

Equity and Impact Report 2021



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Introduction

At Spotify, we're driven by our enduring mission to unlock the potential of human creativity by giving a million creators the opportunity to live off their art and billions of fans the opportunity to enjoy and be inspired by it. As history has shown time and again, creativity – art, music and human expression – flourishes when society does. These things go hand in hand.

That's why a healthy Earth and an empowered population are absolutely crucial to our mission and central to our values at Spotify. We're committed to driving equity across every layer of our business – from our employees to our platform and, to the extent we can, to our broader industry. We strive to make Spotify a place where all are welcome, where individuality is celebrated and where all voices are heard. These values – and, importantly, the actions behind them – speak to the type of company we want to be.

As our company presence and influence grows, so too does our responsibility – we believe we owe it to our listeners, creators and employees to strive for a better future together. We stand proudly committed to advancing environmental and social change – and playing a positive role in the global ecosystem.

So, without further ado, welcome to Spotify's fifth annual **Equity & Impact Report**, referring to work we performed in the financial year 2021. This year's report focuses on four priority areas where we have invested most heavily in the past year – Climate Action; Diversity, Inclusion & Belonging; Mental Health; and Civic Engagement. Read on to learn more about our response to some of today's most pressing challenges and some of the greatest opportunities for our organization to drive positive impact.





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Climate Action

The consequences of the climate crisis are growing by the day, and we all must work to be part of the solution. One of the most urgent areas here is working to decrease greenhouse gas emissions, which is now an ongoing and integrated part of our everyday business. Using Spotify's unique global reach, we strive to create positive changes in our own business and inspire people around the world to take action on the climate crisis.

Diversity, Inclusion & Belonging

At Spotify, we believe this world is big enough for all of our voices. That's why we're working to shape a society and culture, centered on justice and equity, that is welcoming of people of all backgrounds and identities. With the power of our platform and brand, we hope to build trust, community and real change. We don't simply want to reflect the world around us; we want to be a part of building its future.

Mental Health

We're only as good as we're feeling – and mental wellness is at the core of our overall well-being. We aim to raise awareness and remove stigma, provide proactive self-care and professional support and normalize the conversation surrounding mental health for our employees and listeners. We believe that sharing heals - by talking about mental health and being open about our experiences, we can create a culture where no one suffers in silence.

Civic & Community Engagement

As a global brand, we know that our actions and decisions impact the world, our industry and our listeners every single day. It's a responsibility we don't take lightly. We believe that civic and community engagement are critical to enabling healthy communities around the world. From encouraging our listeners to vote in local elections, to making it easier to access accurate information about the COVID-19 vaccines, to encouraging our band members to donate to causes they care about, we're empowering the communities we touch to grow and thrive.

Spotify in Numbers



Number of subscribers: **180 Million**





Spotify is available in: **184 Markets**



Number of tracks: 82 Million

Number of podcast titles: **3.6 Million**



Number of Monthly Active Users: **406 Million**

Figures are as of December 31, 2021 unless otherwise noted

Our Business Model

Spotify exists to connect creators with fans and empower them to live off their art. We aim to do this by providing the industry's best resources, features and monetization tools to help creators boost revenue, reach more fans and connect with more advertisers. And we aim to give our listeners the best experience – simple, seamless and personalized.

Our mission is to unlock the potential of human creativity by giving a million creative artists the opportunity to live off their art and billions of fans the opportunity to enjoy and be inspired by these creators.



Connecting creators and fans is part of both the foundation and future of our business. Spotify works to deliver these connections across both the ad supported and Premium subscription packages for individuals, families and couples living under one roof; and through standalone app experiences for different listening needs, such as Spotify for Kids. We've also been hyper-focused on building tools and services, like Anchor, that provide opportunities for creators to grow their fanbases.

Throughout it all, our 7,146 band members are driven by our five core values. Always and in everything we do, we strive to be:



How We Create Value

Spotify remains the largest contributor to global music industry revenues of all music streaming services. It's our job to help connect creators and fans and inspire one another in safe, positive and engaging ways.

Benefits for Creators

We've been hyper-focused on building tools and services that provide opportunities for creators to grow their fanbases. We're building the pathways to success for the streaming era, investing extensively in this space.

As of December 31, 2021, there are now over 11 million creators on Spotify, and our listeners are engaging with an increasingly diverse set of artists.

Benefits for Fans

Our goal is to make it easy for fans to access their favorite audio content anytime, anywhere, while also giving them a personalized experience that makes it easier to discover new content and connect with creators.

A Platform for Everyone

Every day, our teams work on finding innovative ways to make Spotify more inclusive and accessible for all. From amplifying the voices of historically marginalized and underrepresented creators to introducing new features on our platform that address the needs of disabled listeners, we strive to cultivate Spotify as a hub where anyone and everyone can explore, listen and be heard.



Privacy

With technology evolving around us every day, data and user privacy is, and always will be, a key priority at Spotify. We are committed to providing a platform that is not only for everyone, but also protects listeners' privacy and security and empowers them to exercise their privacy rights.



A Message from Our CEO

We have long said we want Spotify to entertain, inspire and educate. To be a place for the world's voices to gather, and to be heard. A place for allowing conversation and sparking thought, and doing so in a way that balances creative expression with the safety of our listeners.

We are focused on delivering an engaging experience for all who use our platform and to protect the planet we all call home. Some of these efforts are detailed here, in our 2021 Equity & Impact Report.

So, what do equity and impact mean to Spotify? Equity is the fair treatment of all Spotifiers, listeners and creators. When it comes to impact, it's about showing up for people and the planet – using our platform to drive meaningful change where it matters most.

As always, our work here is not done. But it is certainly underway. We look forward to moving forward, toward our goals, and achieving our mission of 50 million creators and a billion listeners and fans, together.

Daniel Ek, Chief Executive Officer

Our E&I Progress

In 2021, Spotify brought together three critical groups – Diversity, Inclusion & Belonging (DIB), Sustainability and Social Impact – as one central team under the Equity & Impact (E&I) name.

Our mission is to drive awareness, advocacy and action on the most pressing global issues to **create positive impact in communities, the audio industry and the planet**. We believe in building an equitable future for our band members while uplifting the communities in which we do business, driving sustainability and building a global philanthropic effort that supports our values. We expect all of us to take responsibility for our impact on others, building productive relationships across teams, disciplines and backgrounds where all are heard and feel respected.

As a global company, we are uniquely positioned to influence real change, both within Spotify and in the world at large. Our platform reaches hundreds of millions of fans each day, and we recognize the opportunity – and responsibility – that gives us. As we work to reduce our own climate impact and focus on our social impact, we have the power to influence outcomes in a meaningful way. At Spotify, we work to bring together technology and art to solve the challenges confronting our workforce, society and planet.

In 2021, we made great strides toward creating a more equitable business for our band members, users, creators and partners. We got there by tapping into an approach that is central to equity and social impact – leading with empathy. That means making a real effort to understand one another – to recognize each other thoroughly and thoughtfully. When leading with empathy, we create spaces for the most marginalized to feel seen, safe and celebrated. Progress for one group does not need to come at the expense of others.

Our E&I progress in the past year includes the following notable efforts:

- Implemented a new Inclusive Hiring Strategy in the U.S. as well as the 5-Star Strategy, formulated by our Racial Equity Coalition, which you can read more about on <u>page 30</u> of this report.
- Committed to achieve net zero GHG emissions within the next decade.
- Donated to over 3,000 organizations through our philanthropic giving programs.
- Donated to Global Citizen's <u>Vax Live</u> event, to both the World Health Organization and COVAX to increase vaccine equity.
- Expanded the Diversity, Inclusion & Belonging team to encompass DIB Strategy Specialists,

Early Career Pipeline, Heart & Soul (our Mental Health program), Inclusive Hiring and Social Media & Digital Storytelling teams.

- Advocated to make Juneteenth an official Federal holiday in the U.S.
- Launched Cultural Moments campaigns on our platform to celebrate the milestones and contributions of various underrepresented groups, including LGBTQIA+ Pride Month, Black History Month and International Women's Day.



We have an intentional focus on the needs of the most historically marginalized communities to foster a sense of belonging for every individual. We will continue to expand our relationships with strategic partners globally and involve band members and creators from around the world to support our work, building a deeper sense of community and belonging for employees from all backgrounds.

We believe in the power of our people, their stories and the impact we have as a platform to imagine and deliver a sustainable future that is welcoming for all people.

Thank you for tuning into Spotify's Equity & Impact efforts.

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Elizabeth Nieto, Global Head Equity & Impact

Climate Action

The climate crisis is one of the most pressing issues of our time. It's something that affects us all, no matter where you are or what you listen to. We must all work to be part of the solution so that our people and planet can continue to thrive for generations to come.

We recognize our unique opportunity to raise awareness of the climate crisis through the global reach of our platform, and we're dedicated to amplifying reliable climate change content that drives education and inspires action. We're also working to be part of the solution by lowering our own greenhouse gas (GHG) emissions, methodically reviewing our environmental impact and using our findings to set tangible GHG emissions reduction goals. To facilitate this process, we have attempted to map identifiable GHG emissions connected to our business. For further information, see the Environmental section below. From there, we're identifying where we need to focus our efforts to make an impactful, long-lasting difference for our planet.

In 2021, we made progress toward this aspiration, most notably through an ambitious pledge to reach net zero GHG emissions within the next decade. We recognize that collaboration is critical to addressing the climate crisis, so we've continued our progress toward truly "green" streaming by expanding our work with suppliers who align with our sustainability goals and share our devotion to reducing our collective impact through disruptive innovation. We've also amplified more voices and created easy access to climate change information through our Climate Action hub and dedicated Climate Action Studio.





Our Journey to Net Zero

Reducing GHG emissions can't be something we do on the side - it has to be integrated into our everyday business. Urgent climate action needs to happen right now. To turn up our ambition to address the climate crisis, we have pledged to reach net zero GHG emissions within the next decade.

We're just at the beginning of our journey, but our end goal - and our roadmap - are set in sight. In 2021, we joined the Exponential Roadmap Initiative, a network of scientists, innovative companies, and NGOs committed to exponentially reducing GHG emissions, educating and inspiring others to do the same, and engaging with the wider community to push the climate action agenda forward. We also joined the United Nations' Race To Zero, the largest ever alliance committed to achieving net zero GHG emissions by 2050 at the latest.

Inspired by the Exponential Roadmap's 1.5°C Business Playbook, we focus on the four pillars that serve as our guide for our own path to net zero. These pillars identify the focuses that need to be prioritized within our climate strategy.

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Spotify strives to be part of the solution and take our responsibility to act urgently and decisively on climate change, both in terms of getting our own operations to net zero emissions as well as inspiring and supporting climate engagement and action among our creators and listeners."

Gustav Söderström Spotify's Chief R&D Officer and Executive Climate Champion





The first pillar focuses on the company's activities to reduce our own GHG emissions: these will include reduction efforts for energy and electricity consumption in our workplaces. The second pillar focuses on the company's activities to reduce our value chain's GHG emissions generated from office infrastructure and hardware, cloud storage and usage, and end-use streaming. The third pillar will



Inspiring our band members

Following our pledge to reach net zero GHG emissions, we created a Climate Champions Network. Our Climate Champions representatives across all of our business areas will inspire our band members and promote action around our climate commitments. They're the drivers for sustainable change within their respective domains to embed our sustainability efforts across Spotify.

address the alignment of the company's vision, strategy, value proposition, products, and services with the net zero pathway. The fourth pillar focuses on efforts to influence climate action in the society. It contributes to the net zero ambition beyond our own business. We're currently working on finalizing our climate strategy and will share more updates on this later on.



Our Environmental Impact

As Spotify grows, so does our responsibility to track, share and reduce how our business affects the planet. By understanding our sources for GHG emissions and environmental impact, we can set goals, prioritize actions and work effectively to reduce emissions in order to reach our net zero target.

As a streaming service, our impact on the climate isn't always obvious, but ultimately, our business is grounded in the physical world, in our office spaces, our suppliers' data centers and our listeners' devices.

We've measured our Scope 1, 2, and 3 GHG emissions from our value chain following the guidance from the Greenhouse Gas Protocol. Our Scope 1 and 2 GHG emissions represent less than 1% of our total GHG emissions and come from direct fuel combustion such as natural gas from our owned offices and purchased electricity. Even though our Scope 1 and 2 GHG emissions only account for a small part of our total GHG emissions, we're keeping close tabs on them as they are within our direct control. The residual GHG emissions from our operations in 2021 that couldn't be eliminated will be counterbalanced by investing in third-party carbon removal and avoidance projects during 2022.

Scope 3 represents 99% of our total GHG emissions and stem from marketing, end use, goods and services, cloud, and capital goods. While we do not have direct control over the majority of GHG emissions in the Scope 3 category, we're already putting efforts to address our Scope 3 GHG emissions. In 2021, we continued to work together with our partners to improve cloud efficiency, establish stronger procurement around environmental aspects for our suppliers, and investigate the emissions from audio streaming.

Spotify's total GHG emissions in 2021 were 353,054 metric tons of CO2e. Compared to last year, our total GHG emissions increased. We attribute the increase to factors including enhancements to our GHG emissions calculations methodology, growth of our business to new markets, and increased employees and monthly active users. Despite our GHG emissions increase, in 2021, our GHG emissions intensity per employee and per monthly active user has remained stable. At Spotify, it is our priority to find the best solutions to lower our environmental impact, and we will keep addressing them in our net zero commitment as well as exploring additional opportunities to accelerate the reductions.



Our GHG emissions intensity per employee and monthly active user decreased by around **25%** from 2019 to 2020, and it has remained stable from 2020 to 2021.

Enhancing our methodology

In 2021, we enhanced our GHG emissions calculations methodology and recalculated our historic emissions data for 2019 and 2020. We added more granularity in our business travel and cloud usage data points. We also included app downloads to our end use data calculation. More on our updated methodology can be found on page 79.



Spotify's 2021 GHG Emissions



*For Spotify's year over year GHG emissions breakdown, see page 79

Making workplaces better

Reducing our GHG emissions is our priority, and we've taken actions to reduce our environmental impact in the workplace. We have offices in 45 cities around the globe, and we're integrating sustainability into how we design, remodel and run our offices and are constantly looking for ways to operate more efficiently and sustainably.

Scope 1	<1%
Scope 2	<1%
Scope 3	99%

Scope 1 Natural gas	<1%	
Scope 2		
Electricity	<1%	
Scope 3		
Marketing	28%	
End Use	23%	
Goods and Services	19%	
Offices	14%	
Cloud Use	13%	
Employees	3%	
Travel	<1%	

To lower GHG emissions related to electricity consumption in this area, we're striving to run our offices on 100% renewable electricity, and in markets where this isn't possible, purchase Energy Attribute Certificates to cover our consumption.

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Our Environmental Impact

Smarter spaces for Spotifiers

With the wellbeing of our employees in mind, we're already working hard to use our spaces in the most sustainable, flexible ways. We aim to provide an excellent experience and consistent quality in all our workplaces with these three things in mind.



Site Selection

We've established Sustainable Building @Spotify Guidelines that incorporate resource efficiency considerations such as energy and water into our workplace selection process.

Space Optimization

Using our dynamic space optimization approach, we utilize the space in an optimal way with a more dynamic setup and use of the workplace.

Long-term Design

We incorporate modular furniture, as well as prioritize energy efficiency and climate resiliency strategies into our design process. We also provided clear requirements on furniture selections, highlighting what to recycle and materials to avoid.



We incorporate sustainability considerations, such as whether the buildings are certified by third-party entities such as <u>LEED</u>, <u>Energy Star</u>, or <u>WELL</u>.

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Our dynamic space optimization approach enables us to provide the same experience and service, but with smaller space. These efforts have helped us reduce our square feet of office space per person by 15% from 2020 to 2021, which resulted in more efficient use of space for our band members.

In 2021, we made improvements with our controlled LED lighting and HX lighting systems in some of our offices as part of our work to increase energy efficiency. While our water impact is limited to what we use in our offices, we know that every drop counts. That's why we're investigating ways to optimize our current use by exploring efficient water fixtures, making thoughtful site selections, evaluating landscaping requiring alignment to local ecosystems, and managing our discharge responsibly.

Changing the way we travel

Spotify operates in many markets across the world, which means that travel has been a notable source of GHG emissions for us historically. But COVID-19 forced us to connect and collaborate in new, remote ways. Our employee travel in 2021 continued to decrease. Our GHG emissions from business travel were 3,021 metric tons of CO2e, a 55.9% reduction from 2020.

We're using our Work From Anywhere initiative, which we'll discuss further in the <u>next chapter</u> of this report, along with advancements in technology and our learnings from the pandemic, to create a company-wide approach to travel that keeps both the well-being of our people and the planet in mind.



Minimizing e-waste

We continued to look for ways to reduce waste across all our offices and decommissioned data centers in 2021. We collected a total of 2,575 units of electronic equipment that had reached the end of their life cycle at Spotify. Of these, 41% 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 some locations, we went above and beyond our previous efforts to minimize waste by tracking progress with general waste and plastic as well as electronic equipment. This information will help us measure our progress in future years.

We've also joined a new partnership to perform collection and recycling services for all of our sites across the globe, making it easier for all regions of Spotify to treat e-waste in the same way.



Our Environmental Impact

Scaling impact through partnerships

We recognize that collaboration with our suppliers, partners, creators, and listeners is key to lowering negative climate impact.

Like many, we rely on cloud providers, co-location data centers, and a global Content Delivery Network (CDN) to deliver content. We factor environmental considerations into our cloud and data center infrastructure selection strategy. prioritizing providers that rely on clean energy sources and partnering with them to optimize data storage. Our suppliers' data centers are based in different locations across the globe. The availability of renewable energy varies across regions, but our suppliers also work to put more renewable energy

on the local grid through projects such as new solar and offshore wind power deals.

Right now, the industry is still lacking information on the climate impact of streaming. We need to understand and map out this impact based on device distribution, cloud energy consumption, and many other parameters in order to reduce it. We're proactively investigating GHG emissions generated by our listeners, including data traffic for streaming content on Spotify, downloads of our app, and power supply of the devices used to listen, with devices accounting for the majority of GHG emissions. We're looking into partnerships in this part of our value chain to collaborate on reducing these GHG emissions, as this is an area further away from our direct control.

Collaborative research initiative on streaming

Spotify joined <u>DIMPACT</u>, a collaboration between the University of Bristol and media companies around the world, to measure GHG emissions associated with delivering digital content, from data centers, CDNs, and network infrastructure to end-user devices - what we call our digital service architecture.

We're excited to participate in this industry research to gain a greater understanding of the climate impact across all of these elements and use that data as a baseline to reduce our climate impact. We expect the results of this research to be shared in 2022, so stay tuned!

Digital Service Architecture:



Audio for Good

As a global platform with more than 406 million monthly active users, we have an important role to play in educating our listeners and encouraging action on climate change.

We're using our platform to raise awareness of the climate crisis globally and inspire positive action. We also partner with climate organizations and scientists to help give our listeners accurate information and amplifying more voices. In 2021, we continued to use our platform for good, raising global awareness of the key challenges facing our climate and creating engagement around solutions to drive meaningful and systemic change.

Climate Action hub

Leading up to Earth Day 2021, we created a Climate Action hub on our platform where listeners could find a curated set of podcasts on climate change. The dedicated thematic Climate Action hub is part of our larger Play Your Part (PYP) initiative, which is a podcast editorial-led community hub for Spotify users to hear inspiring and informed voices on pressing societal issues. To commemorate the annual United Nations Conference of the Parties 26 in Glasgow (COP26), we updated our Climate Action hub with content to help listeners navigate, learn more, and be inspired to take action in the fight against the climate crisis.

Within the Climate Action hub, our listeners can learn directly from environmental activists on how they use their voice to make a difference and explore our Spotify Original podcasts, including How to Save a Planet. They could also discover how to make an impact individually or collectively to help save our planet and discover the intersection of racial, gender and economic equality when it comes to environmentalism. For users looking to learn more about the technical components of climate change, we recommended a number of podcasts featuring scientists and experts who explore the biggest challenges facing our planet.

Spotify Climate Action Studio

During COP26, we leveraged our platform to make the discussion in Glasgow more accessible and intersectional, across our global audience of users. We hosted interviews and live-streamed conversations in Spotify Greenroom, our new social audio app. Our ambition was to make the conference more inclusive and provide listeners, especially younger ones, with the opportunity to add comments and questions as well as get backstage access to COP26, even if they did not attend in person. Simultaneously, we aimed to support scientists, organizations, and activists to reach a broader audience and drive greater impact. We wanted to transform climate content into something accessible and understandable through creative storytelling. Looking at the engagement we got from COP26, Spotify Climate Action Studio will live beyond this conference. More to come in 2022!

Diversity, Inclusion & Belonging

Diversity, Inclusion & Belonging (DIB) has always been at the center of our business at Spotify.

2021 was the year of solidifying how we think about equity and inclusion — being more thoughtful about how we leverage our resources, being proactive about the way we represent our people and users, and being conscientious about how we show up in communities.





We want our band members, listeners and artists to feel a strong sense of belonging, regardless of how they identify. That's why we introduced our new Diversity, Inclusion & Belonging strategy in 2021, grounded in three pillars:

- We believe accelerating **diversity** is not only about hiring; it's also an opportunity to develop and retain the diverse talent we already have within the organization — at all levels — as well as invest in a new generation of audio creators and tech professionals from all backgrounds.
- We lead with empathy and are always looking for ways to infuse **inclusion** into our culture, whether that's changing the way we work, designing our platform to be accessible for all, or amplifying content from underrepresented creators.
- We don't just want to foster a sense of **belonging** in our company culture we want to amplify it across the world. We're working on ways to do this on our platform and in our communities, including advocating for positive policy changes that tackle inequity.

In 2021, we made significant strides to further immerse Diversity, Inclusion & Belonging within Spotify, on the Spotify platform, and beyond **Spotify** throughout our industry. In our own hallways, we introduced a comprehensive inclusive hiring strategy to cement diversity at the forefront of our recruitment and worked toward building a more representative workforce. On our platform, we amplified the voices of global communities with content hubs featuring underrepresented and marginalized creators. To create larger, industry-wide change, we donated to various causes through our philanthropic giving programs predominantly to organizations dedicated to inspiring, connecting, and elevating the next generation of diverse voices and creators.

Diversity, Inclusion, & Belonging is embedded in everything we do. It is how we show up in the world to represent people, their stories, and their experiences — not just because it's the right thing to do, but because it's our responsibility to do right by our billions of fans, millions of creators and thousands of band members who work to make it all happen. By advancing a diverse and inclusive culture where everyone can belong, we can better unlock the potential of human creativity, with equity and impact as the outcomes.



Within Spotify

Our commitment to upholding diversity starts in our hallways — both physical and virtual. We're increasing our efforts to retain the wide mix of identities represented among our band members and provide them with the tools for growth to more senior-level positions. We've also launched our Inclusive Hiring Talent Acquisition Strategy, built out existing and created new early career pipeline programs, and made progress toward our employee demographic goals.

Workforce representation

Our platform is for everyone, and so is our workplace. The more voices we have represented and amplified in our business, the more we will all contribute, thrive, and be brilliant. We have an intention and commitment to advance representation and bring in different perspectives at Spotify. We're working to make sure our people reflect the diversity of our listeners, and this starts with being transparent with our data.

Workforce demographics

Our ambition is to have greater representation relevant to the consumers, creators, and communities we work with across the globe. A major focus area for us in 2021 has been expanding our data collection, as well as being deliberate about the way we leverage data to make decisions within the business and advance measurable progress. By reviewing data on employee demographics, we're able to gain critical insights that inform our DIB strategy. Demographic data is collected via voluntary employee self-identification in Workday, our employee engagement platform, and includes age, gender, nationality, race/ ethnicity, religion, and military status (where such information gathering is allowed under local laws).

Based on employee demographics in the U.S., which make up 52% of Spotify's workforce, we've set an aspirational goal to increase our Black employee representation to 14% by the end of 2023, emphasizing director-level roles and above. Achieve **14%** of Black employee representation in the US by the end of 2023.

This figure was developed with a determination to surpass the Black representation delineated in the latest U.S. Census. We believe that we must have greater representation in our hiring and leadership ranks because of the deep representation in our consumer and creator population the contributions of Black creators and the consumption of their art by all individuals globally require a greater responsibility in our workforce. To reach this goal, we implemented strategic hiring initiatives that earmark Black professionals and emerging talent, and we're working to create and expand programs such as Behind the Mic that support underrepresented groups in their pursuit of careers in podcasting production. We also launched a new partnership with the Executive Leadership Council focused on Black employee development programs.

We're doubling down our efforts to retain Black band members and provide them with tools for career growth. In 2021, we launched the BLK Ezra personal coaching and workforce development conference initiative, and we recently expanded our Diversity, Inclusion, & Belonging team to have the right people in place to further our mission of supporting Black band members. At the end of 2021, Black representation made up 8.8% of our band members in the U.S, up from 8.1% in 2020 and 6.3% in 2019.

Workforce By Gender (Global)



*Native American includes American Indian, Alaska Natives, Native Hawaiian and other Pacific Islanders as categorized by U.S. government reporting standards.

Robust data collection and analysis will support us as we continue to grow in our journey; it enables us to refine and assess our Diversity, Inclusion & Belonging strategy to look for goals and opportunities that advance equity and inclusion in our workplace and across social identities. We've started a self-identification initiative for ethnicity data in the U.K. and Brazil, and are expanding to other regions as well — where allowed under local laws — to create a holistic view of our workforce diversity makeup. Notably, we intend to introduce self-identification questions for disability inclusion into Workday and job applications on our <u>Life at Spotify</u> career site to enable us to understand our current workforce representation for people with disabilities and identify opportunities to increase and improve the experience in 2022.

Our 5-Star Strategy for racial equity

As a company, we're collaborating across continents to drive systemic change for racial equity. In response to the trauma, injustices, and pain experienced by the Black community, we accelerated our roadmap and implemented a 5-Star Strategy with BLK, our Employee Resource Group for Black band members, to advance our racial equity and anti-racism efforts, both internally and on our platform. We developed the Racial Equity Coalition as a cross-functional group of leaders that oversees the execution of our 5-Star Strategy. As this group evolves, it will continue to focus on accountability to our commitments around racial equity.



In the last year and a half, our 5-Star Strategy has helped make a holistic and lasting impact at Spotify through our focus on People, Donations & Fundraising, Policy, Content and Spotify Culture.



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We know the work of greater racial equity requires all of us to be informed, educated, and apply learnings in our behaviors and decisions. With the Racial Equity Coalition, we have a cross-functional team of leaders that are dedicated to the implementation and progression of our work in an intentional and meaningful way. "

Travis Robinson Head of Diversity, Inclusion and Belonging

DIB Tools

We recognize that transparency about the opportunities available to Spotifiers is essential to creating a culture of Diversity, Inclusion, & Belonging. Likewise, transparency around our workforce demographics is crucial to promoting that culture. That's why we've given access to our internal talent marketplace and employee demographic reporting tool to our band members around the world – they deserve to know how diverse Spotify is and what opportunities exist to further develop their careers.

Echo

Echo is our newly-launched Internal Talent Marketplace. Grounded in AI technology, Echo helps match our talent with growth opportunities based on their skills, experience and development goals. It enables band leaders, project owners and mentors to expand hiring beyond traditional backgrounds, meet other band members (who might not have met otherwise), and work with talent from all over the world. In a distributedfirst culture, Echo continues to drive forward the career development and growth of all Spotifiers and fill important talent gaps. Having an internal talent marketplace means being able to offer varied development opportunities to all band members, regardless of the groups they identify with, which is why the creation of Echo is paramount to our approach to Diversity, Inclusion, & Belonging. We designed Echo as an environment where everyone can thrive, be seen, and access opportunities from wherever in the world they are. We will continue to leverage this technology to remove biases and make sure that opportunities are inclusive for all.

Echo went live on October 1, 2021

3,459

Registered band members as of December 14, 2021 **1,176**

opportunities

Mentorship assignments

67

26 Active

project roles

Disco

Disco, our data-driven talent management tool, shows a breakdown of employee demographics where allowed under local laws. For example, our U.S. Disco platform includes race, ethnicity, gender, tenure, age, and time enrolled. Updated in real time and accessible by all employees, Disco helps Spotify's band leaders identify opportunities for growth and improvement in representation. Launched in 2021, this innovative tool provides a high level of transparency with our band members by serving as the go-to place for Spotifiers to discover all our people-related data. We've also widened the team offering to include complex analysis projects on key people-related challenges.

Inclusive Hiring

Diversity without inclusion practices can actually hurt productivity; it can result in higher attrition rates, poorer performance, lower engagement and worse interpersonal relationships. That's why we're educating ourselves and adopting more inclusive hiring practices so that we can reap the benefits of diversity without the potential pitfalls that it can bring. Our Inclusive Hiring team is the driving force behind our efforts to accelerate representation. They work with our hiring band leaders around the world to provide everything they need to attract and hire diverse talent.

To build on our commitments made in 2020 around social justice and the representation of Black band members within Spotify, we introduced a new inclusive hiring strategy in the U.S. for 2021. This strategy prioritizes the retention and development of underrepresented groups, specifically focusing on Black band members.



Our inclusive hiring strategy centers on four goals:

- Aligning our understanding around representation and inclusivity.
- Developing new aspirational hiring goals.
- Implementing new, best of class practices, processes and preparation for inclusive hiring.
- Establishing new tools and resources for recruiters and hiring band leaders.

At Spotify, we have goals and outcomes, not quotas, when it comes to inclusive hiring. As part of our new strategy, we set aspirational hiring goals centered on realistic, achievable steps to help focus our attention, establish accountability and drive change. Our hiring targets are ambitious and customized based on geography and business needs. Likewise, our outcomes prioritize increasing representation from underrepresented groups that will provide tangible benefits for performance, innovation and productivity. Aspirational hiring goals have been instituted across several of our global business areas.

Interview training and support

Recruiting and retaining diverse talent is critical to our ability to sustain a competitive advantage. That is why we've made it a priority to equip our band members, especially our talent-facing teams, with the tools and resources needed to emphasize inclusivity throughout the hiring process.

We developed an inclusive interview training module for interviewers and hiring band leaders. The 16 module series was supported by behavioral change specialists from MindGym, a group dedicated to psychology-based organizational transformation, to provide a foundational knowledge on what inclusive hiring means, the recruitment process (with an emphasis on inclusion) and creating a more inclusive selection process. Most importantly, these trainings are available 24/7 to help bridge the gap in inclusive hiring, any time and anywhere.

In the last year, we also introduced Inclusive Hiring Talks in the U.S. to address racial issues and engage in conversations around what it means to be a Spotifier in the U.S. With a focus on aligning people on shared experiences, Inclusive Hiring Talks help us understand why inclusivity is important and why all candidates are worthy of consideration.



Hiring Tools & Resources





Unbiasify

We utilize Unbiasify to mitigate bias and enable blind resume reviews. This computer extension tool hides names and profile photos on social networks so our hiring managers can focus on what actually matters, helping increase representation in our pipeline. Inclusive hiring repository and toolkit

To create a more inclusive recruiting process, we've created a number of tools to provide our recruiters and hiring managers with guidance and resources that strengthens their ability to onboard quality talent by identifying skill and potential, while mitigating unconscious biases.

Rethinking our internal Diversity, Inclusion & Belonging strategy inspired a reimagined way to communicate that strategy externally, leading to the creation of our new careers site, <u>Life at Spotify</u>. Our goal was to develop engaging content that truly highlights life at Spotify – our people, our culture, our product, our pursuits, and the voices of our diverse communities. We transformed our careers site into a true resource and platform to showcase our thought leadership and work in the Equity & Impact space. Life at Spotify goes beyond job listings to tell the full spectrum story of being a Spotifier.



Textio

The Textio tool helps us craft job descriptions and messaging, with a focus on improving the inclusivity of communication.



Entelo

Entelo helps identify job applicants from different demographic groups to increase representation in our pipeline, allowing us to leverage data to change job listing messaging if needed.

To further build on this transformation, we increased our efforts and changed the name of our Life at Spotify: The Podcast, hosted by one of our band members from our GreenHouse Learning & Development team in Singapore. In the series, Sequeira speaks with Spotify band members from around the world about the moments and innovations that have helped them thrive, including an unexpected career move, a hilarious stumble on the way to creating the next big Spotify thing, or a groundbreaking culture initiative that affects our people like never before.

Early Career Pipeline

We strive to attract top-notch talent with a focus on access, diversity, equity and inclusion (DEI). We position ourselves as an employer of choice by exposing and engaging talent with our brand, culture, and exciting work. Early career pipeline programs serve as a strategic tool for all Spotify Business and Global Units, identifying and hiring cutting-edge students, recent graduates, and newly-skilled professionals to launch and develop their careers with Spotify.

- Summer Internship Program: This is our largest program offering applicants a huge range of opportunities across our business and technical teams, as well as the chance to make a direct impact on how the world consumes audio. In 2021, we hired 167 individuals for the global virtual summer internship program with 26% of those eligible converted to full-time.
- Financial Analyst Rotational (FAR) Program: This program aims to develop a diverse cohort of recent graduates into finance professionals through an immersive 24-month rotation program with four six-month rotations in our Internal Audit, Treasury, Accounting, and Financial Planning & Analysis teams.
- Rotational Product Manager (RPM) program: Through the one year Rotational Product Management program in Europe, aspiring product managers go through three rotations across our business, gaining experience in real projects to become future product leaders with us.
- Aspiring Marketing Professionals Rotational Program: The Spotify AMP Rotational Program is a unique, once-a-year opportunity for diverse emerging talent focused on marketing in Spotify's Freemium Business organizations. Since its inception, we've had nine band members participate in the two-year program, from which six have graduated and three are currently in their rotation. To date, we've retained 83% of AMP Associates.

- Technology Fellowship Program: Each year, the Tech Fellowship Program focuses on hiring candidates who are either self-taught, attended a coding bootcamp or have degrees from community colleges not usually reflected in traditional talent pipelines. We've hired a total of 39 fellows since 2016 and have converted 37, an approximately 95% conversion rate.
- Opening Act: The Opening Act Innovation Challenge enables Spotify to hear from creative and innovative students attending Historic Black College & Universities (HBCU) and Hispanic Serving Institutes (HSI). Each year, we invite HBCU and HSI students to submit solutions to identified business challenges at Spotify. Finalists are selected to pitch their solution to our teams, and winners are given an internship spot in our Global Summer Internship Program to work directly on the solution they presented. Through this program, we've hired 21 interns and 8 have been converted to full-time band members.
- SEO London Partnership: SEO London serves as a strategic partner for all of our Business and Global Units to amplify the diversity of our pipeline by identifying and hiring cutting-edge students, recent graduates, and newly-skilled individuals from underrepresented communities to launch and build their careers with Spotify.



Talent Acquisition Partnerships

We recognize that success is rarely accomplished alone. We engage a number of external partners to support, uplift, and amplify our own efforts to place inclusive hiring at the forefront of our recruitment efforts.

Valuable 500

In 2021, we announced our participation in the <u>Valuable 500</u>, a global network of companies committed to disability inclusion. As part of our membership, we've committed to making sure our platform and workplaces are accessible to Spotifiers, listeners and creators.

Action to Catalyze Tech

We are a founding signatory to the Catalyze Tech initiative through which the <u>Action to Catalyze Tech Report</u> (ACT report) provides tech companies with a rigorous framework of action to accelerate progress toward success in DE&I. The ACT Report recommendations were developed by a cross-industry working group of academics, DE&I experts, think tanks, and tech companies.

Lesbians Who Tech

We are an active sponsor of <u>Lesbians Who Tech</u>, a community of LGBTQIA+ women, non-binary, and transgender individuals working in and around the technology industry.

Jopwell

We engage with <u>Jopwell</u>, a platform dedicated to advancing careers among Black, Latinx, and Native American students and professionals, to help expand our outreach to talent pools that have been historically marginalized.

AFROTECH

ASSOCIATION BLACK JOURN

Raising the Volume conference

RAISING THE VELUME Women and non-binary professionals shaping the future of audio

In September, we hosted Raising the Volume our first Spotify-branded virtual recruiting conference. Raising the Volume is geared towards women and non-binary professionals in audio, media, and technology. This conference was designed to inspire, teach, motivate, and attract talent to Spotify, with the hope that attendees would leave feeling empowered to raise their voices and make bold moves. OF ALISTS



The conference gave over 700 global attendees a taste of Spotify culture and inspired them to see themselves in various careers at Spotify, with the goal of increasing representation of women of all experiences in our workforce. The event included a keynote speech from actress Michaela Jae Rodriguez, a performance by artist Alessia Cara, breakout sessions and lightning talks (quick, informative TED-style keynotes) hosted by members of Spotify's ERGs, networking rooms, and a recruitment hall called, "Join the Band."

The **ACT** Report





JOPWELL

Leading with empathy to create a community of belonging

Our DIB mission is to unlock the potential of human creativity by accelerating a diverse culture where everyone belongs. We're driving accountability and behavioral change to get us there.

Work From Anywhere

Our Work From Anywhere initiative was accelerated in the midst of the COVID-19 pandemic. As we grow and work in more places, Spotify has introduced a focus area for 2025 to become a "distributed first" company, enabling our talent to create value for Spotify independently of where our people work and removing constraints for scaling the platform. In doing so, we need to keep the playing field leveled and further improve how people contribute and collaborate, independently of work location.

Even though we're not all in the same place, we're still committed to meeting the accessibility needs of Spotifiers everywhere, so we provide band members living with disabilities with the equipment that may be needed to conduct their role from anywhere.

Meeting on Equal Ground

We go out of our way to make all meeting participants equal.

At Spotify we advocate for Meeting On Equal Ground. Every participant in a meeting should feel like their input is on equal footing. We know it's hard to track conversations both visually (trying to see who's talking) and audibly (with varying distances from the microphone) for those not in the room. So here are some tips to succeed:

- Maintain your camera on at all times unless there are special circumstances
- If one is distributed, all should use your device's camera to level the playing field
- Make sure everyone is heard and respect virtual 'raised hands'
- Appoint a moderator to help steer the conversation, and a scribe if applicable
- Maintain an active body lanuage emulate a physical environment
- Don't continue discussions with people colocated with you after the meeting be inclusive and set a new one or do it asynchronously!



Employee Resource Groups (ERGs)

Led by our band members and open to all, including our many and numerous allies, our Employee Resource Groups elevate voices that are underrepresented in our industry or historically marginalized. They are places for people to share their experiences, support each other, develop leadership and help the business better understand their needs. Regardless of a Spotifier's identity, all are welcome to join any of our 15 ERGs.



Able, creating an accessible workplace for band members with disabilities



Banda, an inclusive community for Spotify's Latinx band members



Christians, making a positive impact on Spotifiers of faith



Muslims, supporting, empowering, and fostering Muslims and allies



Remix, our broadly diverse community inspiring people to bring their whole selves to work



SPACE, home for those who identify as or support the Asian community



Veterans, fostering an inclusive community for veterans and supporters

The transition to a distributed workforce during COVID-19 has made it more important than ever for Spotify ERGs to create a sense of belonging, connection, and community for our band members. In September 2021, we launched a new ERG strategy focused on intersectionality among groups, a more global perspective for Spotify communities and training and support opportunities for ERG leads.

As part of this new strategy, we've expanded our family of ERGs – we launched Veterans, fostering an inclusive community for military personnel and their spouses, and we began rolling out Remix Groups, which represent all underrepresented and historically marginalized groups at a local level within our smaller offices.



development support for the women of Spotify

Inclusive Benefits

We offer benefits and perks that are inclusive and aligned with our company values - what we like to think of as rewards that make you rock. In addition to standard medical, dental, vision, and retirement plan benefits, we add in global parental leave, flexible public holidays, and other more playful surprises. It's important to create a rewarding, inclusive environment where our people want to stay and where they know they can grow, which is why benefits are extended to every band member, regardless of seniority.

Here's a sample of some of our rocking rewards:

- All the Feels: Actions speak louder than words. Through our All the Feels Employee Assistance Program (EAP), we say and show how deeply embedded mental health support is within our Spotify culture. This includes providing band members therapy coverage and access to free, confidential counseling sessions with a qualified counselor.
- Paid time off for relocation: Moving is stressful enough. At Spotify, the last thing we want our band members to worry about is taking time off of work to move. That's why we provide a day of paid time off to help lighten the load while they relocate.
- Pet insurance: Companion animals are part of the family. We make available a pet insurance plan to help keep your pets happy and healthy.
- Days off for personal milestones: Not just for emergencies or civic obligations but to celebrate the milestones in your life such as your wedding day.
- **Parental leave:** We want our band members to bond with their newest family member to the fullest, so we provide a minimum of six months paid parental leave globally, including for both biological and adoptive new parents.
- Family-forming and expansion: Everyone deserves the chance to become a parent. and our Spotify family hopes to make that a

possibility for all of our band members. We offer family planning benefits, including in vitro fertilization (IVF), egg freezing and adoption services to all band members globally.

Fair pay is more than a benefit at Spotify – it is a crucial component to building equity. We conduct a global pay analysis annually to make certain that our band members are being compensated fairly and equitably. In 2021, we performed our annual pay equity analysis focused on differences between genders globally, as well as ethnicity in the U.S.

Disability Inclusion

In 2021, we formed an Accessibility Group to help provide Spotifiers and our listeners with the resources, tools, and equipment needed to support their disabilities. This has enhanced our efforts to make sure that our platform and workplace are accessible to all.

Spotify is part of the lives of over 406 million people around the world, and we're cognizant that many of our listeners have different access needs. We're continuously making accessibility improvements to our user experience to help our listeners enjoy the songs and podcasts they love more easily. In the past year, we introduced three updates to Spotify on iOS and Android: buttons with increased readability features, options for text resizing, and a beta for podcast transcripts.

We partner with Be My Eyes to enable visuallyimpaired listeners to receive help and support while using our platform. Be My Eyes is a social enterprise that works towards making the world more accessible and inclusive for the 2.2 billion people who are blind, have low vision, or other visual support needs.

We have also updated our career site to make it clearer that we can make accommodations to the process to support candidates with disabilities. We welcome applications from all candidates interested in joining the band, and want to make sure everyone can take part in our recruitment process.

Cultural Competency

Training Learning Journeys

Our Learning Journeys help broaden and streamline Hosted each month, our Inclusion Fikas are our understanding of Diversity, Inclusion, & gatherings relating to Diversity, Inclusion, & Belonging across the organization, with a number of Belonging topics, including cultural observances, training opportunities available to all band members allyship, and representation. These discussions as well as those within specific business areas. Our are open to the company and focus on an band members globally participate in the creation intersectional perspective. of our inclusive environment through the following Learning Journeys: Ezra virtual coaching

- Minus the Bias enables our band members to discover the most effective ways of addressing bias, as well as equipping them with skills to do so.
- Knowing Me, Knowing You allows Spotifiers to define their own identity, understand the importance of psychological safety at work, explore how to connect naturally with others, and learn how to be more mindful of those who are different from us.
- The In-Crowd shares ideas for creating a greater sense of shared identity within Spotify teams, ways to recognize everyone's unique contributions, and practices for creating a sense of belonging.

BLK Workforce Development Conference

Hosted by our BLK ERG, the Workforce Development Conference served as a racial equity and workforce development event. The conference's theme, FRWRD: Navigating The Bounce Back, aimed to highlight the ways in which members of BLK can enhance their well-being while also discussing how their growth is meaningful to the community as we navigate the new normal. The keynote speaker and panel sessions were open to all Spotifiers to learn, engage and be in community with the BLK ERG.

Inclusion Fika

Research suggests that individual professional coaching is one of the most effective methods for behavioral change. We have several customized leadership programs as well as individual growth journeys at Spotify. We needed to find additional solutions for a personalized and scalable approach to development, and we strongly bet on coaching.

This type of professional coaching is less about the individual's career aspirations or addressing an urgent need and more about proactively driving the collective behaviors we need for the future, at scale, with a truly personalized approach. In 2021, we opened this development opportunity to all Spotifiers identified with a coaching need by their band leader.



Inclusive marketing training

It's important that we prioritize inclusive marketing practices when connecting with our listeners and communicating to the world. In 2021, we launched an Inclusive Marketing Training series in the U.S. to educate our teams on issues of representation within marketing and give our colleagues tactics to promote inclusive marketing practices for historically marginalized communities within their daily work. The trainings will be scaling globally in 2022.

The Inclusive Marketing Training served as an introductory workshop reflecting on the implications of race, equity and inclusion for our brand – from the agencies we hire, to the audiences we target, to the briefs we write. This training equips Spotifiers with tools and vocabulary that empower them to be effective agents of change in their day-to-day work.

As a follow up to our Inclusive Marketing Training, we produced a guide that enables team members to think more proactively about inclusive marketing practices. The guiding principles will help team members assess campaigns to confirm that our marketing practices are inclusive by speaking to and elevating historically marginalized communities through what we say and how we work. The guide will be shared internally in early 2022.



On Spotify

As the world's largest audio streaming subscription service, Spotify has a unique opportunity to connect underrepresented artists and creators to more fans around the world. We continue to use our platform to empower and celebrate creators of every race, ethnicity, religion, sexual identity, and gender, including by curating top audio destinations featuring Black, LGBTQIA+, women, Asian Americans and Pacific Islanders, and other underrepresented voices.

Cultural moments

The stories we tell can move culture forward or set it back. We're supercharging social change through storytelling that uplifts the voices of underrepresented and historically marginalized communities, including during key cultural moments. As a brand we believe in the importance of celebrating these calendared cultural moments to drive impact, while also finding ways to uplift these communities all year.

Black History Month

In honor of Black History Month, we continued the talents of Black women in the music industry. to recognize and uplift the rich history and voices of the Black community through guest-curated Our BLK ERG also curated NEXT IS NOW programming that centered on three focus areas: resilience, community building, and joy. Together with BLK, we hosted fireside chats and workforce development talks. We partnered with House Party Entertainment for a virtual game show that saw members of our fellow ERGs compete against each other to test our knowledge of Black culture. Through our Spotify Gives Back program, we encouraged band members to donate to The Clive Davis Institute for Recorded Music and Harlem Children's Zone, which were eligible for 2:1 matching by Spoitify.

playlist takeovers and new podcasts on our Frequency hub, as well as internal programming led by our BLK ERG, all laddering up to the theme of NEXT IS NOW – because why wait for what's next? To showcase a wide spectrum of Black talent, Spotify licensed the work of seven Black photographers to curate specialty cover art for our eight key Black playlists. We also gave listeners a taste of what influential black curators, celebrities, and creatives are listening to through exclusive playlist takeovers. For example, Keyon Harrold and his son, Keyon Harrold Jr., made headlines after Harrold Jr. was wrongly accused of stealing

a woman's cellphone at a New York hotel. The father-son duo are no strangers to speaking out against injustice, and took over our Black Lives Matter playlist in partnership with the organization Color Of Change to use the power of music to further conversation on this important issue.

We also released new podcasts and hosted special guest episodes with key Black creators to guide important conversations. On February 4, we debuted Black Girl Songbook, a music-andtalk format show hosted by magazine editor and journalist Danyel Smith that celebrates and uplifts

International Women's Day (IWD)

Being a cultural powerhouse in the audio industry means we have to address the elephant in the room when no one else does. Both the music and podcast industries have a long way to go in terms of supporting women creators, so that the world can appreciate their exceptional entertainment and knowledge. We have a responsibility to lead the industry in supporting women creators, and in 2021, we put a stake in the ground and made our intent clear: we're committed to doing our part to create a more inclusive audio industry for women creators of all experiences.

While our support for gender equity is ongoing, we wanted to rally around International Women's Day and share a strong brand message that exhibited our support for this community and the issues that affect them. To convey that sentiment, on International Women's Day we launched our new EQUAL on-platform destination to foster equity for women in audio and celebrate their global contributions, including through a short film to share our manifesto with the world. You can learn more about EQUAL <u>below</u>.

On IWD, we dedicated space on-platform to a 24-hour stream of women's voices — unfiltered, uncensored, and uninterrupted. We tapped a diverse group of 24 women creators to create their own hour-long WoMN Music and Talk episodes, highlighting woman-centered content pulled from our platform. We also partnered with gender equity-focused nonprofits such as Color of Change, GLAAD, Girl Makes Beats, and Soundgirls, who curated playlists of women who are pushing the boundaries of the industry.



Asian American Pacific Islander History Month (AAPIHM)

Now more than ever, it's important we celebrate and support our Asian American and Pacific Islander (AAPI) community. In response to the initial rise of anti-Asian incidents at the start of the pandemic, we recognized that we must stand with the AAPI community by providing tangible pathways for solace and solidarity on our platform with the ambition of achieving some level of comfort and healing. During AAPIHM, we continued our ongoing efforts to amplify and lift up this community by spotlighting AAPI creators on Spotify and inviting them to share their stories of pride.

To amplify the voices of our AAPI creators around the world, we created the <u>AAPI Content hub</u>. This dedicated space houses leading AAPI voices alongside fresh new releases from creatives across the audio landscape. We also refreshed a number of playlists with updated covers highlighting AAPI and mixed-race artists, as well as added new songs for listeners to enjoy.

To support our AAPI podcasters who are talking about hard truths, we created a dedicated podcast shelf with episodes that address racism and xenophobia. On the podcast Asian Enough, for example, U.S. Vice President Kamala Harris addressed the rise in anti-Asian hate and how government leaders need to address racism in America.

Stop Asian Hate

Anti-Asian hate in the U.S. has risen to historic levels during the pandemic. The Asian community have become victims of misplaced blame for a virus that is affecting us all. In light of this, we used the power of our platform to educate consumers about the rise in anti-Asian attacks, condemn damaging rhetoric, and provide valuable resources to support the Asian American & Pacific Islander (AAPI) community.

We launched "Stop Asian Hate," a programmed shelf on Spotify platform, curated by incredible AAPI artists including Far East Movement, TRACE, and Kalani Pe'a. Each playlist linked to an organization supporting the AAPI community, such as Gold House, 'Aha Pūnana Leo, and Asian Mental Health Collective. Internally, we also worked with the SPACE ERG and Social Impact to launch an internal 2:1 Donation Matching Campaign for organizations focused on providing support for the AAPI community. In addition, the SPACE ERG, in partnership with other organizations, provided resources and support for the AAPI community within Spotify.



LGBTQIA+ Pride Month

Throughout their lives, LGBTQIA+ creators, cultural figures, and activists have fearlessly demanded to be seen, heard and recognized for who they authentically are. This year's CLAIM YOUR SPACE Pride campaign was a celebration of that commitment and resilience, as well as a recognition of the ways audio and art have always been avenues for LGBTQIA+ expression. The experience, complete with playlists and podcasts as part of our Pride hub, aimed to permanently create more space for LGBTQIA+ representation, both on our platform and in our culture.

We also worked with LGBTQIA+ artists in Detroit, Nashville, and New Orleans — places where the queer community has been instrumental to the music scene, but where their stories are often untold — to commission permanent murals celebrating groundbreaking local LGBTQIA+ artists and activists, in close collaboration with The Ally Coalition.

At each touch point across the campaign, Spotify donated directly to all of our key partners, including queer venues and local organizations such as BreakOUT! in New Orleans, Just Us at Oasis Center in Nashville, and Ruth Ellis Center in Detroit.

We also used Pride Month as a time to encourage, empower, and amplify the voices of LGBTQIA+ Spotifiers within our own community. At the close of the month, our Life at Spotify social channels shared how several queer band members "claim their space" in the workplace, as well as the songs and artists that help them live their identities loud and proud.



Latinx Heritage Month

In honor of Latinx Heritage Month, we launched Aquí Siempre, an awareness campaign to support our dynamic, multicultural Latinx community and the myriad of musical genres it continues to influence. Our goal was to amplify the voices shaping Latinx culture today, including those that challenge stereotypes, fight adversity and uplift Latin American communities through their work.

We worked with the celebrated Latinx photographer Camila Falquez to capture a series of still and video portraits that document Latinx who are reshaping our communities. As the center of our Latinx Heritage Month campaign, the portraits were accompanied by selfrecorded videos from Latinx creators celebrating their cultural experiences and uplifting their communities. We also asked Yesika Salgado, a Salvadoran poet, to create an original poem for Aquí Siempre to live on platform. The poem speaks to the strength and passion of the Latinx community and depicts its multifaceted culture.

Spotify's Latinx Heritage Month included the Mixto playlist, which features a mixture of sounds, artists, and languages from various countries that aren't easily labeled as a specific genre but share Latinx origins, in addition to non-Latinx artists that resonate with listeners. The playlist serves as a destination for artists both in and adjacent to the Latinx space to share music that exists outside of clearly defined labels. 2021 was also the first time Spotify launched Spotify Singles in collaboration with the Mixto playlist, asking rising Latinx artists Twin Shadow, Ambar Lucid, and Tokischa to add their voices to the catalog of Spotify Singles by recording a unique version of one of their own songs.



Amplifying content from underrepresented and marginalized communities

We're investing in and highlighting content from underrepresented and historically marginalized creators to increase exposure, awareness, and understanding.

Frequency

In May, we unveiled Frequency, a global initiative and holistic destination for celebrating Black art, entertainment, creativity, culture, and community both on- and off-platform. Frequency was created in response to a climate in which Black voices in music, fashion, business, and more continue to be left out of the narrative, their contributions left underappreciated and underrepresented.

consisting of 15 organizations from around the Frequency marks an extension of Spotify's ongoing world, including She's the Music (U.S.), Girls Rock commitment to and investment in Black voices. Australia Network (Australia), shesaid.so (Italy), Through the rollout of new content, cultural and Girls Rock Camp (Brazil). Spotify provided a partnerships, and an ambassador program, grant to each organization, with the goal of finding Frequency aims to further connect the Black tangible ways to make the audio industry more community to upcoming and established Black equitable for women creators. In late 2021, we creators. In addition to building consumer brand launched a second grantmaking program for these love for Black audiences, Frequency strives to organizations, asking them to partner together on boost audience engagement and consumption of ideas for a concept that will further gender equity on-platform content through its suite of 20+ music in music globally. Grant recipients will be selected playlists (including Ripple Effect, which celebrates in early 2022. regional influences on Black music and culture), newly created podcast shows, and content To support emerging female artists across 35 partnerships through Greenroom shows. markets, later in the year we unveiled our EQUAL

We also launched the intertwined "Raising the Frequency" Ambassador program, which offers scholarships to Black college students aspiring to pursue careers in music and tech. The program also provides donation matches to select community organizations and a songwriting camp to connect artists, producers and songwriters.



EQUAL

To support emerging female artists across 35 markets, later in the year we unveiled our EQUAL Music Program, introducing 35 local EQUAL playlists that span 50+ countries as well as a "bestof" flagship EQUAL Global playlist. We kicked off the program by highlighting 35 inaugural EQUAL creators. In the first six months following its launch, the EQUAL Global Playlist garnered 3.6 million streams across 166 markets, while EQUAL's 35 Local Playlists gained 29 million views across 177 markets.

We also relaunched our EQUAL Directory (formerly EQL Directory). This partnership with SoundGirls allows women of all experiences and gendernonconforming creators to create a profile and claim their space in the community of women changing the game in audio.

Sound Up

Four years ago, Spotify created Sound Up, a global program that gives underrepresented podcasters the tools to boost their platforms and build their own shows. Sound Up aims to raise up the next generation of podcasters through education, workshops, and support. Our goal is to create a space for new voices, stories, and perspectives in podcasting.

In 2021, we expanded our Sound Up program from 6 to 12 countries, including Mexico and Italy, enabling us to support an additional 140+ emerging creators in 2021 alone. The new programs focus on creating Spanish-language or multilingual podcasts for an ever-growing Spanish-speaking U.S. audience, female creators in India, and lower-income youth from large urban centers in Argentina. In 2022, Sound Up will continue to serve these 12 markets and return to markets such as the U.S. and U.K. with the first-ever genre focused programs for underrepresented creators in Kids & Family (U.S.) and Sports (U.K.).



Beyond Spotify

We know our platform is a powerful tool to amplify the voices of marginalized and underrepresented communities around the world, but the Spotify platform alone is not enough to create systems-level change for current and future creators. That's why we've launched programs and engaged external groups to elevate underrepresented artists and creators with the tools, resources, and skills needed to create a more equitable streaming industry.

Elevating underrepresented creators

In order to uplift creators from marginalized groups, it is paramount to uncover the barriers preventing these individuals from rising up within the world of streaming, as well as provide opportunities that support them as they navigate around these obstacles.

NextGen in Studios

We launched NextGen in Studios to support the next generation of diverse creators and industry leaders in discovering the power of podcasting to propel their passions, careers, and our community forward. We're supporting colleges and community organizations investing in podcasting through curriculum development, bringing Spotify talent to the classroom, building campus studio spaces, and providing students professional pathways. We are actively developing new partnerships with HBCUs, HSIs, public universities, and community colleges.

Funding Racial Equity

As part of our commitment to support racial equity, Spoitfy distributed over \$5 million to empower the next generation of Black creators through our Racial Equity & Giving Program during 2021. You can learn more about our philanthropic giving to uplift and support racial equity <u>here</u>.

Spotify has been a long-time partner and supporter of the Annenberg Inclusion Initiative, a leading thinktank studying diversity and inclusion in entertainment. In 2021, we funded the Annenberg Inclusion Initiative's fourth annual "Inclusion in the Recording Studio?" report, which examined gender and race/ ethnicity for artists, songwriters, and producers appearing on the Billboard Hot 100 Year-End Charts from 2012 to 2020. The study found that women were 21.6 percent of all artists on the Billboard Hot 100 Year-End Charts across the past nine years and represented only 20.2 percent of artists on the chart in 2020, demonstrating the meaningful change that still needs to take place in the audio industry.

Behind the Mic

Behind the Mic was launched in 2021 to expand opportunities to members of underserved communities aspiring to careers as podcast producers, sound engineers, and other behind-the-scenes roles in podcasting.

This career development program is a year-long paid fellowship, where producers rotate among show teams and producorial roles as well as attend a weekly virtual class to refine their skills and get exposure to the business and industry. During the fellowship, producers apply and sharpen their established skills by working on a Spotify podcast. They also try their hand at different production roles. Finally, Behind the Mic fellows produce their limited series podcast on any topic of their choice to apply their learnings. Behind the Mic fellows who complete this program successfully are offered a permanent production position at Spotify. The U.S. and Australia have served as initial launch markets

Industry partnerships

Our definition of success when it comes to Diversity, Inclusion, & Belonging extends beyond our company to encompass the entire audio industry. Since success is seldom accomplished alone, we've engaged several external partners to join us on our journey to create a more inclusive and equitable audio industry.

Executive Leadership Council (ELC)

Our partner, The Executive Leadership Council (ELC), aims to create channels of opportunity for Black executives to positively impact business and communities. In 2021, we sponsored two new industry-wide development programs with The ELC.

Together with Google, we supported Decoded, The ELC's professional development program for mid-to-senior level Black professionals across the technology sector. Decoded helps grow Black tech leaders through proven strategies and tactics to apply critical leadership competencies, broader and deeper professional networks, high levels of emotional intelligence, and a strategic blueprint for their professional journeys and development.

We also sponsored the launch of LEVELS, which aims to support junior and mid-level Black band members in the music industry to better navigate their careers. The four-month program helps accelerate the progress of Black music professionals to the executive level, and is geared towards sound technicians, studio managers, marketing specialists, brand managers, and producers.

ADCOLOR

We are an active partner of ADCOLOR, a champion of diversity and inclusion in creative industries. We support ADCOLOR's work to help underrepresented groups rise up in creative industries, with the goal of creating a community of diverse professionals who support and uplift one another. In 2021, we expanded our partnership with ADCOLOR, supporting the recognition and contributions of underrepresented groups in technology and music.

We sponsored the ADCOLOR Futures program, a unique program dedicated to identifying and nurturing the next generation of leaders in the advertising, marketing, media, and public relations industries. We are also a founding sponsor of ADCOLOR in Music, an initiative that aims to help diverse professionals in the music industry, and are a leading sponsor for ADCOLOR Everywhere, a hybrid annual event featuring the ADCOLOR conference, ADCOLOR Futures program, and ADCOLOR awards.

Gold House

Gold House is a nonprofit collective of Asian and Pacific Islander founders, creative voices, and leaders working toward more authentic multicultural representation and societal equity. The Spotify Asian Community Engagement (SPACE) ERG partnered with the Spotify Music Team to develop an exclusive partnership with Gold House for its new FUTURES program as the Music sponsor.

Gold House's FUTURES Program seeks to address the historical challenges of API contributions being undersupported and undervalued across various industries. Spotify and SPACE are partnering with Gold House as part of our continued investment to amplify and support emerging API voices. SPACE has had a long standing relationship with Gold House through our support for initiatives including "Gold Open," collaborating on editorialized



API playlist "Gold Beats," amplifying messaging around the importance of diversity & allyship, and joining in solidarity during this past year's #StopAsianHate movement.

Affecting policy change

As a company, we do not make donations to candidates' campaigns; however, we are committed to affecting policy change with our global reach and influence. We do this by supporting legislation that's making a difference in the fight for racial equity.

We sponsor the <u>Racial Justice State Legislative</u> <u>Tracker</u>, which tracks and recommends state and local government policies that address police practices, the criminal justice system, and ballot access. Throughout the last year, we've lobbied for bills that support racial justice, such as the George Floyd Justice in Policing Act and the Juneteenth National Independence Day Act.

Mental Health

At Spotify, we want our employees to feel safe and supported, in both good and challenging times. We want them to feel they can bring any parts of themselves to the physical or virtual office, and not have to hide parts of who they are. We want them to feel they belong at Spotify, no matter what experiences they bring with them.

We believe that sharing experiences is a key part of the healing process. With open conversations about mental health, we can create a culture where people thrive to be their happiest, healthiest selves. Now more than ever, mental health is unique for us all, and in 2021, we worked to further expand our support to fit the needs of our employees, users and creators. From building out our Heart & Soul advisory board, to broadening our World Mental Health Day activation, to expanding the tools and resources available to Spotifiers everywhere, 2021 brought great strides in mental health support.

We don't want our people to hide behind a happy face – we want our culture to be a place where employees always feel safe and supported to ask for and receive the support they need, free from judgment and stigma.



Wellness on Spotify Click to listen as you read





Heart & Soul

In 2018, we launched Heart & Soul, our global mental health initiative. We believe that everyone's experiences of mental health – from illness to well-being – should be respected, and everyone's process toward thriving should be welcomed and championed. During the last few years, we've educated our employees on what mental health and mental illness are, and provided them with different resources, since mental health is unique to all of us.

Heart & Soul aims to do three things: raise awareness and remove stigma, provide proactive self-care and professional support and normalize the conversation surrounding mental health. We believe all three need to happen at the same time to make a meaningful impact on our culture and our people.

In 2021, we built an advisory board with three global mental health partners whose purpose is to guide, advise and provide input to the Heart & Soul team.

Heart & Soul Conversations

Normalizing the conversation around mental health and mental illness in order to reduce stigma is one of Heart & Soul's strategy pillars. In 2021, we closed season one of our employee-only mental health podcast, Heart & Soul Conversations. This internal podcast explores different aspects of mental health through the stories of Spotifiers and guest speakers around the world, discussing topics such as being a parent in the pandemic, eating disorders and stress and self-care in the Black community. By listening to our fellow colleagues' experiences, struggles and how they navigate work and life, we can help others feel less alone and more inclined to be open about what they are going through.



Heart & Soul Ambassadors

We have a network of volunteer Heart & Soul Ambassadors from across the company to, alongsid their day jobs, help plan and drive mental health initiatives, influence leaders to be role models in this space and make sure the way mental health is being approached is locally relevant and respects cultural nuances. Since Heart & Soul launched in 2018, our Ambassadors have been instrumental to our work to drive mental health awareness and conversation throughout the company.

As conversation on this issue has increased, we've also seen an increase in employees reaching out to our Ambassadors for guidance and advice. We wanted to equip our Ambassadors to have those supportive conversations as well as meet the other requirements that come with their role, so in 2021 w evolved the Heart & Soul Ambassadors into Mental Health First Aiders.

Mental Health First Aid is a mental health training program that teaches participants how to notice and support individuals who may be experiencing a mental health struggle or crisis in a work environment and connect them with appropriate support.



	Our Heart & Soul Ambassadors all went throu this training and as of 2021 can support with:
e	 Having an open and supportive conversationabout mental health Demonstrating empathy and non-judgment listening
	 Recognizing some of the signs and sympto of common mental health issues
	Intervening in a mental health crisis
	 Guiding towards professional help and the appropriate internal support (self-care, All The Feels Employee Assistance Program emergency, manager, or HR)
e	Additionally, as Work from Anywhere and ou distributed-first way of working has changed way we look at the business, Heart & Soul has evolved with it. In 2021, we changed its struct to increase impact and expanded the team w

the cture vith 17 additional Ambassadors. We now have 60 Heart & Soul Ambassadors across the globe, representing all business areas, with one thing in common they want to change workplace culture when it comes to mental health.

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Mental Health Moments

Throughout the year, we leveraged key moments as opportunities to further the mental health conversation among our band members and users.

Eating Disorder Awareness Week

Eating disorders are serious mental health illnesses that don't discriminate against age, race or gender. They're not always about the food itself – people with eating disorders often use disordered ways of eating to cope with difficult feelings or situations. Heart & Soul felt it was important to shine the light on this mental illness that's unfortunately still highly stigmatized.

During Eating Disorder Awareness Week in March, Heart & Soul offered our band members opportunities to learn and talk about eating disorders; how what we eat influences our mood, brain and mental health; and what disordered eating looks like. Spotifiers also got to hear from some of our own colleagues about their personal experiences with eating disorders.

Mental Health Awareness Month

During Mental Health Awareness Month in May, Heart & Soul invited band members to partake in programming centered around mental health and well-being. Our goal was to inspire employees to get outside, wherever they are in the world.

The past year has challenged us all, forcing many of us to find new ways to look after our mental health and well-being. While the experience has been different for everyone, we've seen one consistent way people are coping with increased stress: getting outside and connecting with nature. Throughout the month, Spotifiers had the opportunity to tune in to content that could be explored while walking and using nature to help tackle stress, process change and take time for ourselves.

Mental health partners

We enlisted the support of Brooklyn Minds, a mental health service provider, to enhance the mental health support and offerings available to our ERG members, for example through "Real Talk" – an opportunity to come together in a group hosted by a mental health partner to explore, connect and learn about a specific topic. In between sessions, individual coaching is offered for those who feel the need to connect on a 1:1 basis. And these days, while many of us are still apart, our "Real Talk" sessions have covered topics such as self care, finding balance and more.

Another mental health partner that Heart & Soul works closely with is Utopia. Utopia works with the Heart & Soul Ambassador team, equipping them for their role to support their colleagues while also taking care of themselves and staying resilient. Every month, Utopia runs Ambassador Circles, one-hour sessions that explore a specific mental health area through education, reflection, conversation and hands-on resources. Ambassador Circles offer our Ambassadors – who are so often focused on the mental health of others – an opportunity and space to tune into themselves.



World Mental Health Day

We often think of mental health as something that only impacts individuals who are struggling, but in fact, mental health is something we all have – and could all use support in.

And these days, while many of us are still apart, we're united by the experience of living at a time where the concept of mental health is being redefined on the fly.

On World Mental Health Day, we highlighted diverse experiences, expanded our audience's understanding of mental health and encouraged consumers to take action to support their own and friends/families' mental health. We brought our efforts to support mental health onto our platform and encouraged our listeners, creators and band members to "Take a beat to tune in to yourself" in an effort to shine a light on mental health – not just during this day and other cultural moments and milestones, but every day.

We curated a special edition of our Wellness hub, designed to support listeners on their wellness journey, in 11 markets, where listeners were able to connect with themselves, prioritize their wellbeing and easily access mental health resources. On World Mental Health Day, our users received in-app messaging encouraging them to take time to tune in to themselves and linking to the Wellness hub. We also partnered with notable mental health advocates such as Chelsea Cutler, Lyn Lapid, WE THE URBAN and MD Motivator to create playlists and video content for the Wellness hub. Additionally, an array of creators, including Cole Cuchna from Dissect, Mark Hugo from Teenager <u>Therapy</u> and Nia Sioux from <u>Adulting with Teala &</u> Nia, shared original videos on how they are taking a beat and turning inwards to support their own mental health.

We also empowered employees to refocus their attention on themselves, support and be supported by colleagues and take a much-needed deep breath. We hosted virtual talks, workshops and panels related to our employees' mental well-being, where employees were able to learn new skills, deepen existing self-care practices and open up in important conversations.

Taking a beat with our first-ever Wellness Week

With the sudden changes brought on by a rapidly changing world, it's clear the toll that various aspects of the pandemic have taken on us. Our people are our greatest asset and priority number one. In November, Spotify established its first-ever Wellness Week. This initiative gave all employees a paid week off from work to focus on their personal health and mental well-being.



All the Feels

At Spotify, we offer short-term counseling (up to 5 sessions per issue per year) through our All the Feels Employee Assistance Program (EAP). Available 24/7, all employees and their dependents aged 16 and up can receive the help they need for issues including relationships and parenting, stress and anxiety, major life changes or surviving loss. The program offers confidential, professional support and treatment via third-party mental healthcare professionals.

*1,092 Number of web logins to All the Feels 172% Increase in web logins from 2020





*This data represents U.S. and all international markets except Sweden

Tools & Resources

We equip employees and managers with the necessary tools and resources to create a stigma-free workplace where we look after ourselves and each other.

We provide a list of <u>organizations</u> that offer support for anyone feeling distressed, experiencing feelings of depression or anxiety or thinking about self-harm or suicide.

Manager guides and communityspecific manager toolkits

We believe it's important that managers have open and honest conversations with team members about their mental health and encourage them to set and stick to healthy boundaries at work. To help band managers successfully create an open dialogue, we provide guidance to help them recognize common signs of mental health struggles, how best to support team members and how to help them begin the journey to healing.

Understanding personal and professional boundaries

At a time where work and home lives are blurred, the impact is being felt by people globally who are experiencing feelings of anxiety, fatigue and, in some instances, burnout. Boundary setting seems more important than ever, which is why Heart & Soul created a resource to share knowledge, evidence and tips for boundary setting with our band members. Our "Understanding Boundaries" resource aims to create an understanding of the impact that boundaries can have on both individuals and teams.

Let's Talk About Mental Health HR training

With support from our mental health partners Brooklyn Minds and Utopia, we offered a training to our Human Resources Business Partners (HRBPs) and Specialists (HRS) on the stigma and barriers preventing people from talking about mental health, how to recognize when a colleague is suffering and ways to positively impact our culture through fostering supportive conversations, setting boundaries and being an ally.

Mental Health hub

With support from Ditch the Label, a global charity helping young people navigate the issues affecting them the most, our <u>Mental Health Resources hub</u> helps connect those in need of mental health support with an easy-to-navigate list of localized resources. Our goal is for this microsite to make it easier for our listeners and creators to get the support they need for themselves or others they know who are struggling.

In 2021, we launched a new in-product message on our platform, displayed at the top of search results when users perform specific searches that are considered high-risk of self-harm-related behavior. When a high-risk search is performed, a message will direct users to the hub.

Civic & Community Engagement

Civic and community engagement are an essential part of our values and mission, and we believe that using our platform to encourage our band members, creators and listeners to get involved is critical to promoting healthy communities around the world.

That's why we're equiping our employees and users with the tools and information needed to create change in their communities. Through partnerships, on-platform content, educational marketing campaigns and philanthropic giving, we're helping empower community members to make a difference so that we can all rise and advance together.



Play Your Part on Spotify Click to listen as you read







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COVID-19 Vaccine Support & Awareness

We understand the need to provide our listeners with accurate and up-to-date information about the COVID-19 vaccines. In 2021, we updated our global <u>COVID-19 information hub</u> we created in 2020 to serve as a destination for accurate vaccine information. Alongside the global vaccine rollout, we featured vaccine content and resources on the hub in 11 different countries, reaching up to one million weekly platform searches for virus and vaccination-related topics. To help amplify our work here, we launched a number of campaigns and partnerships with trusted voices to bring more awareness and support surrounding COVID-19.

Getting back to it with the Ad Council

In partnership with the Ad Council in the U.S., we developed six original Public Service Announcements (PSAs) focusing on "getting back to it" — whether it be dive bars, concerts or road trips. From May 1-July 31, these ads delivered almost 17 million impressions to Spotify listeners in the U.S. about getting vaccine answers.

Spotlighting trusted voices

We encouraged our Spotify Studios original podcasts to promote vaccine awareness and education by incorporating vaccine messaging into their content. Spotify Studios podcasts integrated pro-bono ads., conducted in-show host-read information and reminders and created episodes that include vaccine content and storylines in partnership with the Ad Council in the U.S. and the UN Foundation globally. In 2021, over 50 unique shows in ten markets participated, including The Get Up (U.S.), Between Us Queens (Philippines) and Wissen Weekly (Germany).

Music moments

On May 8, we participated in Global Citizen's <u>Vax</u> <u>Live</u> event with an in-show integration as well as a donation to both the World Health Organization and COVAX to increase vaccine equity. We also created a <u>"Vaccine Songs"</u> playlist with tracks such as "Hit Me With Your Best Shot" by Pat Benatar and "Big Shot" by Billy Joel that linked directly to the Ad Council's <u>Get Vaccine Answers</u> website for listeners to learn more about COVID-19 vaccines. In 2021, there were more than 48 million streams of vaccinerelated playlists on Spotify.

Vaccination sweepstakes

In the U.S., we joined forces with the National Independent Venue Association (NIVA) to host a live music sweepstakes offering 500 vaccinated young people the chance to win free tickets to a show at a NIVA venue. To enter the contest, music fans who had gotten the COVID-19 vaccine shared on Twitter why they were excited for the safe return of live music. The partnership with NIVA enabled us to donate to independent music venues via the prizes.

Go Give One campaign

We know that not every country has sufficient access to COVID-19 vaccines, which is why we teamed up with the World Health Organization Foundation's <u>Go Give One</u> fundraising campaign to help address global vaccine inequity. Through this program, Spotifiers can donate to play their part in closing the vaccine accessibility gap and assist in vaccinating people around the world. Spotify matched all employee donations 2:1, and all money raised goes to COVAX, which funds COVID-19 vaccine distribution for lower-income countries and those that traditionally lack access.



Bring Back Live Music Safely campaign

There's one thing we know for sure: the safest way to bring back live music is for everyone to stay informed about COVID-19 vaccines. We launched our Bring Back Live Music Safely campaign across billboards primarily in vaccine-hesitant areas, on social media and on our platform to emphasize how vaccinations will help us return to live music and concerts. The campaign featured unplayed 2020 concert setlists from artists such as Kelsea Ballerini, Erich Church, Calibre 50, Mau y Ricky and Sebastian Yatra, serving as a reminder of the live shows we've missed since the start of the pandemic and driving viewers to <u>GetVaccineAnswers.org</u>, the Ad Council's vaccine webpage.

We also sent in-app messages to all of our 18+ listeners in the U.S. directing them to our Concerts hub, where they could learn which artists are currently on tour as well as visit the Ad Council's vaccine webpage to find COVID-19 vaccine resources. The in-app and email campaign drove nearly 140K people to GetVaccineAnswers.org.



Voter Enagement

At Spotify, we have the influence and opportunity to create change and drive a positive impact on communities around the world. This includes getting people to vote.

Since 2016, we've created initiatives for U.S. presidential and midterm elections, as well as the European Parliament, reaching millions of listeners globally with resources to help them get to the polls. We've also built programs to help our band members get out to vote — most notably, 2020's first-of-its-kind civic ambassador program that trained U.S. band members to support their colleagues in registering and voting.

In 2021, we expanded our commitment to voter engagement through two new initiatives: our first U.S. campaign during an off-year election and our first national-level campaign outside the U.S. for the German Bundestag election. We're excited to continue to broaden this work in 2022 and beyond to get more people around the world to the polls.

U.S. National Voter Registration Day

Though off-year elections don't typically generate as much attention from consumers, they are still critical to running our democractic process smoothly with the input of as many eligible voters as possible. Unfortunately, only about <u>27%</u> of voter currently show up in local races.

smoothly with the input of as many eligible voters as possible. Unfortunately, only about <u>27%</u> of voters currently show up in local races. On National Voter Registration Day, we activated across our platform to encourage all voting-age Americans, especially young people, to register This non-partisan campaign included a collaboration with Germany's Federal Agency for Civic Education to link our campaign content to its Wahl-O-Mat voter education tool; in-app notifications to encourage listeners to get informed on the election; a podcast hub with information and analysis on the election and a playlist cover takeover reminding listeners of the upcoming election.

to vote. We partnered closely with HeadCount, a non-partisan organization that uses the power of music to register voters and promote participation in democracy. The campaign drove viewers to <u>headcount.org/spotify</u>, where they could quickly and easily register to vote.

We also sent in-app notifications to listeners and created a <u>"Register to Vote"</u> playlist to remind listeners to get out and vote. In addition, "Rights and Representation," a new version of our <u>Play</u> <u>Your Part</u> (PYP) podcast hub, featured episodes on topics such as constitutional rights, the history of voter suppression and perspectives from historically marginalized communities, as well as a guestcurated podcast playlist from civil rights activist Alicia Garza.

German Federal Election

In September 2021, Germany held national elections for the 20th Bundestag. With Chancellor Angela Merkel resigning from her role after 16 years, this election marked a significant moment of change that had the potential to reset the country's political course for the next decade. Given the critical nature of the election, Spotify worked to get German listeners — especially Gen Z, young people and first-time voters — to vote by helping them feel empowered and informed to make a choice for their own future.

Philanthropic Giving

We have the influence to make a real impact and we're using it to shape a better future for society. In 2020, we announced a \$10 million commitment to philanthropic giving, predominantly focused on supporting racial equity. We fulfilled this commitment by establishing our first-ever employee match program, Spotify Gives Back, in addition to creating a corporate giving fund. In 2021, we made an additional \$10 million commitment to continue these efforts.

We give our people the tools and resources needed to give back, so that their efforts in the community are supported by Spotify and bolstered by strategic programs. In 2020, we launched our first-ever employee donation match program using the Benevity platform. This was a beta program that focused on supporting organizations that were engaged in the fight against racism. In 2021, we scaled and standardized our employee donation match program, making it permanent with many additions, including a new name: Spotify Gives Back. Highlights of the new program include:

• We created an interactive hub on Benevity to encourage charitable contributions from employees and provide them with the opportunity to double their donations to organizations they care about. All band member donations through Benevity qualify for a 1:1 Spotify match, with the company matching up to \$15,000 per employee annually.

- Throughout the year, we ran 2:1 matches to align with cultural moments we support globally, including LGBTQIA+ Pride Month, International Women's Day, Earth Day and Black History Month.
- Our Benevity hub also connects band members with meaningful volunteer opportunities, even in a distributed work setting. And we provide all full-time employees with an annual "Impact Day," a paid day off to volunteer at local nonprofits.
- Employee volunteering is further enhanced through our Dollars for Doers program, which rewards band members with a \$20 donation to organizations they support for every hour that they volunteer.

The opportunity to amplify the impact of their volunteer efforts has inspired participation among our employees, with 54% engaging in giving, donation and volunteering programs.

In honor of Giving Tuesday, we gave all fulltime band members \$100 to donate to causes they care about at any time through the rest of the calendar year, and we matched employees' donations on Giving Tuesday 2:1. We also donated \$100 in the name of each of our parttime employees and contractors to Go Give One, HeForShe, Pencils of Promise, and the UNDP. We were proud to see over half our band members participate in Giving Tuesday, since according to CECP's Giving in Numbers 2021 report, in 2020, on average 22% of employees participated in their employers' gift-matching programs.

Giving back to support racial justice

As part of our 5 Star Strategy created with our BLK Employee Resource Group (ERG) to combat racial injustice, we're funding organizations that are making a difference in the fight against racism and inequity. Over the past two years we have supported benefactor organizations including Black Girls Code, The Great Khalid Foundation, .PAAK House, United Negro College Fund, Trombone Story Foundation. Vale de Donde in Brazil. EMMS Tech in Sweden, and The Black Curiculum in the UK.

Spotify-UNCF Scholars Program

Spotify partnered with UNCF in support of its mission to develop a robust and nationallyrecognized pipeline of underrepresented students. Building on this goal, the Spotify-UNCF Scholars Program focuses on scholarships and career opportunities for young Black creatives at various stages in their artistic journeys.

Supporting music education

We provide local grants to support music programs at schools in predominantly-Black communities. As part of this program, in 2021 we partnered with Girls Makes Beats – an organization that utilizes educational programs, summer camps, networking events and after-school seminars in cities such as L.A. and Miami to educate girls on the ins and outs of the music industry – to scale our program on a national level.

International grants for racial equity

Spotify has committed to supporting racial justice, globally. We put out internal calls to our global teams to source unique, ambitious, and meaningful ideas to support racial equity.

In the U.K., Spotify has partnered with The Black Curriculum, funding an educational podcast around Black British history. Spotify is also collaborating with PRS Foundation to bolster their Power Up Initiative that supports Black music creators and industry professionals, as well as addresses anti-Black racism and racial disparities in the music sector.

In Brazil, Spotify has partnered with Vale de Donde, a social impact accelerator and innovation center created in Salvador (BA) to build strategic programs and partnerships focused on empowering the next generation of Black creators in Brazil. A key tenet of the program was the investment in small music producers and podcast creators.

In Sweden, Spotify has collaborated with EMMSTechnology, a nonprofit that aims to empower women of color and other underrepresented groups in the tech industry by creating a community that offers workshops and networking meetups.



Philanthropic Giving

Give Back Sweden

Be good, do good. With a focus on giving back to society, Give Back Sweden forges educational, creative and fun interactions with organizations. The program creates meaningful partnerships with organizations championing racial equity, gender equity, immigration and mental and/or physical health issues to build impactful opportunities for Spotify employees in Sweden to give back.

Give Back Sweden welcomed two new partners in 2021: Pink Programming and Musikbojen. Through our work with Pink Programming, a nonprofit that organizes code events for the female, transgender, and non-binary communities, a group of female Spotify engineers hosted a panel at a Pink Programming digital meet up. To support Musikbojen's mission of sponsoring music therapy for children that struggle with social, mental and physical difficulties, we provided three years of financial support to the NGO's new partnership, Uppsala Child and adolescent psychiatry, that offers music therapy to autistic children.

Disaster relief

As global citizens, it's important that we support the communities where our employees live and where we do business. Through our employee match platform, we are able to create disaster relief campaigns on Benevity where employees around the globe can support organizations that are doing on the ground relief work. With the help of our cross-functional rapid response team, we are able to launch these campaigns right away.

Through our collective Spotify and band member donations, we were able to provide assistance to New Orleanians facing the devastating effects of Hurricane Ida in August 2021 via relief funds including Save The Children's Hurricane Ida Children's Relief Fund, Americares' Help Americares Respond to the Next Disaster, and All Hands and Hearts Disaster Relief Fund. In December 2021, we supported Filipinos impacted by Typhoon Rai through charitable contributions to organizations such as One Million Lights Philippines, Waves for Water, and UNICEF's Emergency Response. When Texas was ravaged by Winter Storm Uri in February 2021, we jumped in to help alleviate the hardships Texans faced through our financial support of Texas Relief Warriors, Central Texas Food Bank, Austin Area Urban League Inc. and other local groups.

Helping hundreds of Afghan students reach Portugal

Following the Taliban takeover of Afghanistan in August, many musicians fled the country or went into hiding. When we learned that nearly 300 students of the Afghanistan National Institute of Music (ANIM), their families, and their teachers who had fled their homes were stuck in Qatar, we stepped up to help. In less than two weeks, we provided funds to charter a plane to fly them to Lisbon, where they'd been promised asylum, in the largest evacuation of a self-contained Afghan community since the Taliban's takeover.

In Lisbon, the musicians, their families, and their teachers are working to rebuild their school and restart their lives. We're proud to have played a part in bringing ANIM into its new chapter and are committed to doing more to preserve Afghanistan's musical heritage.





Responsible Business

As the world's most popular audio streaming subscription service with 406 million monthly active users, we have a responsibility to our employees and listeners to hold ourselves to the highest ethical standards. We also hold our suppliers, partners and creators to that same standard. We're cognizant of our platform's real and potentially significant impact on our global community, underscoring our duty to conduct business in a socially responsible manner.

In order to live up to our ethical standards internally, it is paramount that we implement strong frameworks to guide us and make sure we are accountable for our actions, including our approach to governance, board of directors, comprehensive policies and standards, and integration of ESG through our ever-expanding Equity & Impact (E&I) team. On the Spotify platform, we are committed to providing our users and creators with a secure platform through our robust trust and safety process, all the while keeping their data private and protected. Our responsibility to embody the highest ethical standards is not limited to our walls and platform, however, as we regularly exhibit our dedication to social responsibility through philanthropic giving that addresses some of the most serious societal issues.









Governance

As part of our commitment to business responsibility and ethical standards, Spotify applies sound governance practices and has adopted several policies in direct support of our company's values and stakeholder interests.

Spotify's board of directors is responsible for promoting the long-term value and health of the company in the best interests of our shareholders.* Our work with environmental and social topics is led by our E&I team and codified in our global policies that outline the way our band members engage with one another and are held accountable for our E&I priorities.

Spotify's board of directors

Currently composed of 11 members, Spotify's board of directors provides management with strategic guidance and also confirms that management adopts and implements procedures designed to promote both legal compliance and the highest standards of honesty, integrity and ethics throughout the organization. Spotify's board of directors has a standing Audit Committee and a People Experience and Compensation Committee. The board and committees conduct annual self-evaluations of their performance to make sure that they are functioning effectively.

The board has adopted Procedural Rules for Board of Directors and Corporate Governance Guidelines as a supplement to our Articles of Association. The Procedural Rules and Corporate Governance guidelines address topics such as board duties and responsibilities, composition and qualifications of members and corporate governance laws. For more information on our governance practices, please visit our Governance webpage.



Orchestrating ESG at Spotify

We strive to integrate ESG thinking across our business. While our E&I team lays the foundation for our ESG priorities and initiatives within Spotify, our Manager Manifesto serves as a reminder for how each and every Spotifier can exhibit our core values.

Equity & Impact team

The growth of Spotify as a company has spurred the growth of our E&I team, which works to cultivate a more diverse workforce, hone our inclusive culture and drive our impact as a company. Since last year, the team has grown by 35%. Our E&I team devotes substantial time to review the core matters of Spotify's culture, especially around environmental sustainability and human capital management.

E&I team structure:



*In this report, unless the context otherwise requires, references to "Company," "we," "us," "our," and "Spotify" refer to Spotify Technology S.A. and its direct and indirect subsidiaries on a consolidated basis

Increase percentage of E&I team in 2021

In 2021, the E&I team partnered up with leaders from other key departments within the company to create an E&I Reporting Steering Circle. The Steering Circle focuses on managing the many cross-functional inputs to track impact, using findings to inform goal setting, improve ESG performance as well as create transparent and accurate disclosures for Spotify's E&I reporting.

This is How We Roll

Being a member of the Spotify band comes with many benefits, and working for a responsible company is one of them. Our culture, our reputation and our work environment are influenced by how each band member acts, talks and behaves every day. We all answer to the other band members, our stakeholders, creators, Spotify listeners and the general public.

Policies and standards

All of our band members are required to review and acknowledge their compliance with our <u>Code</u> <u>of Conduct and Ethics</u> (the "Code") and other key global policies, annually. At its core, our Code is based on our company values – **innovative**, **collaborative**, **sincere**, **passionate and playful**, which are designed to build and maintain trust among our band members and with those outside the company, including our listeners, creators, advertisers and partners. Mostly, the Code describes our three main rules and how to make sure we live up to them:

- Do the right thing. Always act with honesty, integrity and reliability. Keep moral and ethical standards sky-high.
- **Be nice.** Treat people with dignity and respect, regardless of who they are and where they came from. Stay decent and courteous in all relationships.
- **Play fair.** Don't cheat. Be careful to balance the interests of all groups (stakeholders, artists, listeners, band members and the general public) when you go about our business.

Our Code is reflective of our commitment to drive integrity and has been adopted to encourage:

- Compliance with applicable laws, rules and regulations
- Full, fair, accurate, timely and understandable disclosure
- Honest and ethical conduct, including fair dealing and the ethical handling of actual or apparent conflicts of interest
- Protection of the Company's legitimate business interests, including its assets and corporate opportunities
- Protection of confidential information
- Prompt internal reporting of any violations of law or the Code and accountability for adherence to the Code

Our Code also incorporates Spotify's other policies, including our:

- Commitment to abide by laws and regulations and promote competition and fair dealing
- Prohibition of all forms of human trafficking, slavery, servitude and forced or compulsory labor in our business and supply chain
- Global policies designed to prevent corruption, discrimination, harassment and retaliation against band members for reporting compliance concerns.

In 2021, we distributed an infographic companywide, detailing multiple available reporting options for raising compliance concerns and a support playbook detailing the process for escalating concerns of potential incidents of harassment and discrimination. We encourage reporting of any violations of our Code through multiple available reporting channels, including <u>Conduct@Spotify.com</u>, our <u>Spotify Ethics Line</u> or our Global Compliance team. Spotify has a <u>zero retaliation policy</u>, meaning that anyone reporting any suspected breach of our policies in good faith will not be subject to any retaliation.

Supplier responsibility

At Spotify, our goal is to be as open and transparent with our business partners as possible, while being responsible for where and how we source services. Our <u>Supplier Code of</u> <u>Conduct</u> (SCoC) defines the basic expectations of our suppliers and third-party intermediaries concerning their responsibilities toward their stakeholders and the environment. Our SCoC and statement concerning <u>Modern Slavery</u> underscore our commitment to high ethical standards for our supply chain and promotion of fair and safe working conditions.

In 2021, we added more environmental and social requirements to our supplier guidelines. One key development was to improve supplier diversity by expanding work with Black creative agencies. Through our Freemium Marketing Equity Initiative, we have been intentionally increasing the number of Black creative agencies we engage with as well as agencies that prioritize inclusive and diverse stories.

This enables us to expand the number of small businesses we work with by allowing us to compensate them for their services sooner.

Third-party risk management and due diligence

We utilize Kodiak, a risk assessment interface that provides a rating for selected Spotify vendors, to promote consistency and efficiency in managing risks and opportunities in our supply chain. Through the platform, we index vendors against Spotify's values by leveraging publicly available information, including assessments of their business ethics and brand sentiment in the media. We also track compliance to specific agreements in our Supplier Code of Conduct, such as records of their own codes of conduct or third-party audits. If a vendor receives a low rating across any of the tool's criteria, we work with our legal team to activate our Incident Plan and mitigate the situation accordingly. This tool also feeds into our broader strategy for the prevention of third-party corruption and compliance with laws prohibiting illicit transactions.



Creating a Safe, Secure & Transparent Platform

We're dedicated to creating a platform that is safe for listeners and creators, offers an enjoyable user experience and remains true to our company's values. This includes developing, implementing and enforcing platform policies that apply across all Spotify creators and making sure we're designing and building a safe product.

In 2021, we focused on continuing to build out our Trust & Safety team as well as the Product and Engineering teams who support our safety efforts.

Our Platform Rules

We know there are subtle product decisions we make that can have a huge impact on creators and listeners, so we are intentional, thoughtful and precise about developing <u>platform rules</u> that reflect Spotify's Mission and minimize the risk of offline harm while respecting creator expression and listener preferences.

While we welcome different forms of artistic expression, ideas and perspectives, it's important that our creators are aware of what is not allowed on Spotify. Our platform rules focus on dangerous, deceptive, sensitive and illegal content, and we outline these rules clearly for our creators. These policies were developed by internal teams in concert with a number of outside experts and are updated regularly to reflect the changing safety landscape. They are being localized into various languages to help our users understand how Spotify assesses all content on our platform.

In-app resources for vulnerable listeners

Content warnings provide listeners with the ability to make their own decisions on if, how and when they'd like to consume content that could be upsetting or increase the risk of harmful actions such as self-injury, drug misuse or suicide. At Spotify, we strongly encourage creators of our owned content use content warnings on pieces of content that include sensitive themes, and we supply our creators with the resources and guidance they need to implement these warnings.

During National Suicide Prevention Week in the U.S., we launched a **new** search feature on iOS and Android that connects vulnerable listeners to mental health resources. We collaborated with the Jed Foundation to identify nearly 200 different search queries that indicate the potential for self-harm. When listeners perform specific searches that are considered high-risk of self-harm-related behavior, an in-app message directs them to our <u>Mental Health Resources hub</u>, where they can get connected to locally relevant emergency mental health and related support services.



Our policies are only as effective as our ability to enforce them consistently and at scale around the world, which is why every piece of Spotify content is subject to the same policies and enforcement consequences. We take these enforcements seriously and keep the context in mind when making them. Breaking the rules may result in the violative content being removed from Spotify. Repeated or egregious violations may result in accounts being suspended and/or terminated.

Algorithmic impact

Understanding the impact our algorithms have on the listeners and creators we serve is core to our business and product success. In 2021, we improved our processes and approaches to create a safe community that's more fair and inclusive. We've accordingly expanded the size of our team focused on algorithmic responsibility, launched formal work with partner product teams to build support infrastructure and expanded our dedicated data and metrics effort in this area. We also continued to invest in algorithmic impact efforts, which consist of research and case studies, direct work with product teams to better assess and address our impact, as well as external collaboration engagement with communities and researchers outside the company.

In 2021, we set clearer expectations across the company by introducing our new Spotify Algorithmic Policy, Guidelines and Best Practices. This resource provides Spotify teams with centralized guidance on facilitating safer approaches to personalization, data usage, content recommendation and discovery. The policy also creates space for teams to further investigate (in)equitable outcomes for creators and communities by providing guidelines and best practices to mitigate algorithmic harms. Since the launch of the policy, over 80 systems have been assessed using high-level Algorithmic Impact Assessments to plan work ahead. Algorithmic Impact Assessments complement the algorithmic policy and serve as an instrument for teams to self-assess where there may be potential harms to listeners or creators based on the framework provided by the policy and enable them to plan and prioritize that work. Assessments are not meant to serve as formal code audits for each system (although teams have reviewed and changed code as a result), but instead provide an overall map where deeper investigation and work, such as product-specific guidance, technical assessment or external review may be required.

The introduction of our algorithmic policy has allowed us to create more granular instructions for our Product teams. Across the company, we ask our teams to evaluate existing or potential algorithmic harms, such as stereotyping, and provide customized guidance based on the recommendations found through the assessment process. While industry methods and guidance in this space is still limited, we're rolling out this policy across the company and investing in developing additional tools and playbooks to fill the gap. Since the policy explicitly addresses equity, we continue to advance our research with product teams on outcomes for gender and racial equity, economic opportunity and other dimensions. Industry practices are evolving and we continue to develop methods to conduct this work responsibly.

Spotify is part of a broader industry conversation about algorithmic responsibility, impact and accountability. In academic and industry forums, we share our best practices, learn from others and apply those insights, including through establishing structures internally, to operationalize algorithmic responsibility.

Content guardrails

Spotify is committed to bringing audio content to more people in more ways – including the next generation of listeners. However, not all content on Spotify may be suitable for kids and teens for example, some music may contain objectionable language, and podcasts can discuss adult subjects.

We launched Spotify Kids, a standalone app available exclusively for Premium Family subscribers and intended for kids ages 3+, in 2019. The content within Kids is hand-picked by a team of editors, who have nearly 100 years of combined experience curating content for kids. This year, we provided advice on how to support and protect teenagers or young children when using Spotify's services through our <u>Spotify Parental Guide</u>.





Data privacy and protection

We respect privacy as a fundamental right of all people. That's why we take care, across every part of our business, to handle data with the utmost integrity.

We also understand that information on privacy can often be complex and confusing, so we focused our efforts on making our communications on privacy simpler, clearer and more transparent in 2021. Our recently-updated Privacy Policy features simplified language that's easier to understand for our listeners and artists. We revamped our <u>Privacy Center</u>, a user-friendly hub that explains the key elements of our Privacy Policy – the data we collect, how we use and protect it and our listeners' rights and controls over it. The Privacy Center also now includes short, animated videos to help listeners get up to speed on specific privacy concepts such as how Spotify uses their data, personalization and privacy controls.

Worldwide, all of our listeners have access to the same tools to exercise their data rights under the EU General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA) regulations. In 2021, there were 708,123 people who used our "download your data" tool to download their listening history and basic account data.

We value our consumers' trust when they use our service, and we intend to maintain it. We take steps to protect listeners' data from unauthorized use and inappropriate disclosure, and we follow a formal incident response process so that any incidents are managed swiftly. In 2021, our Data Protection Office identified two incidents that we deemed to be reportable personal data breaches under the low threshold of GDPR and notified EU privacy regulators accordingly. We continue to hold robust and rigorous training sessions with Spotifiers so that any data incidents are identified and addressed promptly.

We are committed to providing a platform that is not only for everyone, but that protects listeners' privacy and security and empowers them to exercise their privacy rights. Read our full <u>Privacy Policy</u> to learn more.



Reporting Principles & Data

About This Report

This is Spotify AB's fifth Equity & Impact Report and refers to the financial year 2021 from the month of January through December. While this report brings the opportunity to share our work, our progress and our commitments to push ourselves to be better every year, it also fulfills disclosure requirements from the Swedish Annual Accounts Act (implementing EU Directive 2014/95 regarding disclosure of non-financial information).

The Sustainability Report covers the parent company, Spotify AB (corporate ID no. 556703-7485), headquartered in Stockholm, Sweden and all subsidiaries as per note 13 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.



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Methodology for Calculating GHG Emissions

The emissions data is compiled in accordance with the Greenhouse Gas Protocol. For Scope 1 and 2 calculations, which largely consists of natural gas and electricity in our office buildings, consumption information from our electricity suppliers and landlords have been used. For calculation of Scope 3, multiple methods have been used. These include calculations based on usage, spend data, vendor-specific spend data and publicly available estimates.

GHG Emissions Data:

	2019 MTCO2e	2020 MTCO2e	2021 MTCO2e
Scope 1	701	668	682
Scope 2	2,803	2,445	0
Scope 3	328,847	306,293	352,372
Total Net Emissions	332,351	309,406	353,054





Equity and Impact Report 2021 / Reporting Principles & Data

Auditor's report on the statutory sustainability statement

To the general meeting of the shareholders of Spotify AB, corporate identity number 556703-7485.

Engagement and responsibility

It is the Board of Directors who is responsible for the statutory sustainability statement for the year 2021 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability statement*. This means that our examination of the corporate governance statement 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 opinions.

Opinions

A statutory sustainability statement has been prepared.

Stockholm 31 March 2022 Ernst & Young AB

Andreas Nyberg, Authorized Public Accountant

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Forward-Looking Statements and Materiality Disclaimer

The statements, estimates, projections, guidance or outlook contained in this report include "forwardlooking" statements that are intended to take advantage of the "safe harbor" provisions of the federal securities law. The words "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "seek," "believe," "hope," "want," "strive," "aim," "goal," "target," "estimate," "predict," "potential," "continue," "contemplate," "possible," and similar words are intended to identify forward-looking statements. These statements may contain information about financial prospects, economic conditions and trends and involve risks and uncertainties. Our actual future results, including the achievement of our targets, goals or commitments, could differ materially from our projected results as a result of changes in circumstances, assumptions not being realized, or other risks, uncertainties and factors. Such risks, uncertainties and factors include but are not limited to unexpected delays, difficulties, and expenses in executing against our environmental, climate, diversity and inclusion or other "ESG" targets, goals and commitments outlined in this report, changes in laws or regulations affecting us, such as changes in data privacy, environmental, safety and health laws and the risk factors discussed in the filings by Spotify Technology S.A. with the U.S. Securities and Exchange Commission, including the reports on Forms 20-F and 6-K.

This report contains statements based on hypothetical scenarios and assumptions as well as estimates that are subject to a high level of uncertainty, and these statements should not necessarily be viewed as being representative of current or actual risk or performance, or forecasts of expected risk or performance. In addition, historical, current, and forward-looking environmental and social-related statements may be based on standards for measuring progress that are still developing, and internal controls and processes that continue to evolve. While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with or reporting pursuant to the U.S. federal securities laws and regulations, even if we use the word "material" or "materiality" in this report.





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