



Welcome.

Our Sustainability Report 2017

This Is Spotify.

At Spotify, we believe that human creativity will change the world.

Our mission is to unlock that creativity – to give a million artists the opportunity to live off their work and a billion fans the opportunity to enjoy and be inspired by it – because the combination of art and technology is a transformative force.

Since we began Spotify as a legal alternative to piracy, Spotify has been working towards a sustainable environment for artists and fans. We've become one of the largest drivers of global music revenue and have connected millions of fans with the artists that they love.

As a company that values innovation, passion, collaboration, sincerity and playfulness, we have the opportunity to use our expertise and scale to impact the communities we all share.

Culture is the force that binds us all – no matter who we are or where we're from – in a shared human experience. We believe that creativity, collaboration and community will inspire a more empathetic and equitable world for all.

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Spotify

In Numbers 2017

Launched in:

2008

Number of subscribers:

71 Million

Number of tracks:

35+ Million

Number of permanent employees:

3,431

in 24 countries

Number of monthly active users:

157 Million

Spotify is available in:

61 Markets

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Our Business Model.



Spotify is a digital platform that provides access to more than 35 million tracks. Our users either use the ad-supported service or pay a monthly subscription for Spotify Premium. The music content is provided by labels, distributors or creators, and Spotify shares the revenues from subscriptions and advertising with the rights holders, who then pay the creators for the music they create.

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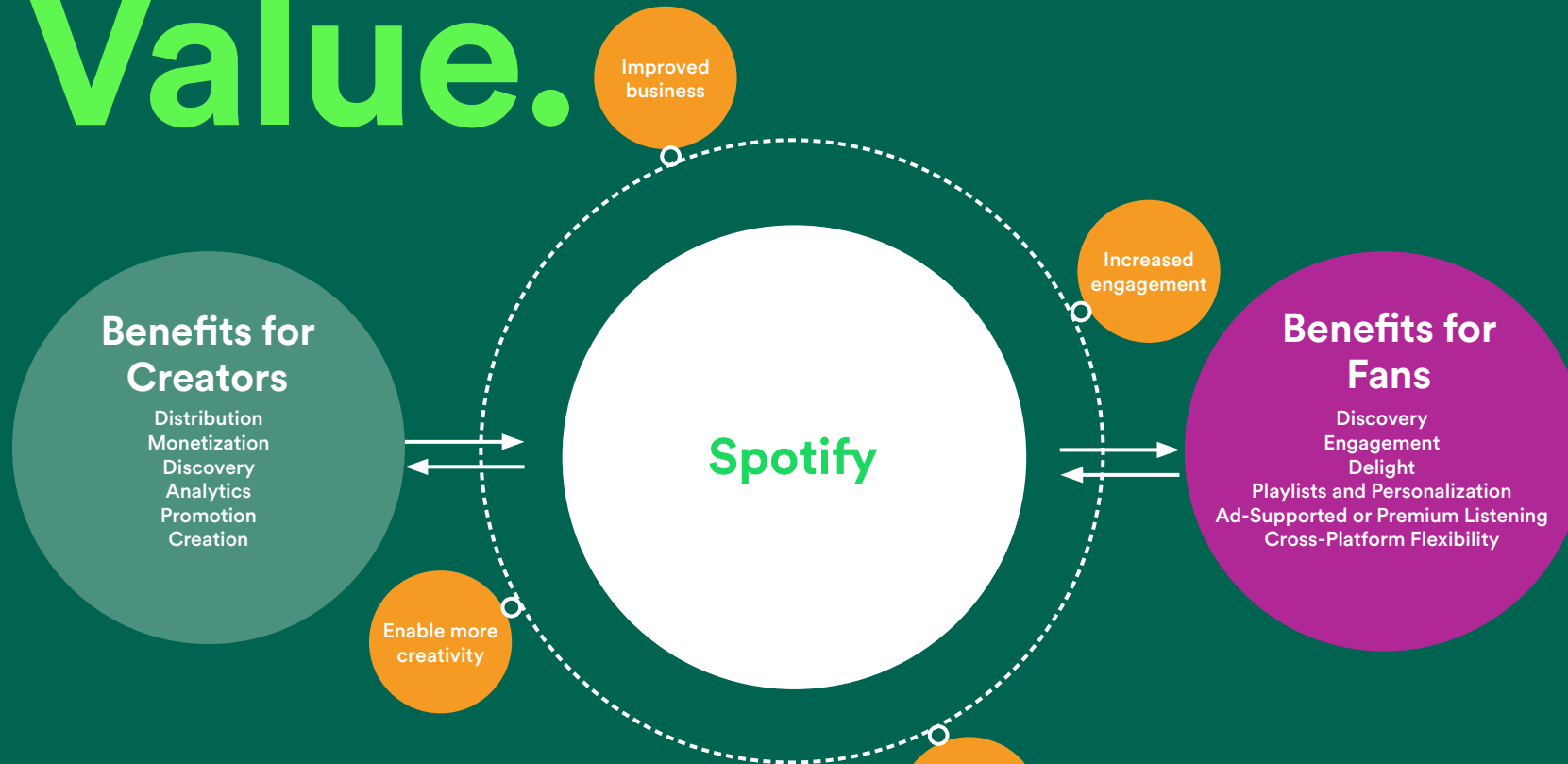
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How We Create Value.



To connect millions of artists and fans every day requires suppliers of products and services that support our platform including data centers and hardware. And with 3,431 Spotify employees in 24 countries, our offices and travel among them makes up a significant part of our value chain.

Benefits for Creators

Spotify provides a large stage for more than 3 million creators to connect with existing fans and to be discovered by new fans. In addition to providing creators with access to 157 million monthly active users, we also provide creators with a full stack of tools and services, enabling them to grow their businesses on a single platform. Through December 31, 2017, we have paid more than €8 billion in royalties to rights-holders since our launch.

Benefits for Fans

We are focused on enabling the discovery of music and connection with artists for fans through our range of products and services.

A platform for everyone

Artists and fans alike need to feel welcome, safe and respected on Spotify. The platform needs to be an inclusive space where fans and artists can connect. We also have a responsibility to manage the data of our millions of users in a secure way.

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Our Approach To Sustainability.

Through Spotify's sustainability strategy, we have an opportunity to build creative, empathetic and equitable communities

For Our People
With Our Practices
Through Our Platform

This is our first sustainability report and it's the baseline that we'll measure progress against for the future. Moving forward, we're focused on designing strategies and programs that reflect our culture and impact the communities we all care about.

We carried out a materiality analysis which covered the environmental, social and economic impact of our business in 2017. We also conducted an employee survey to understand what aspects of Spotify's sustainability were important to our employees, as well

as hosted a variety of internal workshops and cross-functional working groups.

The results of our analysis form the basis of this report, which covers topics like diversity and inclusion, content responsibility, data privacy, energy use, climate impact, and anti-corruption – topics where our business and company can have a material impact on the world.

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For Our People.

Our focus is on the creation of an environment where innovative and passionate people can achieve their ambitions and operate at the highest level. We believe in our team. Learning and growing each day is core to our culture – and we know that it pays off in engagement, productivity and wellbeing for everyone. And we

mean everyone. At Spotify, it doesn't matter who you are, where you come from, what you look like or what music you love. We believe that diversity of experience, perspective and background lead to a better environment for all of us. This means creating, nurturing and protecting a diverse and inclusive company culture.

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Our Culture And Values.

The common denominator for the entire Spotify group is a strong, value-based corporate culture with passionate and competent employees who build long-term, value-enhancing creator and customer relationships.

We live our values every day. They guide the way we build teams and create partnerships. Through our commitment to innovation, collaboration, passion, sincerity, and playfulness, we know we can change the world.

Innovative

We're all pioneers.

We're original and creative in our thinking. To us, innovation is a default mind-set – a hard wired desire to improve things.

Collaborative

We're all Spotify.

We're stronger together. The better we collaborate, the more effective we are. When we're working well across functions, we're unstoppable.

Sincere

We mean it.

The best relationships are based on mutual trust and respect. We want to be fair and transparent in everything we do. We don't micromanage, we trust each other to do a great job.

Passionate

We feel it.

We're proud of what we've achieved, and passionate about where we're going. We like being bold. We're not afraid of taking big bets, or getting them wrong. We all share a passion to learn and grow.

Playful

We say yes to fun.

Let's be honest, we have bands playing in the office – it kind of sets the tone. We're a playful company and a playful brand. We always have been. We never take ourselves too seriously.

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Our Workplace.

Our aim is to have a safe, healthy and accessible workplace and environment for everyone that underpins strong performance, committed employees and lasting relationships, both internally and externally. We want all our employees to feel good and have the right daily balance between work and personal life. Therefore, we initiated #LeadOnLeave (Paid Parental Leave), as well as the more recent #FlexiblePublicHolidays.

Tune In and Net Promotor Score

Besides regular weekly checkins, we have set up a quarterly system – Tune In – a temperature check based on factors that are important for a high level of commitment and a positive work environment, as well as the business results. All teams work together to determine what can be improved. The employee loyalty and engagement – as measured by Spotify's employee Net Promoter Score (eNPS) – is 36, which is a benchmark top grade.

LeadOnLeave

At Spotify, we encourage all employees to take parental leave, paying full salary for six months, regardless of any government funding. The leave covers any parent whatever your gender – adoptive, surrogate or birth – regardless if you carried the baby or not. The time can be split up and taken at any point up until the child is three years old. We believe this policy eliminates much of the financial burden of parental leave for the family and encourages more equitable distribution of parenting.

FlexiblePublicHolidays

Since people recognize different holidays and traditions, we know that a diverse company calendar will be filled with celebrations that happen at different points throughout the year. In 2017, we introduced a policy that encouraged all employees to exchange any public holidays for days off of their choosing in line with their personal beliefs or religions.

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A person in a white tank top and black leggings is climbing a rock wall. The wall is light-colored with many dark, irregular rock holds. The person is positioned in the lower center of the frame, reaching up with their right arm. The background is a warm, golden-yellow color.

Growth For Everyone.

Hyper growth, fierce competition, talent density and other market factors require us to continuously and quickly adapt to changes in order to remain an attractive workplace and employer. Our goal is to give our employees the flexibility to develop in a way that best motivates them. Our belief in our people defines us. We try to create the best conditions possible for an environment in which our employees feel they can develop. It is of utmost importance that we set the scene so that our people feel empowered to drive their own development. We believe in everyone's ability to learn and grow. Therefore, we focus more on dialogue and collaboration, and encourage autonomy and accountability, rather than cumbersome processes and control.

We have clearly defined leadership criteria that encourage leaders to be trustworthy, transparent, empowering, innovative and focused on developing the team as well as themselves. The leadership criteria are used when hiring, appointing, promoting and developing our people. From foundational management training to in-depth programs that cover topics like inclusive leadership and building high-performing teams, we invest in helping leaders grow and support their own healthy and sustainable teams.

For our employees, internal mobility offers a variety of career paths in a global job market and makes them more valuable to our own company.

A green icon consisting of a curved arrow pointing left and a small house-like shape pointing up.

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A Diverse and Inclusive Spotify.

At Spotify, we believe that diversity of experience, perspectives and background lead to a better environment for everyone. By embracing those differences, we ensure that Spotify continues to be the place where we can change the way the world listens to music.

Our Diversity and Inclusion strategy (D&I) focuses on four key pillars:

- our product and platform,
- our culture,
- talent,
- the communities both internally and externally.

By focusing our efforts in this way, D&I can be a integral part of our overall business strategy and our way of operating in the world.

Our 2020 D&I goals

- Spotify is recognised as a leader in creating diverse programs, an inclusive brand and on platform content. In our pursuit of impacting culture we also want to be recognised as a leader in creating diverse programs for engaging talent, while also partnering with industry experts and organisations to drive the whole industry forward. We are also focussed on creating a world class inclusive workplace and marketplace with the content we promote.
- Our employees share a strong sense of belonging and have the leadership skills in making others feel included too.

- By focussing on unbiased process in our talent assessments and initiatives we want to ensure we attract, hire, retain and advance the most talented diverse people at Spotify. We are committed to reflecting the rich diversity of the global talent pool.
- Spotify enables leaders and devotes resources to driving forward the company's D&I and Inclusion goals across all our offices.
- Spotify maintains an accepting and welcoming environment for all employees, partners, creators and guests.



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Know Our Numbers.

Number of permanent employees,
31 Dec 2017:

3,431

The average age
of our employees:

33

Locations in:

24 countries

Represented nationalities:

90

We are a young company

Age Group Distribution ● <30 ● 31-50 ● 50+

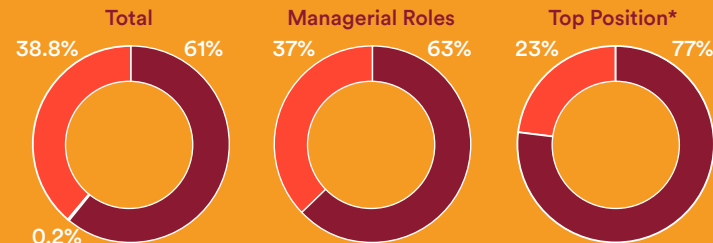
Total



Managers



Gender Distribution ● Female ● Male ● Non-binary



* Vice president level and above.

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Protecting Our Employees.

At Spotify, we work hard to make sure that every employee's voice is heard. We have zero tolerance for discrimination or harassment of any kind covered by our Code of Conduct and our Anti-Discrimination and Harassment Policy, which can all be found in our Employee Handbook. All employees have access to multiple channels to report concerns or violations. We take any such reports very seriously.



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With Our Practices.

Each policy and program that we create has an impact on our business, our employees, our partners and the millions of artists and fans that use our service every day. We recognize that our business has a material environmental impact

through our offices, travel and our platform. We seek to create sustainable, responsible and resilient communities for everyone, through our commitment to responsible business practices.

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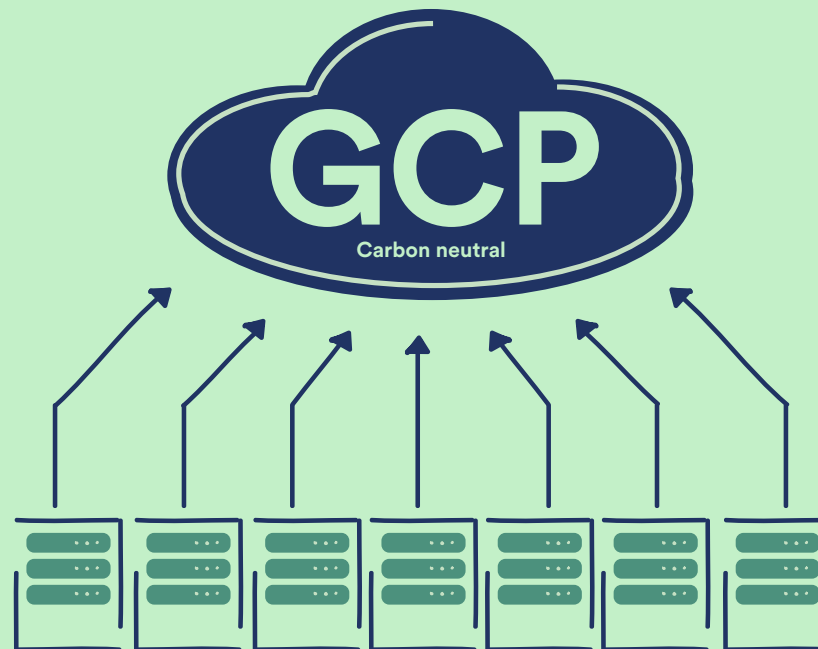
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Tech Platform Mission: A Goal to be 100% Climate Neutral

In 2017, the Technology Platform Mission – the team responsible for most of Spotify’s technology infrastructure – set the goal to become a climate neutral technology platform. They aim to achieve this by improving overall energy efficiency, using renewable energy where possible and offsetting remaining carbon emissions.

For the main part of 2017, we used seven physical data centers, located in the UK, the US and Sweden. During 2017, we began a transition to the Google Cloud Platform (GCP), moving most of our computer and storage capacity from the seven physical data centers to the Google Cloud. The transition is expected to be completed in 2018.

According to Google's Environmental Report, Google has been carbon neutral since 2007, purchasing significant amounts of renewable energy and offsetting remaining emissions. From Spotify’s point of view, this means that the energy use in the Google data centers that we are responsible for can also be considered to have zero net carbon emissions.



Energy use measured at 7 datacenters
(excluding Google and our content delivery network), 2017

20,092 MWh \approx **1,814** tonnes CO₂e

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Environmental Impact From Our Operations

In 2017, we started collecting data on our energy use, waste management, business travel and other aspects of the environmental impact from our offices in 24 countries. It's important to know where we can improve the energy efficiency and environmental practices of our offices – and this data will help us to make further improvements in the future. For 2017, we have total energy data from our two major offices in Stockholm, representing 35% of our total head count. Electricity use from renewable sources in these offices was 1,316 MWh. District heating and cooling amounted to 1,030 MWh, which generated emissions of 10.5 tonnes CO₂e.

When we can source renewable energy and there are other alternatives available to us, renewable energy is used in offices. These are the first steps in making our energy use more efficient.

Our employees are based in 24 countries and may often need to travel to other countries to meet with their teams, other colleagues, partners, suppliers or other stakeholders in the business.

Business Travel

Total emission from air travel

11,970 tonnes CO₂e

Emission per employee

3.49 tonnes CO₂e

IN FOCUS:

A Green Contract With Our Landlord

In December 2017, Spotify moved its main office in central Stockholm to a newly renovated building. In partnership with the new landlord, we've set up an environmental program that includes the supply of renewable energy to the building, access to real time energy data, and specific environmental criteria in sourcing materials for building maintenance and operations.

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Minimizing Waste.

In addition to energy consumption, we've taken steps to minimise waste across all our offices. For example, we collected a total of almost 700 units of electronic equipment that reached the end of their lifecycle at Spotify (data for Sweden and US only). Of these, 27% were recycled and reused by other companies and individuals outside Spotify. The rest were scrapped and the materials were recycled by the collecting companies. In Stockholm, we worked with one of our suppliers to substitute plastic packaging with other containers made of PLA (polylactic acid) and bagasse. We estimate that this change will reduce 6.19 tonnes of non-renewable plastic waste annually going forward.



IN FOCUS:

Green IT

In Sweden and the UK, we have started a Green IT initiative that is focused on reusing rather than disposing of old computers, phones and other electronic equipment. We observed a lot of equipment being traded in for newer models at Spotify and saw an opportunity to encourage people to reuse equipment and raise funds for non-profits. Green IT is an employee-only platform (in select markets where finance rules allow) that allows employees in Sweden and the UK to buy discarded Spotify tech equipment at a fair market price. Through Green IT in Sweden, we sold 306 pieces of electronic equipment generating a sale amount of around SEK 635,000. The proceeds from Green IT are donated to charity.

IN FOCUS:

95% Materials Reused After Office Move

Towards the end of 2017, we moved our main office in Stockholm to a new building, and enlisted the help of a sustainable moving company. Our movers collected all furniture and office inventories from the old office and assessed if they could be reused or otherwise appropriately recycled. 95% of the materials collected were taken care of and sold or given away so that they were reused, which meant a saving of 79 tonnes of CO₂e compared with if they had been sent to disposal.

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Data Privacy.

We are a data-first company with a business model built on data collection and analysis. Therefore, the protection of user data is critical to our business. Our 2017 privacy policy, which has been in place since 2015, addresses user consent, Spotify access to user data, and data security.

Already today, users may access and amend much of the information Spotify keeps about them through their account and profile page. In addition, users can contact us regarding any privacy questions they may have or to make requests concerning personal information held by Spotify via a dedicated mail address. Since March 2017, we have received 247 user access requests. In 2017 there has been no litigation or any substantiated complaints on privacy-related matters to date.

In 2018 we updated our policy to comply with the EU General Data Protection Regulation (GDPR). As part of compliance we have improved the Spotify interface which allows users to get an overview of the personal data that Spotify collects. Through a self-service portal, users will be able to make requests and choices about what information can be stored by Spotify.

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Zero Tolerance For Corruption.

In 2017, we updated our Code of Conduct and Ethics, which is based on Spotify's policies and values, and sets out expectations on the responsible behavior of all employees in complying with legal requirements and the expectations of stakeholders. One part of the Code of Conduct and Ethics deals with anti-corruption and bribery, and policies around the giving or receiving of gifts. In addition, we have an internal Anti-Corruption Policy that provides further details and guidance on this issue.

We recognize and emphasize that it is illegal in practically every country to give anything of value, directly or indirectly, to any government official, political candidate, or business person, in order to get business deals or privileges.

Employees are encouraged to report any activity that may violate anti-corruption laws or our Anti-Corruption Policy.

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Through Our Platform.

Every day, artists and fans come together on Spotify. Through these connections, we discover old stories and new perspectives, who we are and where we belong. Our platform needs to be reflective of the world we live in and shape the inclusive and creative culture we believe in.

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Creating Inclusive Communities For Fans.

We believe in openness, tolerance, respect, and freedom of expression, and we want to nurture those values through art. We're also committed to creating a welcoming and inclusive community on our platform.

Content responsibility is part of our Terms and Conditions. Every content partner we work with has a responsibility to deliver appropriate content to Spotify responsibly; they must ensure that it doesn't violate any laws, agreements or intellectual property rights.

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Spotify For All.

We want everyone to have the opportunity to discover, or listen to and share music, but we know that we have a long way to go. As a result, our teams launched an Accessibility Guild to drive innovative and creative solutions to making Spotify more accessible.

We've made improvements to our platform to make it more accessible including adding a dot icon under the shuffle and repeat icons, meaning we no longer solely rely on color to represent the state of these buttons. This vastly improves the experience for our color blind users. We conducted user research with visually impaired participants, and are advocating for accessibility solutions across all our teams.



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The Stories We Tell Matter.

Culture is a part of creating social change. The visibility and representation of artists and fans on our platform contributes to shaping a diverse and inclusive culture. To do this, we look critically at the culture we're creating and build programs to showcase communities in real ways.

IN FOCUS:

I'm With the Banned

Music has always been at the core of resistance and self-expression, giving voice to communities and cultures that need it most. So when the Travel Ban – an executive order issued by United States President Donald Trump in January 2018 – became effective, was announced, Spotify created the 'I'm With The Banned' campaign. The campaign paired, pairing six artists from the “banned” Muslim-majority nations with six American artists to write songs together – and put a human face to those affected. Because when people can't travel, music will.

The “banned” artists included Waayaha Cusub, a Somali hip-hop collective, and Methal, the first woman to publicly perform music in Yemen. Their US collaborators included Pusha T, X Ambassadors, and Dr. Lonnie Smith. The artists met in Toronto – the closest the “banned” artists could get to US soil.

The result was six original songs and a 30-minute documentary that chronicles the collaborative process against the backdrop of the “banned” artists' back stories – as they defy violent threats and cross oceans to pursue their dream of making music.

IN FOCUS:

Celebrating Pride

2017 was our biggest celebration of Pride yet – on our platform and off. We celebrated in our offices, marched in several cities and we launched our Pride content experience to showcase LGBTQ talent from all over the world. In the US, our Shows & Editorial, Brand & Creative, Social Impact and Spectrum Employee Resource Group came together to highlight success through resistance. We tapped into activists and artists to tell their stories through music. 57 playlists were created, including five that told stories of resistance throughout history from the repeal of the Defense of Marriage Act in the US to a moment when Swedish activists “called in gay” to protest discriminatory practices. Each story was linked to current issues and encouraged listeners to learn more and get involved with organizations like GLAAD and Greater Than AIDS.



IN FOCUS:

Equalizer Project

Equalizer Project is a Swedish Spotify initiative, that aims to increase gender equality in the music studio, by creating opportunity for up and coming talent. Equalizer Project was launched in collaboration with MXM Music and Music Publishers Association (Musikförläggarna). Participants in 2017 include; Linnea Henriksson, Daniel Ek, Icona Pop, Max Martin, Zara Larsson, Seinabo Sey, Shellback, SHY Martin, Tove Lo, Joy, First Aid Kit and many other local talents.

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Standing With Artists.

Artists can be forces that move society towards understanding and equity for everyone. They're powerful voices that can mobilize their fans to help in times of crisis. Devastatingly, music has also been a target for violence. As artists raise their voices for good, Spotify will support them.

IN FOCUS:

RapCaviar Live In Houston

In partnership with Live Nation and Samsung, we honored the incredible people of Houston. In the week leading up to a RapCaviar concert, we worked with some of the city's most beloved hip-hop artists – including Paul Wall, Trae tha Truth, Chamillionaire, Lecrae, and Bun B – to lend hands and voices to communities affected by Hurricane Harvey. Artists and fans worked with Communities in Schools, the Boys & Girls Club, The Mayor's Fund, the Houston Food Bank and Trae tha Truth's own Relief Gang to show the city some love.

IN FOCUS:

Almost Like Praying

In response to the devastation of Hurricane Maria, we partnered with writer/lyricist Lin-Manuel Miranda to showcase the For Puerto Rico, Por Puerto Rico playlist. The playlist launched as a teaser to the release of the all-star single Almost Like Praying and featured songs from each of the 23 artists on the track.

Proceeds from the single were donated to Lin-Manuel's non-profit partner, Hispanic Federation UNIDOS Disaster Relief Fund, which we supported with on-platform placements and a dedicated email penned for his Spotify fans. By the end of the first week, the single had more than 1 million streams.

IN FOCUS:

One Love Manchester

In one of the great acts of artistic defiance, Ariana Grande brought together the musical world for the One Love Manchester benefit concert, following the horrendous terror attack after the American singer's concert at the Manchester Arena in May 2017.

In partnership with Ariana and the show's producers, Spotify provided a platform to spread her message of love. Within hours of the performance, the entire live recording was available for millions of fans to experience.

Lin-Manuel Miranda, Photo Matthew Murphy



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Materiality Analysis.

By the end of 2017, we had completed our first Materiality Analysis process in order to identify the most relevant topics for Spotify regarding environmental, social and governmental aspects, and thereafter select what is important for us to communicate in our Sustainability Report.

To do that, we analyzed relevant sustainability reporting frameworks, articles and news regarding

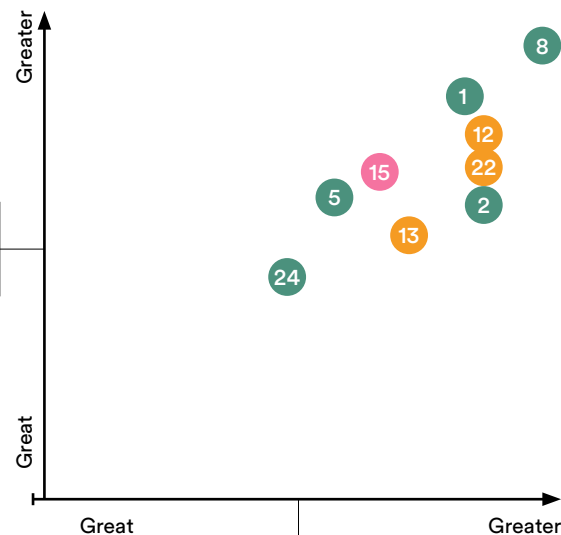
the impacts of our technology and the IT sector. We involved a cross-functional team at Spotify and also looked at our main peers to understand what types of topics are relevant for a company like us. We conducted an employee survey in Sweden to capture what our employees think of Spotify's sustainability engagement and what we should include in this Report.

Based on that analysis, we had our first Materiality Workshop with the representatives from different functions at Spotify.

We ranked 28 different aspects, and the illustration show the show the nine most material ones, including anti-corruption, which is a legal requirement.

Stakeholders' need for information:

This scale is based on what we perceive as important to potential readers of the report; what the readers would expect us to report on.



Relative impact:

Topics where we at Spotify think we could have a high impact as a result of our business and operations

Materiality assessment results

Material aspects

| | | |
|---------------|----|---|
| Our People | 12 | Diversity, equality and inclusion in the workforce |
| | 13 | Non-discrimination policies |
| | 22 | Implementation and communication of corporate values and ethics |
| Our Practices | 1 | Emissions of greenhouse gases |
| | 2 | Energy use and efficiency |
| | 5 | Waste disposal, including discarded hardware |
| | 8 | Protection of data privacy |
| | 24 | Anti-corruption |
| Our Platform | 15 | Content responsibility |

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About this Report.

This is Spotify AB's first Sustainability Report and refers to the financial year 2017. The report is based on the requirements in the Swedish Annual Accounts Act (implementing EU Directive 2014/95 regarding disclosure of non-financial information) and the reporting principles of the GRI Standards. While this report is not fully in accordance with the GRI standards, we do refer to certain GRI standards when reporting certain information.

The Sustainability Report covers the parent company, Spotify AB (corporate ID no. 556703-7485), and all subsidiaries as per note 18 of the Spotify AB annual financial statements, unless otherwise noted in this report. In signing the annual financial statements, the Board of Directors has also approved the Sustainability Report.

People data

The information on our people refers to permanent employees per year end 2017. In addition to our permanent headcount of 3,431, we had almost 60 people on fixed term or intern/student contracts, and about 460 consultants working at Spotify in December 2017.

With regard to gender, we ask employees to identify themselves as male, female or non-binary. Employees are also given the option of not responding. For about 4% of our people, we do not have any data on their gender, and as such, they were excluded from the gender distribution on page 12. Less than 0.2% have identified themselves as non-binary. Our reporting is based on data for male/female employees.

We report our performance regarding diversity and inclusion with reference to Disclosure 405-1 from GRI 405: Diversity and Equal Opportunity 2016.

Environmental data

Environmental data has been collected and consolidated for the first time in 2017. We do not have complete data for all Spotify activities and locations at this time, but will continue developing the data collection process going forward.

For energy and waste data we have faced some limitations to gathering data from all countries. Therefore, we report office energy consumption based on two offices in Sweden, which in terms of employees represents approximately 35% of total employees in Spotify. We have also consolidated energy consumption for seven data centers we work with. For the amount of e-waste collected and recycled, we considered data from Sweden and US. We have also collected energy data for the physical data centers that we have phased out during 2017. We were not able to obtain data for energy use in the Google data centers. For business travel, we have received data on air travel from our travel agent for all trips booked via them, which we believe makes up the vast majority of all our travel.

In order to report emissions of greenhouse gases, we have applied the latest available national emission factors for electricity (offices and data centers) from the International Energy Agency (IEA). Where the electricity used is reported as renewable, we have

assumed zero greenhouse gas emissions. For district heating and cooling, we have obtained emission factors from local utility companies. For air travel, we have used standardized emission factors from the 2017 "UK Government GHG Conversion Factors for Company Reporting".

We report environmental data with reference to Disclosure 302-1 and 302-2 from GRI 302: Energy 2016, Disclosure 305-2, 305-3, and 305-4 from GRI 305: Emissions 2016.

Other data

We do not currently have any performance data regarding content responsibility, but report on our policies and activities. For data privacy we track and report the number of user access requests, and register and react to any substantiated complaints made by regulatory authorities regarding breaches of customer privacy. Similarly, for anti-corruption we monitor and report confirmed incidents of corruption or bribery that has come to our attention through existing reporting channels.

We report our performance with reference to Disclosure 418-1 from GRI 418: Customer Privacy 2016.

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Statutory sustainability reporting

This sustainability report has been prepared to comply with the Swedish Annual Accounts Act, as well as other stakeholder expectations on sustainability information. In the table below we indicate how we have complied with the legislation and where in the report the information may be found.

| LEGISLATIVE REQUIREMENTS | SPOTIFY RESPONSE | SECTION IN REPORT |
|-------------------------------|---|--|
| Business Model | Key aspects of the Spotify business model are described in the report | <ul style="list-style-type: none"> • This Is Spotify |
| Risks | <p>We report on our most material impacts with respect to the areas mentioned in the legislation:</p> <ul style="list-style-type: none"> • Environment – energy use, greenhouse gases, waste generation/recycling • Employees – diversity, equality and inclusion, non-discrimination, implementation and communication of corporate values and ethics • Social matters – content responsibility • Human rights – data privacy • Anti-corruption – anti-corruption <p>We consider these impacts to correspond with the most significant risks for Spotify and/or stakeholders. We have addressed how we manage these impacts/risks throughout the report.</p> | <ul style="list-style-type: none"> • For Our People • With Our Practices • Through Our Platform |
| Policies | <p>We have policies (or position on/management approach) in place for most of the areas and impacts/risks mentioned above.</p> <p>With regard to our environmental impact we are in the process of developing a more coherent strategy, and do not as yet have any formal policies in place.</p> <p>Our priorities and activities in each area are reported in relevant sections of the report.</p> | <ul style="list-style-type: none"> • For Our People • With Our Practices • Through Our Platform |
| Performance indicators | <p>We report measures of performance for each impact/risk mentioned above, where relevant and data is available.</p> <p>The performance indicators are reported in each section of the report, and details on data collection procedures are presented in the notes section.</p> | <ul style="list-style-type: none"> • For Our People • With Our Practices • Through Our Platform • Reporting Principles and Notes To the Report |

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Auditor's report on the statutory sustainability report.

To Spotify AB, corporate identity no. 556703-7485

Responsibilities of the Board of Directors

The Board of Directors is responsible for the statutory sustainability report on pages 1–28 for financial year 2017 and that it has been prepared in accordance with the Swedish Annual Accounts Act.

Scope of the examination

Our examination of the statutory sustainability report has been conducted in accordance with FAR's auditing standard RevR 12 *Auditor's report on the statutory*

sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion

Opinion

A statutory sustainability report has been prepared.

Stockholm, June 12, 2018

Ernst & Young AB



Hamish Mabon

Authorised Public Accountant

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Contact

In case of questions about this report, please contact sustainability@spotify.com. Spotify's financial data and main policies, such as Code of Conduct and Ethics, are available on our investor website <https://investors.spotify.com>

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