the Data Protection Act 2018), which covers the use of information society services ("**ISSs**") by children. As stated above, Article 8 states that consent to the processing of personal data by an ISS may not be given by users under the age of 13. Therefore, as a matter of law, it is not permissible to serve cookies on a user of an information society service who is a child, since they are not capable of giving their consent.

#### *II.* The application of UK data protection law to the Conduct

#### Apple's use of personal data

76. Apple's App Store & Privacy policy<sup>54</sup> sets out the basis on which it may collect personal data. It states:

"We use your interactions with the App Store to help you discover the content that's most relevant to you. For example, we recommend content that we think will be of interest to you based on what you've previously searched for, viewed, downloaded, updated, or reviewed in the App Store. We also use your purchase history, including in-app purchases, subscriptions, and payment methods together with account information derived from your Apple Account, such as the devices you use and new devices you activate. To make better recommendations, we also use aggregate information about app launches, installs, and deletions from users who choose to share device analytics with Apple, and aggregate information about app ratings. The App Store uses local, on-device processing to enhance our recommendations. Using app usage data stored on your device — such as the apps you frequently open, the time you spend using certain apps, and your app installs and uninstalls — the App Store can suggest apps and in-app events that are more relevant to you. The information Apple receives about your usage of the stores includes information about the personalized content you tap and view."

77. Information such as purchase history, including in-app purchases, device analytics and device information constitutes personal data, and Apple's use of this information constitutes data processing. This is reflected in Apple's App Store & Privacy policy, which states that:

*"Where applicable local law provides, we process personal data as necessary for purposes of our legitimate interests or those of a third party in order to:* 

- Display relevant content, assess whether your device has enough space to download requested content, and facilitate automatic downloads of updated content
- Help improve and optimize the App Store and other Apple products and services for you and others
- Send you offers via email and push notifications that may be of interest to you, and to

<sup>&</sup>lt;sup>54</sup> Apple, App Store & Privacy, available at: <u>https://www.apple.com/legal/privacy/data/en/app-store/</u>

create segments to serve you ads in the App Store, Apple News, and Stocks

- Process refund requests
- Provide reporting to developers on purchases in their apps
- Prevent fraud and other malicious activity

The data used includes:

- Your use of the App Store app, such as your interactions with content you search for, view, download, and purchase, as well as App Store notifications and messages and in-app notifications and messages
- Details about your device and account
- Your IP address
- The device trust score"
- 78. Apple therefore appears to process personal data from users. Apple appears to do so on the basis that app developers are required to comply with data protection laws pursuant to the DPLA. Clause 3.3.3(D) of the DPLA states that:<sup>55</sup>

"You and the Application must comply with all applicable privacy and data collection laws and regulations with respect to any collection, use or disclosure of user or device data (e.g., a user's *IP* address, the name of the user's device, and any installed apps associated with a user)."

79. Apple is aware of the importance of safeguarding the personal data of children. Apple's own Privacy Policy states that:

"Apple understands the importance of safeguarding the personal data of children, which we consider to be an individual under the age of 13 or the equivalent age as specified by law in your jurisdiction. That is why Apple has implemented additional processes and protections to help keep children's personal data safe. To access certain Apple services, a child must have a child Apple Account. A child Apple Account may be created by the **parent** or, in the case of a Managed Apple Account, by the **child's educational institution**."

<sup>&</sup>lt;sup>55</sup> Apple DPLA, available at: <u>https://developer.apple.com/support/terms/apple-developer-program-license-agreement/</u>

- 80. However, it does not appear that there are safeguards in place to protect against the processing of children's data by Apple collected from third-party apps, in the situation where that third party is likely to be processing children's data due to the nature of the app. Instead, Apple appears to rely on the assumption that third-party app developers are complying with data protection requirements in their own right. While this may be otherwise be reasonable, when Apple is applying misleading age ratings to the third-party apps, this undermines the basis for this assumption.
- 81. In the circumstances, Apple is likely to be processing children's data unlawfully, as set out below.

Google's use of personal data

- 82. Under the DDA, Google states that "[i]n order to continually innovate and improve Google Play, related products and services, and the user and Developer experience across Google products and services, Google may collect certain usage statistics from Google Play and Devices including, but not limited to, information on how the Product, Google Play, and Devices are being used."
- 83. The DDA states that any data collected or used pursuant to the DDA is in accordance with Google's Privacy Policy.<sup>56</sup> The Privacy Policy states that:

"We collect information about your activity in our services, which we use to do things like recommend a YouTube video you might like. The activity information we collect may include:

[...]

• Views and interactions with content and ads

[...]

• Purchase activity

[...]

- Activity on third-party sites and apps that use our services". Further detail is provided, stating that "Websites and apps that integrate Google services like ads and analytics share information with us."
- 84. Google's Privacy Policy states that it uses information collected from its users to provide, maintain and improve its services, develop new services, provide personalised services such as content and advertisements, measure performance, communicate with the user, and protect users, the public and Google from fraud, abuse, security risks and technical issues.<sup>57</sup>
- 85. This is consistent with Google's processing of user data to provide to third-party app developers. Google provides app developers with a service called Firebase Analytics, which allows third-party app providers to analyse how an app is used. To use Firebase Analytics, an app provider embeds Google's Firebase software within their app, which then collects data such as which screens are viewed, which buttons are clicked, which products are purchased, etc. It also collects data about notifications which are sent in order to assess whether these are clicked. The goal is to understand how users behave, in order to better market the app. Firebase Analytics data is collected by

<sup>&</sup>lt;sup>56</sup> Google, Privacy and Terms: Privacy Policy, available at: <u>https://policies.google.com/privacy?hl=en&gl=us</u>

<sup>&</sup>lt;sup>57</sup> Google, Privacy and Terms: Privacy Policy, available at: <u>https://policies.google.com/privacy?hl=en&gl=us</u>

Google and presented to the third-party app provider in a dashboard.<sup>58</sup>

86. Google attempts to manage its processing of children's data through practices such as its 'family link', which provides parents with more control over their children's activity online. However, Google's Privacy Notice for Google Accounts and Profiles Managed with Family Link, for Children under 13 states that:<sup>59</sup>

"This Privacy Notice does not apply to the practices of any third party (non-Google) apps, actions or websites that your child may use. You should review the applicable terms and policies for third party apps, actions, and sites to determine their appropriateness for your child, including their data collection and use practices."

87. As with Apple, Google requires that app developers comply with data protection laws under the DDA. Clause 4.4 of the DDA states:

"You agree that if You make Your Products available through Google Play, You will protect the privacy and legal rights of users. If the users provide You with, or Your Product accesses or uses, usernames, passwords, or other login information or personal information, You agree to make the users aware that the information will be available to Your Product, and You agree to provide legally adequate privacy notice and protection for those users. Further, Your Product may only use that information for the limited purposes for which the user has given You permission to do so. If Your Product stores personal or sensitive information provided by users, You agree to do so securely and only for as long as it is needed. However, if the user has opted into a separate agreement with You that allows You or Your Product to store or use personal or sensitive information directly related to Your Product (not including other products or applications), then the terms of that separate agreement will govern Your use of such information."

- 88. Again, it does not appear that there are safeguards in place to protect against the processing of children's data by Google collected from third-party apps, in the situation where that third party is likely to be processing children's data due to the nature of the app, and where Google displays misleading age ratings in respect of the app.
- 89. Google may therefore be processing children's data unlawfully, as set out below.

### Potential breaches of UK GDPR

- 90. In **Section C I** above, we identified a number of instances in which there is a discrepancy between the age rating given to apps in app stores and the age required for users in the apps' terms and conditions. Given the prominent display of the age rating in the app stores, and the absence of information about its scope being limited to content, it is more likely that users will be guided by the displayed age rating, rather than the terms of the privacy policy.
- 91. As set out above, it appears that the Companies process users' personal data when those users use apps.
- 92. Therefore, if a user were to download an app on the basis of the age rating and the app were to be used by a child (which may be likely, on the basis of the age rating assigned to the app), it

<sup>&</sup>lt;sup>58</sup> <u>https://firebase.google.com/docs/analytics</u>.

<sup>&</sup>lt;sup>59</sup> Google Family Link, Privacy Notice for Google Accounts and Profiles Managed with Family Link, for Children under 13 (or applicable age in your country), available at: <u>https://families.google.com/familylink/privacy/child-policy/</u>

appears that that child's data would be processed by the Companies.

93. To the extent that the basis for such processing is the users' consent, such consent cannot be given by a user under the age of 13, unless authorised by the holder of parental responsibility over that child (pursuant to Article 8 UK GDPR). To the extent that the basis for such processing is the Companies' legitimate interests, this must be balanced against the fundamental rights and freedoms of the user, in particular where that user is a child. In this regard, recital (38) of the UK GDPR states:

"Children merit specific protection with regard to their personal data, as they may be less aware of the risks, consequences and safeguards concerned and their rights in relation to the processing of personal data. Such specific protection should, in particular, apply to the use of personal data of children for the purposes of marketing or creating personality or user profiles and the collection of personal data with regard to children when using services offered directly to a child."

- 94. The Complainant believes that the Companies' processing of children's data for the reasons stated by the Companies does not adequately balance the Companies' interests against the fundamental rights and freedoms of the child, as apps in particular apps which are attractive to children may impact their health.
- 95. It is common for gaming apps to use user data to design iterations to the app to change the users' experience,<sup>60</sup> including for apps. For example, King (the developer of Candy Crush) has given evidence to the House of Commons Digital, Culture, Media and Sport Committee that it uses information about how people are playing games such as Candy Crush Saga, *"to make them fun and challenging in the right mix*".<sup>61</sup> Some games go further, and use user data to adapt the game to increase the user's engagement with the game, in a process known as 'dynamic difficulty adjustment'.<sup>62</sup>
- 96. Research has shown that such design features are commonly used in apps aim at children. A 2022 study of apps used by 3–5-year-olds found that the majority used manipulative design features, including para-social relationship pressure, fabricated time pressure, navigation constraints, and lures to encourage longer gameplay or more purchases. The research also showed that apps with manipulative design features were more commonly used by children from lower socioeconomic backgrounds.<sup>63</sup>
- 97. Persuasive design strategies such as these may have particular impacts on children's health. A review of available evidence by 5Rights has found that:<sup>64</sup>

<sup>&</sup>lt;sup>60</sup> Dubbels, Brock. (2017). Gamification Transformed. 10.4018/978-1-5225-1817-4.ch002, 40-41. "Games companies told us that data on how people behave in their games helps to refine their design and performance to improve the user experience." House of Commons Digital, Culture, Media and Sport Committee, Immersive and addictive technologies: Fifteenth Report of Session 2017–19 (September 2019) <u>https://publications.parliament.uk/pa/cm201719/cmselect/cmcumeds/1846/1846.pdf</u> at [103].

<sup>&</sup>lt;sup>61</sup> Ibid.

<sup>&</sup>lt;sup>62</sup> Xue, Su & Wu, Meng & Kolen, John & Aghdaie, Navid & Zaman, Kazi. (2017). Dynamic Difficulty Adjustment for Maximized Engagement in Digital Games. 465-471. 10.1145/3041021.3054170. See also House of Commons Digital, Culture, Media and Sport Committee, Immersive and addictive technologies: Fifteenth Report of Session 2017–19 (September 2019) <u>https://publications.parliament.uk/pa/cm201719/cmselect/cmcumeds/1846/1846.pdf</u> at [104]-[105].

<sup>&</sup>lt;sup>63</sup> J. Radesky et al.(2022), 'Prevalence and Characteristics of Manipulative Design in Mobile Applications Used by Children', *JAMA Network Open*, Vol. 5 / 6.

<sup>&</sup>lt;sup>64</sup> See 5Rights, Disrupted Childhood The cost of persuasive design (April 2023), available at: <u>https://5rightsfoundation.com/wp-content/uploads/2024/08/5rights\_DisruptedChildhood\_G.pdf</u>



"Caught up in reward loops and automated cycles of dopamine highs and lows, children and teens, at critical stages of their development, are acutely sensitive to the effects of persuasive design, that evidence suggests is contributing to lower levels of wellbeing and life satisfaction."

98. As such, the Complainant believes that the Conduct constitutes a potential breach of UK GDPR.

#### Potential breaches of UK GDPR and PECR by app developers

- 99. In addition to potential breaches by the Companies, the Conduct facilitates potential breaches of UK data protection regulations by app developers.
- 100. The apps for which discrepancies between the age rating and the age required to play the app have been identified to collect data from their users for use in advertising. Extracts of the relevant privacy policies for the apps which we have discussed in **Section C I** above are set out in the table in **Appendix 3**.
- 101. The majority of these state that the apps will process users' personal data, often for the purpose of delivering advertisements. Many of the app developers' privacy policies also state that they will serve cookies on users for the purposes of providing advertisements. In the majority of cases we have examined, the privacy policy states that the app does not collect children's data, relying on the terms and conditions of the app as a basis for this. However, in the vast majority of cases, we have seen no evidence that the app developer has attempted to verify the age of the user.
- 102. It therefore appears that if a user were to download an app on the basis of the age rating and the app were to be used by a child (which may be likely, on the basis of the age rating assigned to the app), that child's data would be collected by the app developer and provided to third parties for the purposes of advertising. Additionally, cookies may be served on that user for the purposes of advertising.
- 103. This constitutes processing of the child's data. As set out above, absent consent there is no lawful basis for such processing; as per paragraph 72 above, children under the age of 13 cannot give their consent for the processing of their personal data (unless authorised by a parent or guardian), and it would not appear to be in the legitimate interests of the app developer (as data controller) in particular given that the app developers themselves state that they do not knowingly process children's data. The other lawful bases available do not appear to be applicable to this case.
- 104. Additionally, if a cookie were served on a child user as a result of their use of a such an app, this would be in breach of the PECR, as a child cannot give their consent to this (unless authorised by a parent or guardian).

#### F. Competition Issues

105. Section 18 of the CA 1998 provides that any conduct on the part of one or more undertakings which amounts to the abuse of a dominant position (within the United Kingdom) in a market is prohibited if it may affect trade within the United Kingdom or any part of it. Conduct may constitute such an abuse if it consists in directly or indirectly imposing unfair purchase or selling prices or other unfair trading conditions on consumers. Google and Apple's conduct set out above also breaches section 18 of the CA 1998 for the following reasons.

#### *I.* Apple – market definition and dominance

106. The market definition of the market for iOS app stores is well-established. It is also well-

established that Apple is dominant in the market for iOS app stores.<sup>65</sup> Analogously, the CMA has indicated that Apple may have substantial market power in the provision of its app store service for the purposes of the SMS investigation.<sup>66</sup>

- 107. The European Commission has held that the developer-facing side of the App Store constitutes a discrete product market, at least in respect of the distribution of music streaming apps.<sup>67</sup> The Complainant's position is that the Commission's logic in reaching this conclusion, as well as the Android Decision and the findings of the CMA in the Mobile Ecosystems Market Study Report ("**MEMS Report**"), may be applied to show that the App Store is a distinct product market.
- 108. The geographic scope of the market for iOS app stores is at least EEA-wide, and includes the UK.<sup>68</sup>
- *II.* Google market definition and dominance
- 109. The market definition of the market for Android app stores is similarly well-established. It is also well-established that Google is dominant in the market for Android app stores.<sup>69</sup> Analogously, the CMA has indicated that Google may have substantial market power in the provision of its app store service for the purposes of the SMS investigation.<sup>70</sup>
- 110. The European Commission has held that the market for Android app stores constitutes a distinct product market.<sup>71</sup> In doing so, it determined that app stores belonged in a distinct product market to other apps,<sup>72</sup> that there were a number of different app store apps (including the Google Play Store, the Amazon AppStore, Samsung's Galaxy Apps store and others),<sup>73</sup> and that app stores for other licensable smart mobile OSs (including, in particular, Apple's iOS) do not belong to the same product market as Android app stores.<sup>74</sup>
- 111. The geographic market for Android app stores is worldwide, with the exception of China.<sup>75</sup>
- III. The Abuse
- 112. As set out above in **Section C**, the Companies have failed to align age ratings on their respective

<sup>&</sup>lt;sup>65</sup> Spotify Decision, recital (340); MEMS Report, paras. 4.65, 4.108ff.

<sup>&</sup>lt;sup>66</sup> CMA, Apple: Notice Under Section 11(1) Of The Digital Markets, Competition And Consumers Act 2024 (23 January 2025), 8, <u>https://assets.publishing.service.gov.uk/media/67911972e2b9324a911e26db/Apple\_investigation\_notice.pdf</u>

<sup>&</sup>lt;sup>67</sup> See the Commission's Decision in Case AT.40437 *Apple – App Store Practices (music streaming)* dated 4 March 2024 (the "**Spotify Decision**") at recital (311).

<sup>&</sup>lt;sup>68</sup> In the Spotify Decision, the Commission held that, since Apple's license agreements with developers and App Store Review Guidelines explicitly prohibit alternative app stores for iOS devices throughout the EEA, and Apple therefore maintains its market position as the sole provider of an app store available for developers that wish to distribute their apps to iOS users throughout the EEA, the relevant market was at least EEA-wide. Spotify Decision, recital (310). We note in this regard that the Apple Developer Program License Agreement contains the same restrictions in respect of the UK, and that the CMA has found that Apple has a monopoly in relation to downloads through app stores on iOS devices in the UK (MEMS Report, para. 4.34.)

<sup>&</sup>lt;sup>69</sup> Android Decision, recitals (439) and (590).

<sup>&</sup>lt;sup>70</sup> CMA, Google: Notice Under Section 11(1) Of The Digital Markets, Competition And Consumers Act 2024 (23 January 2025), 8, <u>https://assets.publishing.service.gov.uk/media/679115a4e2b9324a911e26d6/Google\_investigation\_notice.pdf</u>

<sup>&</sup>lt;sup>71</sup> See recital (268) of the Commission's Decision in Case AT.40099 *Google Android* dated 18 July 2018 (the "Android Decision").

<sup>&</sup>lt;sup>72</sup> Android Decision, recital (268).

<sup>&</sup>lt;sup>73</sup> Android Decision, recital (274).

<sup>&</sup>lt;sup>74</sup> Android Decision, recitals (284) and (307).

<sup>&</sup>lt;sup>75</sup> Android Decision, recitals (412)-(421).

app stores with the age ratings for underlying apps sold on those app stores. This appears to have led to children downloading apps which they would not be permitted to download according to the terms and conditions of such apps.

- 113. The failure to set appropriate age guidance breaches consumer law, facilitates widespread unlawful data processing, and results in an illegitimate financial windfall for Apple and Google. The Conduct amounts to an unfair trading practice that is an abuse of the dominant position that the gatekeepers enjoy in their respective app store markets, and which unfairly penalises children and their parents.
- 114. As set out above, the Conduct constitutes an unfair commercial practice, leading consumers to make economic decisions which they would not otherwise make. It also leads to breaches of UK data protection regulations, including the UK GDPR and PECR.
- 115. As such, the Conduct constitutes an abuse of the Companies' dominant position within their respective markets. In *Meta Platforms Inc. v. Bundeskartellamt*,<sup>76</sup> the Court of Justice of the European Union ("**CJEU**") noted that the objective of Article 102 of the Treaty on the Functioning of the European Union is to ensure that competition in the internal market is not distorted, having regard also to the consequences of such an abuse for consumers in that market.<sup>77</sup>
- 116. That case concerned a decision by the German competition regulator (the *Bundeskartellamt*) regarding three companies in the Meta group (together "**Meta**").<sup>78</sup> Meta relied on the general terms and conditions to which users of the Facebook social media platform were required to agree to use the platform to process its users' data stored both on the Facebook social media platform and regarding users' activities off Facebook, including visits to third-party webpages and apps. The *Bundeskartellamt* found that these general terms constituted an abuse of Meta's dominant position, since the processing of the off-Facebook data that the terms provided for was not consistent with the underlying values of the GDPR, in particular Articles 6(1) and 9(1).<sup>79</sup>
- 117. The CJEU held that when assessing whether an undertaking has abused a dominant position, the compliance or non-compliance of the allegedly abusive conduct with the provisions of the GDPR may be a "*vital clue*" as to whether that conduct entails normal competition and to assess the consequences of a certain practice in the market or for consumers.<sup>80</sup> The CJEU found that, in some circumstances, it may be necessary for a competition authority to examine whether an undertaking's conduct complies with rules other than those relating to competition law, such as

<sup>&</sup>lt;sup>76</sup> (Case C-252/21) EU:C:2023:537.

<sup>&</sup>lt;sup>77</sup> See Meta Platforms Inc. v. Bundeskartellamt at [46]; Pursuant to sections 6(1) and 6(2) of the European Union (Withdrawal) Act 2018, following 31 December 2020, UK courts and tribunals are not bound by judgments of the CJEU, although they may have regard to them. It would therefore be open to the UK judiciary to adopt a different position to the CJEU on these issues. However, the relevant legislation was adopted to enact EU law: the Competition Act 1998 gives effect to Articles 85 and 86 of EC Treaty; the UK GDPR is the retained version of the EU General Data Protection Regulation; and the Consumer Protection from Unfair Trading Regulations 2008 implements the Unfair Commercial Practices Directive (Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005; while the DMCCA provides a departure from EU law in some respects, the consumer protection regime replacing the CPUTR 2008 is materially similar). The Complainant therefore believes it is reasonable to infer that the judgments of the CJEU on these matters are likely to be persuasive to the UK judiciary.

<sup>&</sup>lt;sup>78</sup> Meta Platforms Inc., formerly Facebook Inc.; Meta Platforms Ireland Ltd, formerly Facebook Ireland Ltd; and Facebook Deutschland GmbH.

<sup>&</sup>lt;sup>79</sup> These provisions are materially identical to the provisions under the UK GDPR. Article 6(1) provides that a data subject's consent may provide a legitimate interest for data processing; Article 9(1) provides that special category data shall be prohibited, subject to a number of exemptions; See *Meta Platforms Inc. v. Bundeskartellamt* at [30].

<sup>&</sup>lt;sup>80</sup> See *Meta Platforms Inc. v. Bundeskartellamt* at [47].

the rules on the protection of personal data laid down by the GDPR.<sup>81</sup>

- 118. The findings of the CJEU on the application of the lawful bases of processing to the alleged GDPR breaches in *Meta Platforms Inc.* are also relevant to the Conduct:
  - a) In respect of consent, the CJEU held that the fact that an undertaking holds a dominant position in its relevant market does not preclude its users from being able validly to consent to the processing of their personal data by that undertaking, although it is an important factor in determining whether the consent was freely given. Importantly, under Article 8(1) of the UK GDPR, where a data subject is less than 13 years old, consent can only be valid if it is given or authorised by the holder of parental responsibility over the data subject;<sup>82</sup>
  - b) In respect of legitimate interests, the CJEU reinforced that this basis for processing must only be used where only on condition that the data processor has informed the users of a legitimate interest, that the data processing is carried out only to the extent that it is strictly necessary for the purposes of that legitimate interest and that the interests or fundamental freedoms and rights of the data subjects users do not override that legitimate interest of the controller or of a third party. In particular, the CJEU considered the balancing of interests against the rights of the data subject when the data subject was a child, and noted that: "*it appears doubtful whether, as regards the data processing at issue in the main proceedings, the 'product improvement' objective, given the scale of that processing and its significant impact on the user, as well as the fact that the user cannot reasonably expect those data to be processed by Meta Platforms Ireland, may override the interests and fundamental rights of such a user, particularly in the case where that user is a child.*" <sup>83</sup> This is particularly relevant as this appears to be the basis on which the Companies process users' data from third-party apps.
- 119. As set out at **Sections D** and **E** above, the Complainant believes that the Conduct constitutes a breach of both consumer protection laws (as an unfair commercial practice) and data protection laws (through unlawful data processing), as well as facilitating unlawful data processing and breaches of the PECR by app developers.
- 120. These two limbs of the Conduct reinforce each other:
  - a) As in *Meta Platforms Inc.*, the Conduct (in part) involves unlawful data processing caused the Companies' reliance on their general terms and conditions in order to meet the requirements of data protection legislation. However, the Companies also rely on the general terms and conditions of the app developers, in circumstances where these may be unlikely to be seen by users. The Complainant believes this demonstrates a further degree of abdication of responsibility by the Companies for the lawful data processing of their users since:
    - the Companies process users' personal data regarding their activities on third-party apps, which is likely to include personal data of children which is unlawfully processed, in reliance on the terms of their respective agreements with app developers; and
    - ii) the app developers process users' personal data regarding their activities on the

<sup>&</sup>lt;sup>81</sup> See *Meta Platforms Inc. v. Bundeskartellamt* at [48].

<sup>&</sup>lt;sup>82</sup> See Meta Platforms Inc. v. Bundeskartellamt at [140]-[154].

<sup>&</sup>lt;sup>83</sup> See *Meta Platforms Inc. v. Bundeskartellamt* at [97]-[126].

apps, which is likely to include personal data of children which is unlawfully processed, in reliance on their own terms and conditions of use and privacy policies; and

- b) in both cases, the Conduct means that users are likely to be misled by the more prominent display of age ratings within the Companies' app stores, which increases the likelihood of a breach of data protection legislation. Absent the display of age ratings in the app store, users, including children and their parents, may be likely to download and make purchases of or on apps without consenting to or being informed of the Companies' and the app developers' data processing. However, the prominent display of age ratings is likely to encourage users to feel confident that the app which they are buying, downloading and/or making purchases in is suitable for their child. This breach of consumer law therefore also makes a breach of data protection legislation more likely.
- 121. Therefore, the Complainant believes that, taken separately or together these limbs of the Conduct constitute an unfair trading practice within the meaning of section 18 of the CA 1998.
- 122. With respect to the breach of UK data protection regulations, it is open to the CMA to engage with the ICO in order to determine whether such a breach has taken place. The CJEU's reasoning in *Meta Platforms Inc.* contains helpful guidance on the requirement for co-operation between regulators in circumstances where a competition authority is asked to investigate a breach of data protection regulation. The CJEU found that, in view of the duty of sincere co-operation between national authorities, a competition regulator should consult and co-operate with a data protection supervisory authority when asked to investigate if there has been a breach of the GDPR, and have regard to any previous finding of that data protection authority is forthcoming, the competition authority is able to continue its investigation.<sup>84</sup>

### IV. Counterfactual

123. In the Complainant's view, the appropriate counterfactual would be one in which the Product Markets were operated with age ratings which matched the terms and conditions of use of the app being downloaded.

### G. Illegitimate financial windfall to the Companies, arising from the conduct

- 124. Each of the Companies charges a commission of up to 30% on payments made through or for apps downloaded on their respective app stores.
- 125. Apple requires that apps sold on the App Store which offer digital content, including giving users the ability to unlock features or functionality within the app (such as by in-game purchases, or premium subscriptions) must exclusively use Apple's own payment system. The same is true of apps sold through Google's Play Store.<sup>85</sup> In the majority of cases, the Companies charge a commission of 30% on such payments.<sup>86</sup>
- 126. The majority of app store revenues in the UK made by such commissions come from payments

<sup>&</sup>lt;sup>84</sup> See *Meta Platforms Inc. v. Bundeskartellamt* at [52]-[61]; While the duty of sincere co-operation which gives rise to this is under the Treaty on the European Union, the Complainant suggests that this proposed mechanism would be in alignment with the CMA's Memorandum of Understanding with the ICO.

<sup>&</sup>lt;sup>85</sup> See MEMS Report, Appendix H, paras. 4, 8.

<sup>&</sup>lt;sup>86</sup> Subject to a limited number of exceptions, see MEMS Report, Appendix H, paras. 4, 8.

made for or on mobile gaming apps.<sup>87</sup> Such payments account for over half of Apple in-app purchase revenues and over half of Google Play's billing system revenues on apps.

- 127. Approximately half of users with gaming apps spend money on those apps, with the majority of payments being between £1-20 per month (although with c. 20% being between £21-50, and c. 12% being more then £51).<sup>88</sup> The majority of these payments are for one-off in-app features.<sup>89</sup>
- 128. Each of the apps which discussed in **Section C** contain in-app purchases; indeed, two of them ('Candy Crush' and 'Clash of Clans') are indicated as containing among the most popular consumable in-app purchases.<sup>90</sup> Research has found that apps aimed at children utilise in-app purchases for revenue.<sup>91</sup>
- 129. Therefore, it appears likely that in-app purchases are made by children on apps which according to the terms and conditions of the apps themselves they may not be permitted to access, but which they may have accessed (or have been permitted to access) on the basis of the more prominently displayed age rating in the app store.
- 130. Such purchases would earn commissions for the Companies. The Companies are therefore unincentivised to take any steps to align the age rating of the apps with the terms and conditions. This could be done by, for instance, incorporating the age requirements of the app terms and conditions into the age rating (in the case of Apple, which sets is own age ratings), or by at least including a note on the app download page, equally prominent to the age rating, which states that parental consent may be needed for the app to be used by a user under the age of majority in the relevant jurisdiction.
- 131. Further, the utilisation of data collection by app developers means that in addition to directly providing commissions to the Companies as a result of a higher number of downloads of the app (which may not otherwise have taken place), and therefore in-app purchases, the Conduct itself is likely to also drive increasing numbers of in-app purchases (i.e. in a cycle).
- 132. For apps which rely on in-app purchases for revenue, user engagement is extremely important. Multiple studies that examine the connection between users' engagement with a game and addon purchases, including in-app purchases.<sup>92</sup> There is therefore a correlation between user engagement and revenue for app developers.<sup>93</sup> App developers which rely on in-app purchases

<sup>&</sup>lt;sup>87</sup> See MEMS Report, Appendix H, paras. 17-18.

<sup>&</sup>lt;sup>88</sup> CMA, Consumer purchasing behaviour in the UK smartphone market for the CMA's Mobile Ecosystems Market Study, p.74, 76.

<sup>&</sup>lt;sup>89</sup> See MEMS Report, Appendix H, paras. 17-18.

<sup>&</sup>lt;sup>90</sup> Purchasely, The 50 Most Successful Examples of Apps with In-App Purchases (1 March 2022) <u>https://www.purchasely.com/blog/50-most-successful-examples-of-apps-with-in-app-purchases</u>

<sup>&</sup>lt;sup>91</sup> Meyer, Marisa; Adkins, Victoria MSW; Yuan, Nalingna MS; Weeks, Heidi M. PhD; Chang, Yung-Ju PhD; Radesky, Jenny MD. (January 2019) 'Advertising in Young Children's Apps: A Content Analysis'. *Journal of Developmental & Behavioral Pediatrics* 40(1):p 32-39.

<sup>&</sup>lt;sup>92</sup> Balakrishnan, J. and Griffiths, M. D. (2018), 'Loyalty towards online games, gaming addiction, and purchase intention towards online mobile in-game features', *Computers in Human Behavior*, 87, pp. 238–46; Yasir, J. A. and Agus, A. A. (2021), 'Effect of gaming addiction, game loyalty, and gamer motivation on intention to purchase online mobile in-game features: Case study of PUBG mobile', *2021 International Conference on Advanced Computer Science and Information Systems*, pp. 1–9,; Widodo, N. G. and Balqiah, T. E. (2020), 'The Effect of Addiction, Playfulness and Good Price on Purchase Intention of In-App Features', *The International Conference on Business and Management Research*, Atlantis Press, pp. 9–14.

<sup>&</sup>lt;sup>93</sup> This is summarised by the Written evidence submitted by UK Research and Innovation to the Digital, Culture, Media & Sport Committee's 'Immersive and addictive technologies' inquiry: "The introduction of internet-connected games has significantly improved the design and gameplay of games. Developers can better understand their users and their behaviour when playing a game. However, it also allows designers to build better compulsion loops into their games to make them more addictive. If a publisher is working on a freemium model, then it directly benefits them to try and keep the player on the platform for as long as possible. They can also use user data to maximise and target in-game purchases, or vary gameplay

are therefore incentivised to utilise design strategies designed to keep users engaged (as discussed in paragraphs 95 – 97 above). This, in turn, has increased the revenues of Apple and Google unlawfully, in breach of consumer, data protection and competition law, via fees from increased digital downloads and in-app purchases. It also follows that the increased revenues from these activities have acted as a disincentive for the Companies to remedy the Conduct.

#### H. Suggested remedies

#### I. Competition issues

- 133. We invite the CMA to investigate the Companies' role in the Conduct, and, if an abuse is identified, give directions to the Companies to bring the infringement to an end;<sup>94</sup> and issue the Companies with penalties of 10% of their worldwide annual turnover.<sup>95</sup>
- 134. We suggest that the maximum penalty is merited due to the fact that the Conduct: increases the risk of children's data being unlawfully harvested, and therefore breaches a number of relevant data laws, regulations and guidance, including the UK General Data Protection Regulation and the Information Commissioner's Office's Children's Code; and involves a breach of consumer protection legislation.
- 135. The CMA has commenced an investigation into Apple and Google to determine whether they meet the criteria to be designated as having strategic market status ("**SMS**") under the DMCCA 2024.<sup>96</sup> The CMA has stated that the digital activities which are the subject of the SMS investigation include services which enables the installation, distribution and operation of native apps on mobile devices (referred to in this Complaint as 'app stores').<sup>97 98</sup>
- 136. The CMA has noted that "Apple and Google are the providers of the two main app stores on mobile devices in the UK and effectively control the terms of access between consumers and developers of native apps. If there is weak competition in native app distribution, this may mean that Apple or Google are able to 'set the rules of the game' regarding the distribution of native apps within their ecosystem, deciding which apps are allowed in their store, what functionality these apps can have, how they are ranked and discovered, and the commission that will be taken from app developers' revenues. This may also lead to concerns that consumers have limited choice, benefit from fewer innovations in relation to what apps they can access and how, and ultimately face higher prices."<sup>99</sup> The Complainant notes that the Conduct constitutes circumstances in which Apple and Google are able to 'set the rules' on the distribution of apps,

to correspond to the likelihood of a consumer making a purchase. The issue is compounded if the user is playing on a mobile device, which can provide notifications that give the company more opportunities to pull the user back into a game." (<u>IMM0079 - Evidence on Immersive and addictive technologies</u>)

<sup>&</sup>lt;sup>94</sup> Pursuant to s.33 of the CA 1998.

<sup>&</sup>lt;sup>95</sup> s.36 of the CA 1998.

<sup>&</sup>lt;sup>96</sup> Pursuant to Chapter 2 of the Part I of the DMCCA 2024.

<sup>&</sup>lt;sup>97</sup> CMA, Apple: Notice Under Section 11(1) Of The Digital Markets, Competition And Consumers Act 2024 (23 January 2025), 2, <u>https://assets.publishing.service.gov.uk/media/67911972e2b9324a911e26db/Apple\_investigation\_notice.pdf;</u> CMA, Google: Notice Under Section 11(1) Of The Digital Markets, Competition And Consumers Act 2024 (23 January 2025), 2, <u>https://assets.publishing.service.gov.uk/media/679115a4e2b9324a911e26d6/Google\_investigation\_notice.pdf</u>

<sup>&</sup>lt;sup>98</sup> We note that the CMA has stated that it expects the findings of the MEMS Study to be "useful input into any DMU assessment of whether Apple and Google are likely to be designable with SMS in particular activities, and also regarding the appropriate range and design of potential interventions that the DMU could put in place following the introduction of the regime". MEMS Report, Appendix L, para. 3.

<sup>&</sup>lt;sup>99</sup> CMA, Strategic Market Status Investigations into Apple's and Google's mobile ecosystems Invitation to Comment (23 January 2025), 26, <u>https://assets.publishing.service.gov.uk/media/679115f1cf977e4bf9a2f1a0/Invitation\_to\_comment.pdf</u>

leading to negative impacts on consumers.

- 137. The CMA has stated that it *"is able to impose CRs* [conduct requirements] *alongside any SMS designation. We consider it important and appropriate to start considering potential interventions in parallel with our work on whether to designate Apple and/or Google from the outset of the mobile SMS investigation, whilst recognising that any decisions on such interventions will be dependent on the designation decisions."*<sup>100</sup> The CMA should therefore consider imposing conduct requirements alongside the SMS investigation.
- 138. If the CMA were to designate Apple and/or Google as SMS Firms, it is invited to consider using its powers under the DMCCA 2024 to:
  - a) impose conduct requirements on the Companies requiring app stores to apply appropriate age guidance or introduce requirements on apps which are marketed at children to require express parental consent (as per paragraph 146 below).<sup>101</sup>

It is suggested that this would be in line with the trust and transparency objective, <sup>102</sup> such that users are able to understand the terms on which apps are provided through the app stores, and are able to make properly informed decisions in purchasing the apps. It is also suggested that such conduct requirements would satisfy the requirements of s.20 DMCCA 2024, since they would, at least, require the Companies to trade on fair and reasonable terms, and provide clear, relevant, accurate and accessible information about the relevant digital activity to users or potential users; and/or

- b) consider commencing a pro-competition investigation ("**PCI**") in relation to the Companies.<sup>103</sup> Should the CMA then decide to issue a PCI decision in respect of the relevant conduct, it is suggested that the matter may be suitable for a pro-competition order.
- 139. If any such requirements are not adhered to, the CMA should consider imposing a penalty on the Companies pursuant to section 85 of the DMCCA 2024. As the CMA has indicated, in such circumstances it is important to deter undertakings from such conduct by ensuring that they are not able to profit from anti-competitive conduct, even after having paid the penalty imposed, through disgorgement of profits.<sup>104</sup>
- 140. Alternatively to imposing conduct requirements or a pro-competition order under the DMCCA, the CMA should give directions to Apple and Google under section 33 of the CA 1998. As set out in paragraphs 114-121 above, the Conduct constitutes a breach of section 18 of the CA 1998. The CMA should therefore give directions to the Companies to cease the Conduct.

<sup>&</sup>lt;sup>100</sup> CMA, Strategic Market Status Investigations into Apple's and Google's mobile ecosystems Invitation to Comment (23 January 2025), 25, <u>https://assets.publishing.service.gov.uk/media/679115f1cf977e4bf9a2f1a0/Invitation\_to\_comment.pdf</u>

<sup>&</sup>lt;sup>101</sup> s.19 of the DMCCA 2024.

<sup>&</sup>lt;sup>102</sup> s.19(6) of the DMCCA 2024.

<sup>&</sup>lt;sup>103</sup> s. 47 of the DMCCA 2024.

<sup>&</sup>lt;sup>104</sup> The CMA has indicated that, in its view: "Effective deterrence requires that a penalty imposed materially exceeds rather than simply neutralises any likely or potential gains from a failure to comply such that there is a strong economic incentive to comply." See CMA, DRAFT Guidance on the digital markets competition regime set out in the Digital Markets, Competition and Consumers Act 2024 (May 2024), available at: https://assets.publishing.service.gov.uk/media/6650a56d8f90ef31c23ebaa6/Digital\_markets\_competition\_regime\_guidanc e.pdf

#### II. Consumer issues

- 141. The CMA has direct enforcement powers in relation to breaches of the CPUTR 2008, pursuant to Part 3 of the DMCCA 2024. The CMA has the power to:
  - a) issue a (provisional or final, as appropriate) infringement notice pursuant to sections 181 and/or 182 of the DMCCA 2024, or, following the commencement of an investigation by the CMA into the Conduct, seek an undertaking pursuant to section 185 of the DMCCA 2024, requiring that the Companies rectify the Conduct by requiring app stores to apply appropriate age guidance or introduce requirements on apps which are marketed at children to require express parental consent (as per paragraph 146 below); and/or
  - b) in respect of continuing behaviour (such as the Conduct), impose a fine of up to 10% of the Companies' turnover under section 182 DMCCA 2024 in respect of the Conduct insofar as it continues past the date of entrance into effect of Part 3 of the DMCCA 2024.
- 142. The Complainant invites the CMA to impose the maximum penalty under the DMCCA 2024 in respect of the continuing Conduct. The Complainant believes that the level of the financial penalty is justified due to both the potentially high significant level of economic harm, as well as the major non-economic harms including loss of privacy for children.<sup>105</sup>
- 143. The Complainant also invites the CMA to seek undertakings from the Companies to bring an end to the Conduct under the DMCCA 2024 (including in respect of the Conduct pre-dating the entrance into force of Part 3 of the DMCCA 2024, as such powers are available under Part 8 of the Enterprise Act 2002).

#### *III.* Co-operation between regulators

144. While the consumer protection and competition elements of this Complaint are clearly within the remit of the CMA, the Complainant invites the CMA to seek co-operation with the ICO on the data protection element of this Complaint, in line with the approach set out by the CJEU in *Meta Platforms Inc*, the Memorandum of Understanding in place between the ICO and the CMA, and the joint statement between the CMA and ICO on Competition and Data Protection in Digital Markets.

#### IV. Potential remedies

- 145. The Complainant believes that financial penalties will be necessary in order to (i) penalise the Companies for the unlawful windfall from which they have benefitted; and (ii) reflect the aggravating factors (including the facts that children are affected, and that the breach of data protection laws may be being encouraged) of the Conduct,
- 146. In addition, the Complainant suggests that the following commitments (or, as applicable, undertakings) by the Companies may help to remedy the Conduct:
  - a) introduce a requirement that apps which are designated as "for children" or which are identified as being "for children" by the Companies require explicit parental consent to both the privacy policy and the terms and conditions of use of the app;

<sup>&</sup>lt;sup>105</sup> As per CMA, <u>Direct consumer enforcement guidance - CMA200: Guidance on the direct consumer enforcement regime set</u> out in the Digital Markets, Competition and Consumers Act 2024 (14 March 2025).

- b) introduce a requirement that, where the age rating of the app is lower than the age rating required to use the app according to its terms and conditions, this is notified to users, and include a warning to this effect on the app download page as prominent as the age rating; and
- c) introduce a requirement that apps which are responsive to keyword searches in the app stores which would indicate that they are appropriate for children do not collect data from their users by default.

#### I. Conclusion

- 147. For the reasons set out above, the Complainant believes that the Companies' failure to align prominently displayed age ratings:
  - a) breaches consumer law, as an unfair commercial practice;
  - b) breaches data protection law, and facilitates breaches of data protection law by app developers;
  - c) constitutes an abuse of the Companies' dominant position on the app stores.
- 148. As examined by bodies including the OFT, these issues affect a particularly vulnerable group of users of the app store services; namely children. In such circumstances, the Companies should adhere to appropriately enhanced standards of consumer protection in marketing the apps.
- 149. The failure by the Companies to display suitable age ratings on app stores means that children and parents do not have a fair presentation of the suitability of the apps for children, and may even be misled into believing apps are suitable for children, when in fact they employ aggressive monetisation strategies that are only suitable for adults or for children with explicit parental consent. This results in a financial windfall for the Companies, which disincentivises them to act.
- 150. The practices have a straightforward remedy, which is that the app stores apply appropriate age guidance or introduce requirements on apps which are marketed at children to require express parental consent. This should be implemented immediately, along with appropriate sanctions for wrongdoing, so that the rules are clear for all market participants, and to act as an effective deterrent against failure to adequately protect the interests of children in digital markets in the future.
- 151. If the CMA has any questions, or would like to discuss this issue, the Complainant can be contacted at the contacted at

# APPENDIX 1 – Age Ratings used in the app stores

Google Play Store – Pegi

Rating	Description
****	<b>PEGI 3</b> The content of apps with this rating is considered suitable for all age groups. Some violence in a
	comical context (typically cartoon-like – Bugs Bunny or Tom & Jerry – forms of violence) is acceptable. A child should not be able to associate the character on the screen with real-life characters – they should be distinctly fantasy. The app should not contain any sounds or pictures that are likely to scare young children. No bad language should be heard.
	<b>PEGI 7</b> Any app that would normally be rated 3, but contains some scenes or sounds that could possibly be
	frightening for children may be considered suitable for this category. There can only be very mild violence in a PEGI 7 app, such as implied violence or non-detailed, non-realistic violence.
	<b>PEGI 12</b> Games or apps that show violence of a slightly more graphic nature towards fantasy characters, or non-graphic violence towards human-looking characters or animals, would fall into this age category, as well as those containing nudity of a slightly more graphic nature and simulated gambling. Any bad language in this category must be mild and fall short of sexual expletives.
	<b>PEGI 16</b> This rating is applied once the depiction of violence or sexual activity reaches a stage that looks the same as would be expected in real life. The content of apps that are rated 16 can include stronger inappropriate language, encouragement of the use of tobacco or drugs, and the depiction of criminal activities.
	PEGI 18
	The adult classification is applied when the level of violence reaches a stage where it becomes a depiction of gross violence and/or includes elements of specific types of violence (motiveless killing, violence towards defenceless characters or sexual violence). It may also include graphic sexual content, discrimination or the glamourisation of illegal drug use.
	PARENTAL GUIDANCE RECOMMENDED
	Apps do not always have predefined content that can be classified beforehand. Certain apps function as portals (e.g. for streaming content), offering a broad, variable range of content from which
	consumers can choose. For these apps, we use the parental guidance icon, alerting parents that the app may provide access to content that is not appropriate for their child, although other, age- appropriate content may also be available, depending on the selection of the user.
L	

## Apple App Store

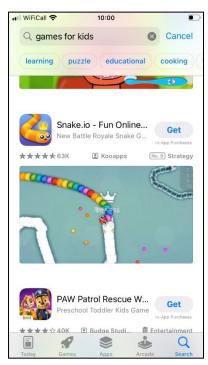
Ratin	gDefinition
4+	Apps with this rating contain no objectionable material.
9+	<ul> <li>Apps with this rating may contain instances of the following content that may not be suitable for children under the age of 9:</li> <li>Infrequent or mild cartoon or fantasy violence</li> <li>Infrequent or mild profanity or crude humor</li> <li>Infrequent or mild mature, suggestive, or horror or fear themed</li> </ul>
12+	<ul> <li>Apps with this rating may contain instances of the following content that may not be suitable for children under the age of 12:</li> <li>Infrequent or mild medical or treatment-focused content</li> <li>Infrequent or mild references to alcohol, tobacco, or drug use</li> <li>Infrequent or mild sexual content or nudity</li> <li>Frequent or intense contests</li> <li>Frequent or intense profanity or crude humor</li> <li>Frequent or intense horror or fear themed content</li> <li>Frequent or intense cartoon or fantasy violence</li> <li>Infrequent or mild occurrences of realistic violence</li> <li>Infrequent or mild simulated gambling</li> </ul>
17+	<ul> <li>Apps with this rating may contain instances of the following content that may not be suitable for children under the age of 17:</li> <li>Unrestricted web access, such as with an embedded browser</li> <li>Gambling</li> <li>Frequent or intense simulated gambling</li> <li>Frequent or intense mature or suggestive content</li> <li>Frequent or intense medical or treatment-focused content</li> <li>Frequent or intense references to alcohol, tobacco, or drug use</li> <li>Frequent or intense sexual content or nudity</li> <li>Frequent or intense realistic violence</li> </ul>

## APPENDIX 2 – EXAMPLES OF APPS RESPONSIVE TO SEARCH FOR "GAMES FOR KIDS"

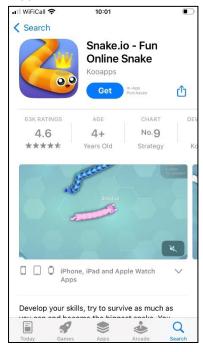
### APP STORE

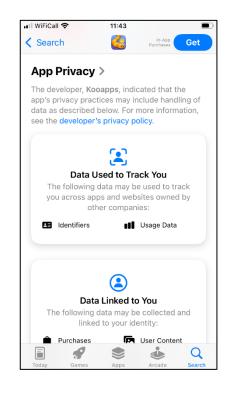
#### Snake.io

Search results screen:



#### App download screens:





### Screenshots for terms of use:

#### 1. Kooapps Service Overview.

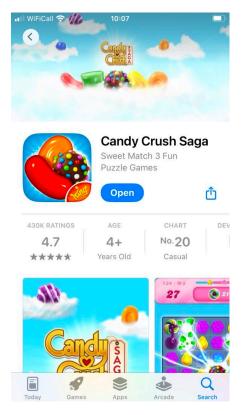
Kooapps is a mobile gaming and application company.

### 2. Eligibility.

You must be at least 13 years old to use the Service. If you are between the ages of 13 and 18, you may use the Service only under the supervision of a parent or legal guardian who agrees to be bound by these Terms and any applicable additional terms. By agreeing to these Terms, you represent and warrant to us that: (a) you are at least 13 years old; (b) you have not previously been suspended or removed from the Service; and (c) your registration and your use of the Service is in compliance with any and all applicable laws and regulations. If you are an entity, organization, or company, the individual accepting these Terms on your behalf represents and warrants that they have authority to bind you to these Terms and you agree to be bound by these Terms.

### Candy Crush Saga

Screenshot from app download page:



### Screenshot from terms of use:

1.3 By clicking "Accept" on the Game's pop-up screen, or installation page, King's webpage, or King's Community Forum (or where such button or a similar button is otherwise presented) or downloading, installing, accessing or using the Services, you confirm that:

1.3.1 you have read and understood these Terms and any other documents referred to herein, including without limitation our **Privacy Policy**, and that you agree to be bound by these Terms; and

1.3.2 you are at least 13 years old, or else you must not use our Services. If you are the parent or guardian of a minor aged 13 or older (depending on the applicable laws of your country), you are agreeing to these Terms on your behalf and on behalf of your minor(s) who you have authorised to use the Service pursuant to these Terms.

1.7 YOU MUST BE AND HEREBY AFFIRM THAT YOU ARE AN ADULT OF THE LEGAL AGE OF MAJORITY IN YOUR COUNTRY OR STATE OF RESIDENCE. If you are under the legal age of majority and over the age of 13, your parent or legal guardian must consent to these Terms as set out in paragraph 1.3.

### APPLE WEBSITE

#### Toca Boca World

#### App Store Preview

	Toca Boca World Create & Explore Your Story!	View
🖄 🐼 🐼 💯	Barbie Dreamhouse Adventures Girl Games Doll House Fun	View
	PJ Masks™: Moonlight Heroes           Kids Superhero Platform Game	View
	Toca Boca Hair Salon 4 Create, Style, Repeat!	View
	World of Peppa Pig: Kids Games Jump Into Winter With Peppa	View
	Disney Coloring World Color, play, dress up, & more!	View
	Kiddopia - Kids Learning Games ABC Letter Tracing Phonics	View
TRY SOMETHING NEW	Urban City Stories: World Game RP Kids Game for Girls & Boys	View
Top Apps for Kids	LEGO® DUPLO® World Fun educational games for kids	View

#### App Store Preview

Open the Mac App Store to buy and download apps.



Toca Boca World (4+) Create & Explore Your Story! Toca Boca AB Designed for iPad #10 in Education \*\*\*\*\* 4.3 • 632.2K Ratings

Free · Offers In-App Purchases

#### Screenshot from terms and conditions:

#### · Age of Users

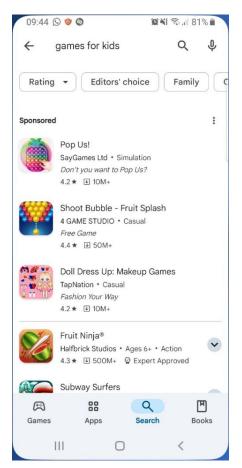
A person under the age of 18, requires consent of their parents or legal guardians in order to use the Services. How such parental consent is provided depends on the Services and/or the platform that the Services is provided on. Where parental consent is required, Toca Boca hereby recommends that parents/guardians monitor the child's online activity and use of the Services. A parent/guardian who wishes to recall their previously provided consent to a child's access to and use of the Services should disconnect from the Services.

If you are a parent and you give your consent or permission for your child to register for the Services, you thereby agree to the Terms relating to use of the Services by your child.

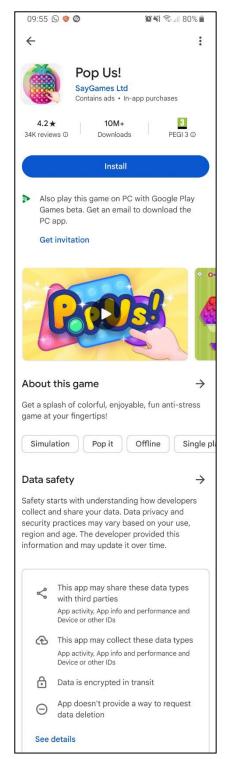
### PLAY STORE

#### Pop Us!

#### Search results screen:



#### App download screen:



#### Screenshots for terms of use:

### 1. About

By downloading one of our Games, you accept this Agreement and our Privacy Policy. Your relationship with SayGames will be subject to these and only this Agreement and Privacy Policy. This Agreement and Privacy Policy are available for download on the SayGames website - Privacy Policy.

Each time you download one of our Games to your device a new Agreement is concluded and its terms apply to your use of this Game. By using or otherwise accessing the Services, you agree to the Agreement. If you do not agree to this Agreement and our Privacy Policy, you may not use or otherwise access the Services.

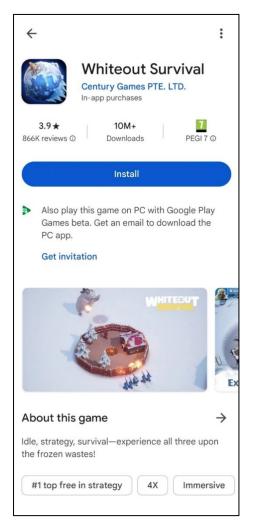
Application stores and platforms may provide their own terms that apply to your relationship with these app stores and platforms.

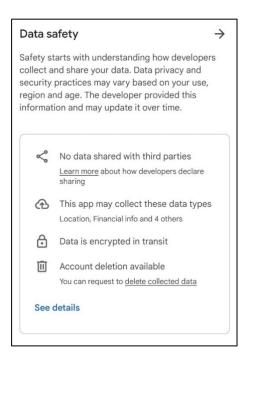
You represent that you are 16 years or older. If you are younger than 18 years, you can only download our Games and play them on your device, if your parent(s) or legal guardian have/has reviewed this Agreement and allowed you to download our Game o and play our Game subject to these Agreement. SayGames may require adequate proof of your identity and age and consent from a parent or guardian at any time.

You represent that you are accessing our Games as a private person. Any commercial use of our Games is not allowed.

### White Out Survival

Screenshots from app download page:



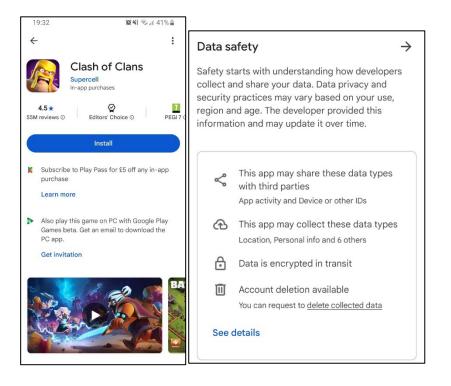


### Screenshot from terms of use:

the Service. "Account" refers to the personal profile created by a user to access the Game. 2. Eligibility You must be at least 13 years old to play the Game. If you are under 18, you must have parental or legal guardian consent. By using the Service, you confirm that you have the legal capacity to enter into these Terms. 3. Account Registration & Security You may need to create an account to access certain features of the

### **Clash of Clans**

#### Screenshots from download page:



### Screenshot of terms and conditions

Before accessing or using the Service, including browsing any Supercell website or accessing a game, you must agree to these Terms of Service and the <u>Privacy Policy</u>. A guest account may be created for you for the use of the Service, and you may also be required to register an account on the Service (collectively "Account"). These Accounts include, for example, game Accounts and Supercell ID. By using or registering for an Account or otherwise using the Service, you affirm that you are the legal age of majority in your country of residence. If you are not, your legal guardian must review and agree to these Terms of Service.

BY INSTALLING, USING OR OTHERWISE ACCESSING THE SERVICE, YOU AGREE TO THESE TERMS OF SERVICE. IF YOU DO NOT AGREE TO THESE TERMS OF SERVICE, PLEASE DO NOT INSTALL, USE OR OTHERWISE ACCESS THE SERVICE. USE OF THE SERVICE IS VOID WHERE PROHIBITED.

App name	Age ratings	Privacy Policy – Data collection	Privacy Policy – Children's data
Pop Us!	Play Store – Pegi 3 App Store – 12+	<ul> <li>When you access or use the App, we automatically collect general information about you, including:</li> <li>Log Information: We log information about your use of the App, including the type of device you use, the features you use, access times and your IP address.</li> <li>Device Information: We collect information about the device you use to access the App, including information about the device wanufacture, device model, device's OS, time zone of device, language of device.</li> <li>Device identifiers: We collect online identifiers of the device you use to access the App, including IDFA, Google Ads ID, Google Device ID, Game Center ID, Google Play Account ID.</li> <li>Usage Information: We collect information relating to your use of the App, including your game progress, scores, achievements and interactions with other players.</li> <li>Consumption information: We collect information about your consumption habits relating to your use of the App, including which purchases you make with both virtual and real currencies and the reception of virtual goods in-game.<sup>106</sup></li> </ul>	Use of the App is limited to users aged 13 years and above, except in European Economic Area, where the App is limited to users aged 16 years and above. If you are accepting this Privacy Policy and using the App, you warrant you are 13 (or 16, depends what is applicable) or more years old.
White Out Survival	Play Store – Pegi 7 App Store – 4+	When you access our websites or play our games, we may also collect certain information automatically from you and/or your device in order to efficiently fulfilling our contractual obligations, better understand our users and be able to improve our services and your user experience, such as:	When we collect personal information, we do not know the age of our players. If a player has a social media account and has logged into a game, we may obtain the age information from the player through that. If we learn that we have collected personal data about a child under age 13, we will take

### APPENDIX 3 – EXAMPLES OF APPS' DATA COLLECTION POLICIES

<sup>106</sup> SayGames, Privacy Policy, <u>https://say.games/privacy-policy</u>

App name	Age ratings	Privacy Policy – Data collection	Privacy Policy – Children's data
		<ul> <li>your mobile device's identifiers</li> <li>details about the games and platforms you use</li> <li>IP address , which only allows us to determine the geographic area and does not reveal your precise location;</li> <li>your device information (such as device type, device system language, network and carrier data, operating system)</li> <li>information regarding your use of and interaction with our Services(such as in-game event, game version)</li> <li>your country</li> <li>application performance and de- bugging information</li> <li>what your current progress is in our Services and the date and time of activity</li> <li>your payment information in our Services</li> <li>Like most online services, we and our partners may use cookies and similar technologies to provide and personalize our services, analyze gaming usage, target advertisements and prevent fraud. Cookies are small text files stored by browser(s) on your desktop computer or mobile device. Most web browsers automatically accept cookies, but you can modify browser setting to decline cookies if you wish so. In that case, some aspects of the service may then not function properly.<sup>107</sup></li> </ul>	reasonable steps to delete such data as promptly as possible. If you are a minor under 16 years old, please note that you are allowed to use our Services upon the prior consent of your parents or legal guardian.

<sup>107</sup> Century Games, Privacy Policy, <u>https://www.centurygames.com/privacy-policy/</u>

App name	Age ratings	Privacy Policy – Data collection	Privacy Policy – Children's data
Snake.io	Play Store – Pegi 3 App Store – 4+	We may collect a variety of information from or about you or your devices from various sources, as described below. [] <b>Location Information.</b> When you use our Services, we infer your general location information based on technical information such as your internet protocol (IP) address, which may indicate your more general geographic region.	No part of our Services is directed to children, and we do not knowingly collect, maintain, or use personal information from children under 13 years of age.
		<b>Device Information.</b> We automatically collect certain technical information about the device and software you use to access our Services, including your IP address, operating system version (e.g., iOS, Android), web browser type, phone manufacturer, device identifiers, media access control (MAC) address, and push notification tokens.	
		[] Information from Cookies and Other Tracking Technologies. We and our third-party partners collect information using cookies, pixel tags, SDKs, or other tracking technologies. Our third-party partners, such as analytics and advertising partners, may use these technologies to collect information about your online activities over time and across different services.	
		<b>Messages Between Users</b> . When you communicate with other Users on our Services through text chat, we and our third-party partners may receive the content of the messages you send and receive and information about those messages, such as when they were sent or received. <sup>108</sup>	
Candy Crush Saga	Play Store – Pegi 3 App Store	When you download, access and/or play our Games or use our other Services, we collect information about you. Most of this information comes directly from you or	We do not knowingly collect or solicit personal information from or direct or target interest-based advertising to anyone under the

<sup>108</sup> Kooapps, Privacy Policy, <u>https://www.kooapps.com/privacypolicy.php</u>

App name	Age ratings	Privacy Policy – Data collection	Privacy Policy – Children's data
	- 4+	<ul> <li>your device, such as device information, country, region, and game-play information.</li> <li>King and our advertising partners collect and use information about you to improve advertising, targeting and measurement systems so that we can show you relevant third party ads in our Games</li> <li>To provide our Games and other Services, Websites and targeted advertising, we use ad identifiers, cookies and similar technologies.<sup>109</sup></li> </ul>	ages set out below [a table in the privacy policy lists the relevant age for the UK as 13] or under 16 for California residents, or knowingly allow such persons to use our Games and Services
Clash of Clans	Play Store – Pegi 7 App Store- 9+	<ul> <li>THE DATA WE COLLECT</li> <li>[]</li> <li>Data you provide us directly.</li> <li>Contact information (such as email address)</li> <li>Player name or tag and password</li> </ul>	Protecting children's privacy online is very important to us. Generally, our Services are not directed to children under 13 (or other age as required by local law), and the Services do not knowingly collect personal data from children, except as described in the following paragraph.
		<ul> <li>Profile information (such as profile photo)</li> <li>Your messages and other content you submit when you use the Service (such as chat logs and player support tickets)</li> <li>Data you provide in connection with surveys, promotions, sweepstakes, competitions and other events</li> <li>Other data you choose to give us (such as name and phone number when you participate in (Supercell Creators or Supercell Make)</li> <li>Our payment service providers will collect your payment details in</li> </ul>	For games that are not directed at children but nonetheless may appeal to them, we take additional steps to limit access to these Services based on the player's age. For these Services, when a player indicates they are under 13 (or the applicable age in their territory), we will limit their access to certain features, such as social media and chat features, as well as certain types of notification alerts. We also limit the processing of personal data to only what is necessary to support the internal operations of our Services. Please note that for some of our Services we may use a higher age limit (such as 16) than

<sup>109</sup> King, Privacy Policy, accessed at: <u>https://www.king.com/privacyPolicy</u>.

App name	Age ratings	Privacy Policy – Data collection	Privacy Policy – Children's data
		connection with any purchases you make through the Supercell Store	described in the above two paragraphs. We do this to provide a safe game experience for our players and to protect
		Data we collect automatically.	Young Players.
		<ul> <li>Data about your account and game progress, including in most cases an automatically created internal account ID</li> </ul>	If you are a parent or guardian and wish to review personal data collected from your child, or have that information modified or deleted, you may contact us as
		<ul> <li>Your IP address and mobile device identifiers (such as your device or advertising ID)</li> </ul>	described above. If we become aware that a child has provided us with personal data contrary to the above, we will delete any
		<ul> <li>Data about your device, such as device name and operating system, browser type and language, internet service provider, and mobile carrier</li> </ul>	personal data we have collected, unless we have a legal obligation to keep it, and terminate the child's account and/or revert them to the underage experience, as applicable.
		<ul> <li>Data we collect with cookies and similar technologies (see more below)</li> </ul>	
		<ul> <li>Approximate location data (as derived from IP address)</li> </ul>	
		<ul> <li>Data about your use of the Service, such as gameplay data, purchases made and your interactions with other players inside the Service</li> </ul>	
		[]	
		COOKIES AND SIMILAR TECHNOLOGIES	
		Like most online services, we and our partners use cookies and similar technologies to provide and personalize the Service, analyse use, target advertisements and prevent fraud. Cookies and similar technologies allow us and our partners to store their preferences and track your activities within the Service. Note that our partners may operate under	

App name	Age ratings	Privacy Policy – Data collection	Privacy Policy – Children's data
		their own privacy policies. We and our partners collect and store information about users' interactions with unaffiliated websites and applications that use our technologies, including cookies and similar tracking technologies. This allows us to infer the presence of a common user or household behind multiple devices or browsers, for instance, and then link those browsers and devices into a device graph. <sup>110</sup>	
Toca Boca World	Pegi 3 4+		<ul> <li>When you play our apps or visit our website, we may collect some information to make sure everything works smoothly and to keep you safe. Some of this could be information that you provide, or information that we collect automatically. This include things like: <ul> <li>That you are playing the app</li> <li>How you play our apps</li> <li>Your country and city</li> <li>The type of device you use</li> <li>Unique IDs from your device</li> <li>Your parent's/guardian's email</li> <li>Information from your profile on your parent/guardian's Toca ID account</li> </ul> </li> </ul>

<sup>&</sup>lt;sup>110</sup> Supercell, Privacy Policy, <u>https://supercell.com/en/privacy-policy/</u>

App name	Age ratings	Privacy Policy – Data collection	Privacy Policy – Children's data
			We use the information we collect to make our apps even more fun for you!
			Here's how:
			• We look at how you play our games so we can make them better
			• We use your country and city to give you the right version of the game and so that you can read and understand the text
			<ul> <li>We check what type of device you use to make sure our games work on it</li> </ul>
			• With the help of Apple we use your information to understand if the ads we have about our game reach the right people, i.e ideally the ones not playing our games already!
			• We use the information to help you if your app is not working as it should.
			Sometimes we ourselves can collect the information we need to keep creating great apps, and sometimes we need a bit of help when collecting this information. If we need help we ask our trusted helpers at Amazon Web Services, Unity, Google, AppsFlyer, Helpshift, Playfab and Saucelabs to help us out. Although we trust them, we never let them use your

App name	Age ratings	Privacy Policy – Data collection	Privacy Policy – Children's data
			information for their own needs or share it with anyone else.