



A cartoon character with brown hair, wearing a pink and white striped shirt and purple pants, is climbing a large green beanstalk. The beanstalk is growing out of a desk in an office. The background is a whiteboard covered in colorful sticky notes and project labels like 'IN PROGRESS' and 'CRM upgrade version 1'. A hand from the left is holding a golden egg towards the character.

Sustainability

In 2016 we continued to develop our sustainability work in the six areas that we have prioritized based on a materiality analysis. NetEnt's sustainability work is integrated into

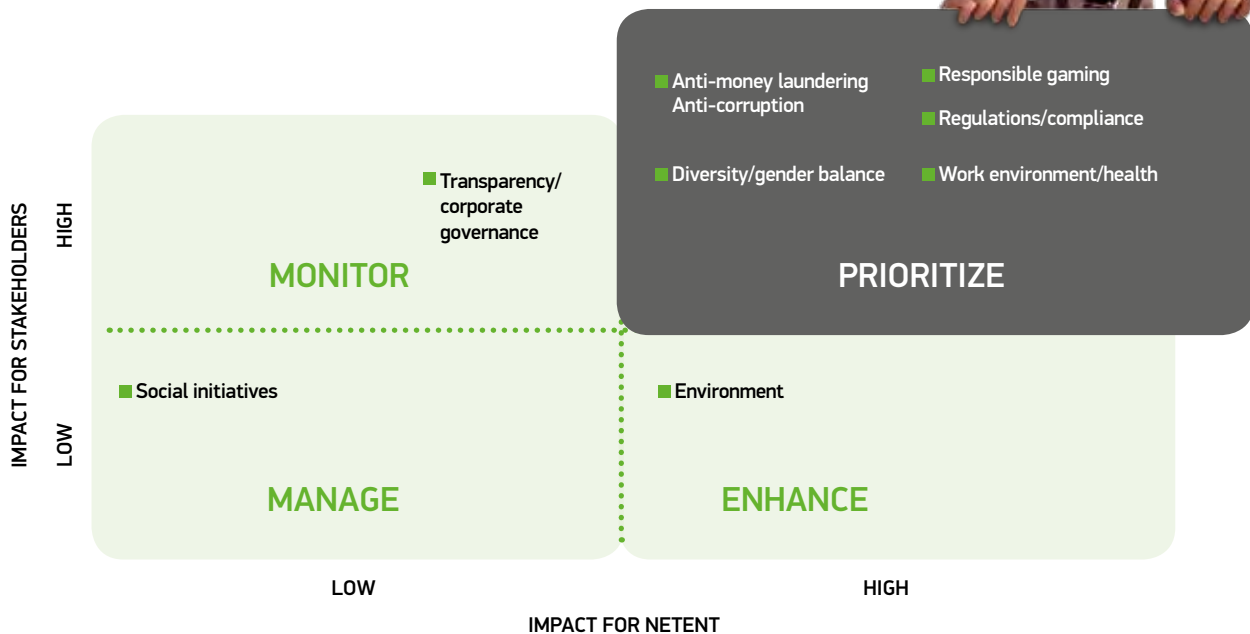
NetEnt's day-to-day operations and is assured through the goals and key indicators that are found in various parts of the organization.

We believe in corporate social responsibility and are committed to promoting sustainable development of our business. This ambition applies not only to our customers – we also want to be a positive force for employees, players, suppliers, shareholders and society at large.

CSR at NetEnt

Key areas in 2016

We listen to what our key stakeholders think of us, and in which areas they feel we should continue to develop in order to create positive long-term values. We have identified a number of sustainability areas that are of material importance for us and our stakeholders.



The following areas are deemed to be the most material for NetEnt and the company's stakeholders:



NetEnt has developed action plans and strategies in the prioritized areas shown above. We have also chosen to draft an environmental policy, as we feel that conservation of the environment is a particularly important area.

In 2016 we developed and deepened our efforts in each area, see next section. Responsibility for the prioritized sustainability areas at NetEnt is divided between the members of the Group Management.

➤ Read more in next section



FUN, SAFE & SECURE



SUSTAINABLE REGULATION



ANTI-CORRUPTION AML



DIVERSITY



THE PLANET



COMMUNITY

Stakeholder dialogue

NetEnt's key stakeholders are its customers (and indirectly players), employees, shareholders/investors, suppliers and the communities where the company operates, since these are essential for NetEnt's long-term success. NetEnt maintains an on-going dialogue with these stakeholders.

Stakeholder	Focus in sustainability	Examples of measures and communication
Customers and indirectly players	<ul style="list-style-type: none"> Responsible gaming Product quality and service Secure gaming 	<ul style="list-style-type: none"> Regular customer surveys and dialogue Certification for responsible and secure gaming, according to eCOGRA and G4 Product design with player-safety functions Internal policies and training Collaboration with organizations for responsible gaming Membership in BOS
Employees	<ul style="list-style-type: none"> A stimulating work environment Skills development Physical and mental health Diversity and gender equality 	<ul style="list-style-type: none"> Regular employee surveys with follow-up and improvement measures Fitness subsidies, joint activities and health coach Move to new central and eco-friendly offices in Stockholm at the beginning of 2017 Support UN Global Compact Strategic work for diversity and improved equality
Shareholders and investors	<ul style="list-style-type: none"> Sustainable long-term returns Sustainability issues in general 	<ul style="list-style-type: none"> Financial communication via reports, press releases, IR web and investor meetings Transparent dialogue in sustainability issues Support UN Global Compact
Suppliers	<ul style="list-style-type: none"> Work situation for consultants and subcontracts, such as business partner in India Promote good business ethics and a corporate culture of equality 	<ul style="list-style-type: none"> Ongoing dialogue and evaluation We work very closely with our supplier in India and support them in sustainability issues Our partner in India is ranked highly in the country in terms of HR policy and low employee turnover Support UN Global Compact
Society	<ul style="list-style-type: none"> Support regulations Environmental awareness in the operations and among the employees Anti-corruption work Work to combat money laundering and financing of terrorism Promote diversity and good business ethics 	<ul style="list-style-type: none"> Internal policies and training for all employees Compliance function Customer knowledge Whistle-blowing routines Employee strategy with a focus on gender equality Support social initiatives with employees Support UN Global Compact

CSR at NetEnt

in six areas



FUN, SAFE
& SECURE

Responsible gaming

Promoting responsible gaming is fundamental to NetEnt and is a condition for the gaming licenses it holds.

NetEnt and its employees are committed to delivering digital entertainment, and we feel it is important that people play for the right reason – to have fun. Promoting responsible gaming is therefore always a top priority for NetEnt.

Although NetEnt has no direct contact with the individual players, the company works actively and in close cooperation with other market participants to prevent gaming-related problems. For some people, gaming can turn into an addiction that threatens physical, psychological and social well-being. The Public Health Agency of Sweden (2014)¹⁾ estimates that around 2 percent of the Swedish population aged between 16 and 84 experience problems with their gaming.

Product design with player-safety functions

NetEnt's product design is aimed at helping customers promote responsible gaming. This means that the games are designed with functions that enable the operators to allow the players to stay in control of their gaming, for example by setting an upper limit to their bets, reducing playing speed or by turning off certain functions, such as autoplay. All of NetEnt's games feature a clock that makes it easier for the player to keep an accurate sense of time. It is also possible to insert time blocks or to activate an alert function with notifications about playing time and money spent.

Guidance and training

All of NetEnt's employees are trained in responsible gaming, and those with special responsibility undergo in-depth training. Formal guidance in the

area is also provided through the following policies and processes.

- **NetEnt Responsible Gaming Policy:** Comprehensive guide for all employees regarding matters relating to responsible gaming.
- **NetEnt Self-Exclusion Procedure:** Describes how NetEnt shall proceed when a player expresses a desire to be closed off from further playing.
- **NetEnt Regulatory Training Policy:** Presents which requirements are imposed for staff training in responsible gaming.
- **Player Communication Guideline:** Guide for communication with players in cases where players contact NetEnt directly regarding gaming problems.

eCOGRA

Players should feel secure that the games meet the established rules and requirements, are random and that wins are possible. At the same time, every player should also be aware that gaming, like any other entertainment, costs money and that it is also possible to lose.

NetEnt's games and platform are regularly tested for randomness by independent accredited testing institutes, which is one of the requirements set by the gaming authorities in the markets where the company operates. NetEnt is verified by the international testing agency eCOGRA (e-Commerce

1) Swedish Ministry of Finance, ESO 2015:1



and Online Gaming Regulation and Assurance), which is a London-based industry organization that works to promote safe and responsible gaming. Each year, eCOGRA examines NetEnt's development environment, verifies and ensures that the software is securely and reliably maintained and operated, and that the company is continually tested by other independent agencies. eCOGRA also reviews, in more general terms, how the operations and games meet the institution's responsible gaming requirements.

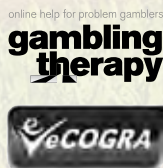
Global Gambling Guidance Group (G4)

NetEnt is certified for responsible gaming according to the Global Gambling Guidance Group (G4). By developing responsible gaming software and training programs for the employees of gaming companies, and by offering help lines and personal counseling, G4 works to minimize the negative effects arising from gambling addiction. NetEnt is regularly examined by G4 to ensure that the company's operations and products support the following consumer protection guidelines of the organization:

- Protecting minors and at-risk individuals
- Protecting players' rights
- Promoting responsible gaming in a safe environment, for instance through built-in player safety functions
- Ensuring the reliability of games and gaming devices
- Keeping online casino games free from criminal activity, such as money laundering
- Compulsory training for employees in responsible gaming

Preventive work in our markets

To support preventive work and the treatment of gambling addiction, NetEnt has undertaken to make annual donations to the Responsible Gambling Trust and Gambling Therapy in the UK, two organizations that work to reduce gaming-related problems in society.



“NetEnt follows the guidelines for consumer protection from the Global Gambling Guidance Group.”



SUSTAINABLE
REGULATION

Regulations and compliance

Regulations lead to sound development of the gaming industry.

NetEnt welcomes regulations in the gaming industry because these contribute to a safer environment for both players and gaming companies. NetEnt is a member of the Swedish online gaming industry association (BOS), which represents gaming companies and game developers. In the next few years, the highest priority for BOS is to bring about sustainable gaming regulations in Sweden and to replace the obsolete monopoly structure with a new licensing system. In 2016, NetEnt became an associate member of the World Lottery Association (WLA), a global member-based organization that promotes state-authorized lotteries and gaming operators.

Regulations lead to sound developments of the gaming industry. Commercially viable rules regarding taxes and product regulations create good conditions for regulated markets to develop and grow. NetEnt's strategy includes expansion in regulated markets, and for many years the company has invested resources to build up an organization with capacity to obtain and maintain licenses and certifications.

NetEnt's compliance function supports the organization in matters related to laws, regulations

and directives, and ensures the company's compliance with policies and processes. The compliance department also assists with customer due diligence. In order for all employees to feel secure in reporting deviations from the company's rules, the company has confidential and efficient routines for whistle-blowing.

The following policies provide support in this area:

- NetEnt Compliance Management Policy
- NetEnt Crime and Disorder Policy
- NetEnt Fair and Open Policy
- NetEnt Regulatory Training Policy
- NetEnt Software and Testing Standards Policy
- Information Security Policy
- Authorization Policy
- Insider Policy
- IR Policy

Anti-corruption and anti-money laundering

Zero tolerance, clear guidelines and staff training.



ANTI CORRUPTION
AML

Money laundering is a major problem in the world today. The IMF estimates its global size at between 2 and 5 percent of entire global GDP, making it the third largest sector in the global economy after agriculture and oil.

NetEnt has zero tolerance and clear guidelines against money laundering (AML policy) and against corruption (Anti-Bribery Policy), as well as a handbook to counteract money laundering and terrorist

financing (Handbook for AML/CFT). All of NetEnt's staff undergo training in anti-corruption and anti-money laundering in order to learn about the topic in general, legislation that exists in the area, and how they are expected to act in suspected cases of money laundering. Also, background checks are performed when new employees are hired. NetEnt also has a policy that prohibits employees from playing NetEnt's games (Staff Vetting Policy).



Diversity and gender equality

Equal opportunities for all granted as a matter of course.



DIVERSITY

At NetEnt, we believe that diversity provides a broader spectrum of perspective and experience that improves the innovative environment in the company. Diversity also strengthens and promotes our corporate culture, which is a key success factor for NetEnt.

NetEnt strives to offer equal opportunities for all employees regardless of gender, age, ethnicity, sexual orientation or religion. All evaluations of existing and new employees are based exclusively on factors such as competence, experience and attitude. Close to 50 nationalities were represented among NetEnt's staff in 2016. The group-wide language is English, and in most cases knowledge of Swedish is not required for employment. To further

support the diversity area, the company applies an Equal Opportunities Policy.

An important part of our employee strategy is the objective to achieve a 50/50 gender balance among our employees by 2020. The male/female breakdown in Group Management is 50/50, compared with an average of 20 percent women for all Swedish listed companies¹⁾. A number of activities are conducted each year to improve female representation in the company. In 2016, NetEnt was ranked second for gender equality among all companies listed on the Stockholm Stock Exchange by the AllBright Foundation.

1) AllBright, March 2016

Environment

A relatively low environmental impact can be reduced even further.



THE PLANET

From an environmental standpoint, NetEnt's digital business model is a better alternative than traditional, physical casino environments that require a whole other type of resource consumption than an online casino. The Company's electricity consumption is the greatest burden on the environment, and is mainly attributable to different types of technical equipment such as servers, PCs and monitors.

As far as possible, business travel should be avoided in favor of video or phone meetings, which also supports the efficiency and profitability of the

business. In 2016, an effort was started to measure electricity consumption and carbon dioxide emissions and to propose improvement measures for NetEnt in this area. The goal is to reduce carbon dioxide emissions per gaming transaction by 20 percent over the next three years.

In terms of office operations, the company strives to eco-friendliness through measures such as recycling and reduction of paper and consumables. As the company grows and needs new premises, the environmental aspect is considered when evaluating new alternatives.

Work environment and society

Dedicated employees who feel good are crucial for NetEnt's success and contribute to a better society.



COMMUNITY

Motivated employees who feel good are crucial for NetEnt's ability to reach its goals, and this also contributes towards a better society. NetEnt prioritizes measures to ensure that staff thrive and develop at work. There is a major focus on the regular employee survey that is conducted three times a year and is followed up with analysis and measures to improve the work environment.

There is an emphasis on personal development, and NetEnt aims to offer good advancement and internal career opportunities.

Health and energy are a particularly important part of the company's employee strategy – employees are encouraged to have a healthy lifestyle with exercise, healthy eating habits and a mental balance, among other things through wellness benefits and many shared activities and initiatives. Since 2015,

a "health and energy inspirer" serves as a full-time employee health coach, both at the overall company strategic level, and the individual level, in matters of health and mental balance. Perceptions of the work environment are followed up among other things through regular employee surveys and are an important part of every manager's responsibility. NetEnt has a work environment policy and a policy against alcohol and drugs.

NetEnt wants to be involved in supporting community engagement and encourages its employees to undertake charitable initiatives, which are sometimes also matched by financial support from the company. The company has a policy for human rights, the Anti-Slavery and Human Trafficking Policy. NetEnt also supports the UN's Global Compact, which calls for continuous improvements in this area.