

BETTER
COLLECTIVE



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COLLECTIVE



Sustainability Report 2020

Making sports betting and gambling
entertaining, transparent, and fair.

Better Collective A/S CVR no. 27 65 29 13

Vision

To empower iGamers through transparency and technology

Mission

To make sports betting and gambling entertaining, transparent and fair

Values

Talented employees are the key to our success.

We respect each other, our users, and our partners.

We innovate remarkable products and processes that make a difference to our users.

We are dedicated to enrich betting and gambling for our users.

Strategic goal

Be the #1 sports betting aggregator in the world

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This report forms part of the management report in the company's annual report in compliance with the Danish Financial Statements Act, Section 99a and Section 99b. The report covers the financial year 2020.

Ensuring sustainable and responsible growth

Since our foundation 16 years ago, we have always aimed to make sports betting and gambling entertaining, transparent, and fair for the global network of online bettors.

The year 2020 will stand out as unusual and difficult in almost every aspect of business and society due to the COVID-19 pandemic. We have, however, successfully steered our business through the changing and uncertain times while we managed to maintain and deliver on the financial targets we set out prior to the pandemic. Our business has proven resilient and is back on track with a record high performance towards the end of the year.

Continually growing our business while also adding new entities and business areas require dedicated attention to our responsibilities and ability to grow sustainably. This is done by ensuring that our governance model is continually developed and implemented while we always take our employees' and users' conditions into account.

We want to make sure that our users are better suited to navigate the iGaming world by visiting a Better Collective website before

registering an account or placing a bet with a sports betting or gambling operator.

For the iGaming industry to be sustainable, responsible gambling needs to be at the top of the agenda and embedded in every step of our business model. Hence, in 2020 we took significant steps to increase the collaboration around responsible gambling.

A structured approach to sustainability

In 2019, we committed to incorporate the UN Global Compact and its 10 principles into our strategy, culture, and day-to-day operations. We seek to engage in collaborative projects that advance the broader development goals of the United Nations and in particular the Sustainable Development Goals.

Last but not least, we started tracking our carbon emissions in 2019 as part of our ESG reporting. We continue to update and develop our policies, systems, and processes to manage and mitigate social, environmental, and ethical risks.

Internally, we have dedicated resources to our sustainability work and reporting by setting up a sustainability committee, and we include the sustainability strategy at the annual board and management strategy seminar, which revealed a full endorsement and deep understanding of its importance.

We acknowledge that our sustainability reporting and responsibilities require continuous work. However, with this report, we believe a solid foundation has been laid, upon which a clear vision for our sustainability work can be built.

Our areas of focus

In our sustainability work, we focus on five main areas covering responsible gambling, our people, our governance model, our impact on the environment, and local communities. We want to be "Better for Bettors" and contribute to a "Better Community" why we let these ambitions make up our sustainability programmes and guide our efforts.

Being a prominent sports betting media group in the iGaming industry, we acknowledge our responsibility while we are also aware of our impact on the global iGaming industry, society at large, and Better Collective's stakeholders in general. Our ambition is to use our leading position to influence and support responsible gambling and a sustainable development of society – for the benefit of our employees, shareholders, users, partners, and our business.

Promoting responsible gambling

Just after the close of 2020, we deepened the collaboration around responsible gambling by significantly increasing our investment in Mindway AI, an organisation specialising in

“We want to be “Better for Bettors” and contribute to “A Better Community” through our sustainability programmes”.

Jesper Søgaard,
Co-founder & CEO

innovative and advanced software solutions for the identification of at-risk gambling and problem gambling behaviour. We are very proud that we have played a role in bringing Mindway AI's software solutions from academic research into commercial products that are now being sold to operators around the world.

People as a key element

Looking back at 2020, we are very satisfied with our performance, and we firmly believe that we have a much stronger company than we had a year ago.

We would like to express our sincere thanks to all Better Collective's stakeholders - our employees and management team, our Board of Directors and all our business partners for their continued astonishing performance and flexibility in this extraordinary environment.

Indeed, the past year has manifested the strong team spirit which infuses our organisation, and our mission continues to guide us in being a responsible company with trusted brands and products, while our values and sustainability efforts firmly steer us to do even better tomorrow.

Jesper Søgaard

Co-founder & CEO



Who we are

Better Collective is a leading sports betting media group within the iGaming industry. Through our products, we aim to make sports betting and gambling entertaining, transparent and fair for the global network of online bettors.



2004

Founded



450+

Employees



2018

Listed on Nasdaq
Stockholm (STO:BETCO)



>49%

Shares owned by founders
and management

Offices

EUROPE

Copenhagen HQ
Krakow
Lodz
London
Niš

Paris
Stockholm
Stoke-on-trent
Thessaloniki
Vienna

NORTH AMERICA

Fort Lauderdale
Nashville

Responsible betting & sustainable practices

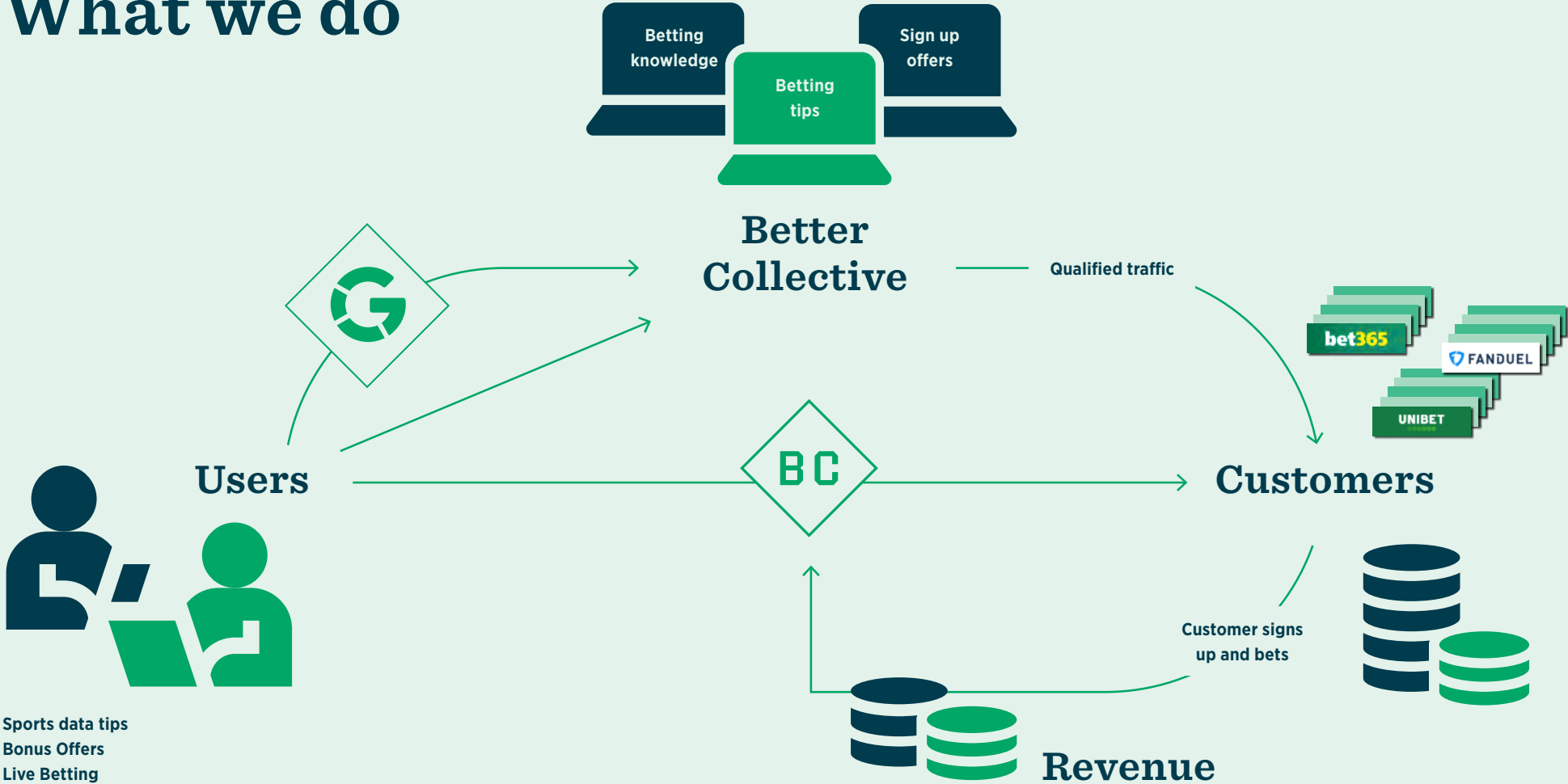


BETTER
FOR BETTORS



BETTER
COMMUNITY

What we do



The sport and sports betting universe is all about passion and entertainment. Better Collective is a leading sports betting media group that connects sports enthusiastic bettors with betting operators through innovative technologies and trusted digital products centred on educational and responsible sports betting content.

Our vision is to empower online bettors by creating a transparent and safer betting experience in a growing and more complex entertainment industry. Our products cover more than 30 languages and attract millions of users worldwide. At our sites users can get access to educational content around sports betting, compare odds and bookmakers, share analysis, tips and the excitement when their favourite team or athlete competes.

As such we aid users to navigate safely among bookmakers that match their individual needs, while we also provide leading online bookmakers with targeted user acquisition and engagement. These operations make Better Collective an important and integral part of the evolving sports betting universe.

Our approach

Sustainability strategy

Responsibility and sustainability are ingrained elements of Better Collective's business model and have been key value-drivers for the organisation since its inception in 2004.

Our headquarters remain in Denmark, where we have our roots. We proudly engage in the local communities and societies, where we are active, by paying our taxes and initiating local projects by partnering with local citizens and other local stakeholders.

We persistently strive to be a socially responsible sports betting media group while we continuously aspire to strengthen the standards of the iGaming industry to empower our users.

At Better Collective, we believe that as a business we have an increasingly important role to play in society in securing a sustainable future. We also strongly believe that operating in a responsible way, across all business verticals and adding value to society and the communities in which we operate, positively affect our business and competitiveness. We call this shared value creation. Our sustainability strategy is therefore a natural part of our overall business strategy and strategic goals.

With a vision to empower iGamers through transparency and technology, our sustainability strategy and goals are integral parts of our operations to support this vision and to realise our strategic goal to be the #1 sports betting aggregator in the world.

Our strategy and approach are deeply rooted in our core values, which have remained the same since the foundation of Better Collective more than 16 years ago.

The UN Global Compact (UNGC) constitutes the overall framework for our sustainability strategy and reporting, while we also implement into our strategy the UN Sustainable Development Goals (SDGs) that are the most relevant to our operations. For Better Collective, conducting responsible business and contributing to a sustainable world will always be core value-drivers for our organisation, which is why we work strategically with The Ten Principles set out in the UNGC. We adhere to the UNGC and understand it as a normative and morally guiding codex to be followed in all of Better Collective's endeavours. By doing so, we stay committed to improving our business practices in four areas that ultimately can aid in making globalisation more inclusive for all: human rights, labour rights, environmental rights and, anti-corruption laws.

Our sustainability strategy and reporting are built around five strategic priorities core to Better Collective's business: Responsible gambling, Governance, People, Local community, and Environment.

Sustainability governance at Better Collective

Our sustainability governance model provides a foundation for developing and anchoring a sustainability strategy and targets.



Reporting framework

The UN Global Compact constitutes the overall framework for our reporting along with the UN SDGs that are the most applicable to our business.

The UN Global Compact is a call to companies to align strategies and operations with universal principles on human rights, labour, environment, and anti-corruption, and take actions that advance societal goals. Better Collective signed up in early 2019 and started reporting on the Ten Principles in the 2019 sustainability report. By incorporating the Ten Principles into strategies, policies, and procedures, and establishing a culture of integrity, we are not only upholding our basic responsibilities to people and the planet but also setting the stage for long-term success.

Starting in 2019, we are implementing the SDGs in a stepwise approach. Our starting point in 2019 was to identify the SDGs where we can make an impact - either through current activities or through new initiatives - resulting in 9 SDGs. During 2020 we made additional impact analyses and singled out two SDGs to focus on as a starting point. For now, our efforts revolve around SDG 5 on gender equality, and SDG 8 on decent work and economic growth.

During the process of analysis, we also defined KPIs and set targets to implement and report on, both of which are presented in this report. As part of the SDG selection process, we ensured that the SDGs are embedded in our corporate strategy and aspiration to be the #1 sports betting aggregator in the world. We believe working strategically with these goals will support us in creating a long-term competitive edge. Operationally, the strategy is rolled out through our sustainability programmes “Better for Bettors” and “Better Community”.



Goal

Selected targets

SDG 5
Gender equality



5.1
End all forms of discrimination against all women and girls

5.5
Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making

SDG 8
Decent work and economic growth



8.3
Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation

8.8
Protect labour rights and promote safe and secure working environments for all workers

Sustainability programmes

Better Collective's sustainability strategy is rolled out through two comprehensive sustainability programmes.

Our “Better for Bettors” programme is built to support our vision to empower iGamers, while the “Better Community” programme focuses on our surrounding communities, the environment, and our employees.

Operating in a responsible and sustainable manner have been central to our business since our foundation, though, we acknowledge that we can always do better. This is why we see our efforts within the two sustainability programmes as continuous and ever improving.



For the iGaming industry to be sustainable, responsible gambling needs to be at the top of the agenda. We want to make sure that our users are better suited to navigate the iGaming world by visiting a Better Collective platform before registering an account with a betting operator. In this way, the users' iGaming experiences are more likely to remain a form of fun and entertainment

In order to be better for bettors, we work closely together with Mindway AI, who specialises in software solutions for the identification of at-risk gambling and problem behaviour. We are working to develop a responsible training programme for our key website owners, while we also seek to educate regulators and politicians on who we are and what we do so that standards can be set for affiliates across the iGaming industry.





Our efforts within the Better Community programme are tied to our key markets and their surrounding communities, the environment, and our employees. The majority of our initiatives go beyond our core business as we recognise our responsibility to contribute to a more inclusive and sustainable world.

Most of our community work is currently focused on our operations in Niš, Serbia. As one of the largest tech employers in Nis, we recognise our role and potential impact on the local community, why this became the point of departure of our Better Community program. Initiatives range from supporting the IT community, in particular the IT youth, over cultural sponsorships to environmental activities with a local impact.

Our internal sustainability efforts are centred around our employees. We report on our progress relating to the UN Global Compact principles while the UN Sustainable Development Goals are implemented across our efforts wherever we find that we can make a reasonable impact.

Sustainability overview

					
Focus area & governing framework	Responsible Gambling	Governance	Environment	People	Local Community
Principles (no. is a reference to the UNGC)	Prevent problem gambling through education of users	<ol style="list-style-type: none"> 1. Support and respect internationally proclaimed human rights 2. No complicity in human rights abuses 10. Work against corruption in all its forms, including extortion and bribery 	<ol style="list-style-type: none"> 7. Support a precautionary approach to environmental challenges 8. Undertake initiatives to promote greater environmental responsibility 9. Encourage the development and diffusion of environmentally friendly technologies 	<ol style="list-style-type: none"> 3. Uphold the freedom of association and the effective recognition of the right to collective bargaining 4. Eliminate all forms of forced and compulsory labour 5. Abolition of child labour 6. Eliminate discrimination in respect of employment and occupation 	<ol style="list-style-type: none"> 8. Support local communities
Goals	<ul style="list-style-type: none"> Implement Responsible Gambling (RG) policy & roll-out across BC offices RG resources on BC's user-facing websites RG training for all BC employees 	<ul style="list-style-type: none"> At all times comply with applicable legislation in the countries where BC is represented At all times respect and comply with UNGC's human rights principles Zero-tolerance on corruption 	<ul style="list-style-type: none"> Minimise carbon emissions Promote environmentally sustainable business practices 	<ul style="list-style-type: none"> Board of directors to include two female members by 2023 Management 35% women by 2023 To be one of the igaming industry's most inclusive and socially responsible workplaces 	<ul style="list-style-type: none"> Encourage and educate the local youth in tech Contribute to the positive development of the communities in which we are active
Main activities 2020	<ul style="list-style-type: none"> Defined need for update of RG policy Defined higher standards for RG on UK-facing sites (RAiG) Key website owners trained in RG Active part of the UK safer gambling week 	<ul style="list-style-type: none"> Updated whistleblower policy and roll-out to all offices Update and continued training in Code of Conduct 	<ul style="list-style-type: none"> Travel policy implemented Planned reduction in travel activity accelerated by Covid-19 	<ul style="list-style-type: none"> Anti-harassment policy and training prepared for roll-out in 2021 Awareness of possible bias in job ads terminology and candidate screening Work environment survey and employee satisfaction survey during Covid-19 lockdown 	<ul style="list-style-type: none"> Hosted hackathon Niš, Serbia Aired "Better Future: A guide through professions in BC" Offering student employment, internships and scholarship donations

Responsible gambling

Better Collective views sports betting and gambling purely as a form of entertainment, and wants to make sure that users' and employees' iGaming experiences remain as a form of fun and entertainment.

This includes awareness of the fact that gambling should not be seen as a source of income, but only be practised as a fun activity. When gambling, the sole purpose should not be to increase one's initial stake but to set aside a stake that one is willing to lose for the sake of entertainment. This view of betting is the reason why we strongly endorse responsible gaming. When creating content or new platforms, we always have responsible gambling in mind and aim to educate our users, while creating transparency.

We want to ensure that our users are better suited to navigate the iGaming world by visiting a Better Collective platform before registering an account with a sports betting or gambling operator. All our platforms focus on the teaching of gambling strategies and the presentation of insightful information and data to make our users more confident in their betting. However, we do not, and cannot, guarantee winning – and we will never claim to do so.

As Better Collective is not a sports betting or gambling operator, we rely on our partnering operators to scan for user behaviour and take action when a user shows signs of at-risk or problem gambling behaviour. Due to our position in the value chain, and that all actual bets are placed with an operator, we have limited data on our users and no data on their betting behaviour. We can help educate users, making sure that they are aware of the legal gambling age, of possible adverse effects of gambling, and prevention. We are continuously assessing new measures to implement on our sites.

Gambling addiction prevention

At Better Collective we are fully aware that there are users for whom gambling surpasses entertainment and becomes a form of addiction. Our standpoint is that the entire iGaming industry needs to do all they can to minimise the risk for people turning into problem gamblers and take this responsibility seriously. We display responsible gambling resources on



our user-facing websites and offer a Betting Academy to educate users and create transparency. For our employees, we recently updated our responsible gambling policy and offer resources and training, which will be rolled out in 2021. So far, key website owners have completed the training.

In 2019, we co-founded the trade organisation Responsible Affiliates in Gambling (RAiG). RAiG sets out to help raise the standards in the sector, particularly with respect to responsible gambling and aims at creating a safer gambling environment for consumers. Additionally, Better Collective is also a member of the

Danish Online Gambling Association (DOGA), which among many other things, work to initiate dialogue between all stakeholders in the gambling industry to secure a responsible and safe gambling market in Denmark and other countries.

On January 1, 2021, we took significant steps to increase our role within responsible gambling by increasing our ownership to 90% of the shares in Mindway AI, specialising in software solutions based on artificial intelligence and neuroscience for identifying, preventing and intervening in at-risk and problem gambling.

“Let’s talk about safer gambling”

Between November 19-25, Better Collective supported the UK and Irish-oriented **Safer Gambling Week 2020** campaign. The 2020 campaign featured the tagline “*Let’s talk about safer gambling*” and championed responsible gambling standards and behaviours while also focusing on educational initiatives.

The Safer Gambling Week campaign is led by the UK gambling industry and seeks to engage users, employees, and the wider public about safer gambling while driving awareness of:

- ◆ How to gamble more safely
- ◆ Tools available to help people gamble safely
- ◆ Sources of more advice and support

All of the above aligns with the aims of our “Better for Better” programme and our focus on responsible gambling. Additionally, as we operate within the UK market we find it paramount to support and engage in such awareness campaigns. The Safer Gambling Week Campaign has been running for four years while 2020 marks the second year that Better Collective actively participates in it.

At Better Collective we stay committed to educating and empowering our users which

includes raising awareness of safe gambling practices. We believe this is done best by creating a sector-wide conversation like the one taking place at the annual Safer Gambling Week.

This year, Better Collective supported the Safer Gambling Week by rolling out campaign banners on key UK-facing corporate and flagship websites including banners in the Daily Telegraph, while we also posted informative responsible gambling content on Better Collective’s sites.

Additionally, Better Collective hosted internal presentations at the Safer Gambling Week to inform about Mindway AI and its efforts to improve the identification, prevention, and intervention in at-risk and problem gambling by way of its specialised software solutions based on artificial intelligence and neuroscience.



Facts

Safer Gambling Week is an awareness campaign led by the Betting and Gaming Council (BGC), The Bingo Association (BA), and the British Amusement Catering Trade Association (bacta). The campaign’s aim is to drive up UK and Irish online gambling standards while it also seeks to promote safer gambling practices. The campaign has as of 2020 been running for four years.



Jesper Søgaard,
Co-founder & CEO,
Better Collective

“ *We see Mindway AI’s technologies and software solutions as best-in-class, and foresee the business will play an increasingly important role in the iGaming ecosystem, as responsible gambling continues to be at the very top of the industry agenda and in society as a whole”.*

Jesper Søgaard,
Co-founder & CEO, Better Collective



Investment in Mindway AI

Following an initial investment in 2019, Better Collective became a major shareholder on January 1, 2021, in Mindway AI, which specialises in innovative and advanced software solutions for the identification of at-risk gambling and problem gambling behaviour.

Mindway AI is an award-winning company that develops state-of-the-art software solutions for fully automatic monitoring and profiling of gamblers and for identifying, preventing, and intervening in at-risk and problem gambling. At the core of Mindway AI’s DNA is a research-based foundation, and the development of the solutions is done by combining neuroscience, artificial intelligence, and a deep collaboration with a team of industry experts. Common to Mindway AI’s software solutions,

GameScanner, Gamalyze, and GameChanger, is that they empower iGaming operators to create safer customer journeys as well as to become proactive if players show signs of having problems.

Mindway AI has over the last year accelerated its transformation from being an academic-based start-up focusing on building products and software solutions with a strong scientific foundation into commercialising the business. Today, Mindway AI plays an increasingly important role in the iGaming ecosystem supporting operators on a global scale such as Entain (formerly GVC Holdings), Flutter Group, and Holland Casino to create safer iGaming experiences.

Through Better Collective’s strong global industry network, we are supporting Mindway AI by opening doors to iGaming operators with a view to scaling the technologies for the benefit of the players. In addition, we are looking into ways to utilise their technologies and products within the Better Collective Group and expect to roll out initiatives in 2021.

“With Better Collective, we now form closer ties to an organisation that has the industry network and muscles to further accelerate the development of our business. I look forward to continuing the strong growth journey Mindway AI has been on and to further expand our footprint globally”.

Rasmus Kjærgaard,
CEO, Mindway



Rasmus Kjærgaard,
CEO, Mindway

Mindway AI solutions:



- ◆ **GameChanger** – a training tool that helps at-risk and problem gamblers take back control over their gambling by training to control their impulsivity



- ◆ **Gamalyze** – a self-test game, during which decision making is analysed, using validated neuroscientific principles. The analysis provides deep insight into gambling behaviour, thus identifying key characteristics associated with problem gambling.



- ◆ **Gamescanner** – an artificial intelligence solution harvesting the newest knowledge in neuroscience that identifies problem gambling behavior with the same performance as expert psychologists.

Read more about Mindway AI
www.mindway-ai.com



Facts

Founded in 2018. Utilises AI and neuroscience to detect at-risk gambling behaviour, university Spin-off by scientists from the Institute for clinical medicine at Aarhus University. Customers and partners include betting operators, platform providers, regulators, and governments.

Responsible Affiliates in Gambling

In May 2019, we partnered with Racing Post and Oddschecker to co-found a new trade association, Responsible Affiliates in Gambling (RAiG) that is established to promote the socially responsible marketing of gambling products and a safer gambling environment for consumers.

We strongly believe the long-term sustainability and growth of the iGaming industry are dependent on responsible operations by the businesses within the industry. This is not achieved by a single business, but rather by a collective effort. Therefore, we entered a partnership with our two affiliate peers. We recognise the role affiliate marketing providers must play as part of widening industry initiatives in the UK to promote social responsibility and a safer gambling environment for consumers.

As a condition of membership of RAiG, each member is subject to an annual social responsibility audit that is conducted by Gambling Integrity. This audit is designed to ensure compliance with a range of existing statutory and non-statutory regulation as well as any additional measures which might be adopted over time. In November, Better Collective passed the annual social responsibility audit made by Gambling Integrity.

In 2020, following a thorough internal review, RAiG announced that it would support in principle the introduction of a statutory licensing or registration regime for affiliates who are active in the British gambling market, subject to the detail of any proposed system and the clear identification of the benefits that it would provide to consumers. Although much can be done on a voluntary basis in pursuit of that, it has been concluded that the right way to ensure that standards rise across the whole sector is for minimum requirements to be set out and implemented by way of some form of licensing or registration process.

Other action points include:

- ◆ Marketing suppression - for self-excluded customers (in the first instance, RAiG is exploring options with organisations such as GAMESTOP, the national online self-exclusion scheme);
- ◆ Staff training – it is important that those working in the affiliate sector are aware of the broader issues associated with gambling and the harm that gambling can cause.
- ◆ Safer gambling information – for example, what should affiliates provide to their customers and how might that best be achieved?
- ◆ Improving coordination with gambling operators – it is in the interest of both sectors to seek a more consistent approach to regulation and compliance
- ◆ Transparency – assessing how consumers might best be made aware of a commercial relationship exists between an affiliate and an operator.

Read more about RAiG www.raig.org

RAiG[™]

Operating a compliant business

Our commitment to being a sustainable business in the iGaming universe is reflected in our business ethics, where we conduct business in compliance with applicable laws, regulations, and standards. We promote our Code of Conduct as a guide for all our employees on the values and standards of a compliant business.

Better Collective is subject to a variety of national compliance regulations in the countries where we operate. Our policy proclaims that we must always comply with applicable legislation in the countries where we are represented and that we only may operate in regulated markets or markets where gambling is accepted by the authorities (e.g. taxed).

We seek to educate regulators, politicians, and users on what an affiliate is, what we do, and to ensure that standards are set for the iGaming industry. We are a founding member of the trade organisation Responsible Affiliates in Gambling (RAiG, UK), member of Danish Online Gambling Association (DOGA, DK), and member of Deutsche Verband für TK und Medien (DVTM, DE).

Some countries have yet to adopt appropriate regulation of the relatively new online segment of gambling. This is why the regulatory landscape is still evolving. We have

processes for being continuously updated on regulation and applying for licenses where relevant. An in-house legal team is dedicated to this area and more resources were added in 2019. Furthermore, this year we automated several compliance processes for our sites and we are continuing to apply automation and the use of AI.

At the Global Regulatory Awards 2020 Better Collective, was awarded the *Award for Commitment to Compliance by an Affiliate Company*. It is the second consecutive year, Better Collective receives the award that recognises excellence in the field of regulatory compliance and responsible gambling.

We do not engage with businesses operating in cryptocurrencies. When partnering with operators and reviewing acquisition targets, it is an integrated part of any due diligence process to pay careful attention to any signs

of money laundering or fraud, in case of which we choose not to engage.

Better Collective condemns the acts of corruption and bribery and we believe business should be conducted without facilitation payments. Not only are they illegal; they also pose a threat to our trustworthiness and a risk to our partners, users, and authorities. We have a zero-tolerance policy on corruption which is described in our Code of Conduct. The Code of Conduct also outlines that all employees are to report on gifts, meals, and entertainment (received and offered) in order to track and prevent conflicts of interest, of which no occurrences were confirmed in 2020.

Our whistleblower scheme facilitates anonymous reporting and we instruct all employees to speak up. During 2020, we have not discovered or received any reports about bribery, facilitation payment, or other forms of corruption nor have we received any whistleblower reports. The policy was updated and rolled-out across offices in 2020, presenting a new reporting module compliant with GDPR.

For GDPR, we updated privacy notices and data processing agreements as well as implemented policies and guidelines. Additionally, our focus in 2020 was on updating our internal training, while integrating and consolidating processes for recent acquisitions.

In 2020, RAiG completed a social responsibility audit, including an assessment of the compliance of the UK-facing products with CAP and IGRG codes in the UK. The audit conclusion was satisfying in terms of compliance, and additionally, found Better Collective to be at best practice levels in several areas. The audit prompted an update of our Responsible Gambling policy and corresponding internal training setup.



Environment

We continuously implement greener practices to reduce our environmental impact.

We have always been committed to making responsible decisions across all operations – this is also the case when it comes to our impact on the environment. As we are an on-line service company, our impact is relatively small. Still, we aim to minimise our carbon footprint and contribute to a greener environment.

Calculating our carbon footprint for the first time in 2019, it became evident that air travel accounts for almost 75% of our emissions. With 12 offices in 9 countries and frequent participation in meetings and conferences abroad, we value the personal contact in business relations and close ties between our offices. However, in 2020 we implemented a travel policy with the aim of substituting a reasonable part of travel with video conferencing. At our offices, remote meeting facilities are already in place and are continuously kept up to date in order to facilitate online meetings as a feasible alternative.

We partner with a travel platform to keep track of our air travels to optimize our travel programs, and to monitor our carbon footprint as well as our environmental impact. As of 2020, our Swedish, Danish, and British offices book travels through this platform.

With the COVID-19 pandemic impacting societies worldwide, our efforts to travel less were accelerated in unforeseen ways. Our 2020 emissions cannot be said to reflect an intentional reduction, however, the learnings from these changed circumstances will likely impact our behaviour in years to come.

On a smaller scale, yet reflective of our responsible mindset, we implemented several improvements in 2020. Switching to green electricity in our Copenhagen HQ office, improving our waste management, and working with our caterers to minimise waste in the lunch delivery are among the key adjustments.

In contributing to a greener environment our initiatives have been limited throughout 2020 due to the COVID-19 pandemic. However, for the second consecutive year, our Niš office planted trees on BulevarMediana during November 2020. Such initiatives not only contribute to a more sustainable environment but also improve the local community while strengthening solidarity between our employees.



People, our key driver

Our business is based on specialised expertise and innovation where people are a core element in everything that we do. Thus, we consistently cultivate an employment environment that promotes and respects the rights of the individual.

At Better Collective, we celebrate that our core values are built upon the principles of creating transparency and education within the iGaming industry. To ensure that these values are adhered to, we rely on our Code of Conduct to train our employees about how we expect and enforce our business practices. The Code of Conduct, implemented in 2018, is an integral part of Better Collective's onboarding program for new employees. Our local "Employee Handbooks" guide a range of practicalities and express our values while they also guide many of our policies on the work-life conditions at Better Collective.

Being a company founded by Danes, our Scandinavian heritage has a big influence on how we interact with each other and with the outside world. It has given us a unique perspective on transparency in the iGaming industry, which remains at the core of all our operations, where our Scandinavian heritage also serves as inspiration for attracting and retaining employees. We actively practice the notion of work-life balance, while the notions of trust, empowerment, and respect play key roles in our leadership.



All new employees, including those welcomed from acquired companies, are introduced to Better Collective and our policies through an extensive onboarding program. We conduct biannual development dialogues to discuss performance and further development. In 2019, a new leadership development initiative was implemented to ensure continuous professional development of our managers to match the ever-changing nature of our business. By supporting the professional and personal development of our managers, we enable them to identify and deal with challenges in their respective teams. Ultimately, such initiatives ensure the well-being of all employees and make Better Collective an attractive and respected workplace.

Better Collective aims to offer equal opportunities to everyone across our organisation and promotes equal opportunities regardless of gender, ethnicity, race, religion, nationality, and sexual orientation. Building on our ambition to continuously develop a diverse organisation with a mutually respectful and transparent atmosphere, we adhere to the Policy on Equal Employment Opportunities. All decisions regarding employment and development will be made per this policy.

For gender diversity at the board of directors' level, the company has set a target for the board to consist of five to seven members, with a minimum of two members of

the underrepresented gender. In 2020, Mr. Todd Dunlap joined the board, resulting in a board consisting of five men and one woman. Therefore, the target figure was not reached in 2020. In the recruitment of new board members, the company and its nomination committee seek to realise the target no later than 2023.

The executive management is made up of three men, whereas for the other management levels, the gender split in 2020 was 83% men and 17% women (2019: 80% men and 20% women). Recruitment and promotion of managers in 2020 were performed with the aim to increase diversity, and we continually work to increase the share of the underrepresented gender at all management levels and aim for a target of 35% women no later than 2023.

In 2020, we increased the awareness of possible bias in our recruitment processes, including job ad terminology and screening. We are implementing additional initiatives in 2021 to further the gender equality agenda and ensure equal opportunities. We implemented an anti-harassment policy and prepared training for roll-out in 2021.

We give priority to health and safety at work according to the regulations and standards in the countries in which we operate. We have established a health and safety committee to

assess health and safety risks and generate preventive solutions. The committee issues guidelines, performs workplace evaluations, and maintains the fire instructions and evacuation plan.

The Covid-19 pandemic posed, and continues to pose, a threat to everyone's mental and physical well being, hence our employees' health has been a main concern to us. Our offices were creative in finding new ways to socialize and stay active during the COVID-19 lockdowns, with initiatives ranging from on-line yoga classes to virtual bingo nights. Our office in Niš took part in the DIGITAL Serbia Business Run which served a twofold purpose: attending to employees' health during isolation and scholarship donations.

35%

Target of women in management in 2023 at the latest

Gender split in management levels in 2020



Local communities

We acknowledge our responsibility to go beyond our core business and take pride in actively contributing to the local communities in which we are active.

As an internationally operating business, we have an increasingly important role to play in securing sustainable communities. We strongly believe that adding value to the communities where we operate, positively affects our business and competitiveness.

Most of our community work is currently focused on our operations in Niš, under the program name “Better Niš”. As one of the largest tech employers in Niš, we recognise our role and potential impact on the local community, which is why this became the point of departure for our Better Community program. Small scale initiatives in Niš during 2020 included sponsoring the job fair at the Faculty of Electronics, participation in the online IT conference with ITkonekt, and partaking in the “pick and choose” program, which assists graduates in finding their future paths.

In our communal efforts, we believe it is paramount to support the local youth. This is why our office in Niš implemented the Better Future programme in 2020. The programme aims to support young adults in choosing their future careers by presenting them with attractive professions of the future through short videos and content published in local magazines.

Our offices in Copenhagen, Paris, and Thessaloniki all employ students or interns. During 2020, the Copenhagen office employed 16 students, whereas the Paris office employed four, and our office in Thessaloniki had one intern. We find that by offering these positions we contribute to the local communities by supporting the students and interns in their education and future and many are offered employment after completing their studies. We look forward to 2021 and hope it will be a year where we again can allow for more interns and student to join our organisation.

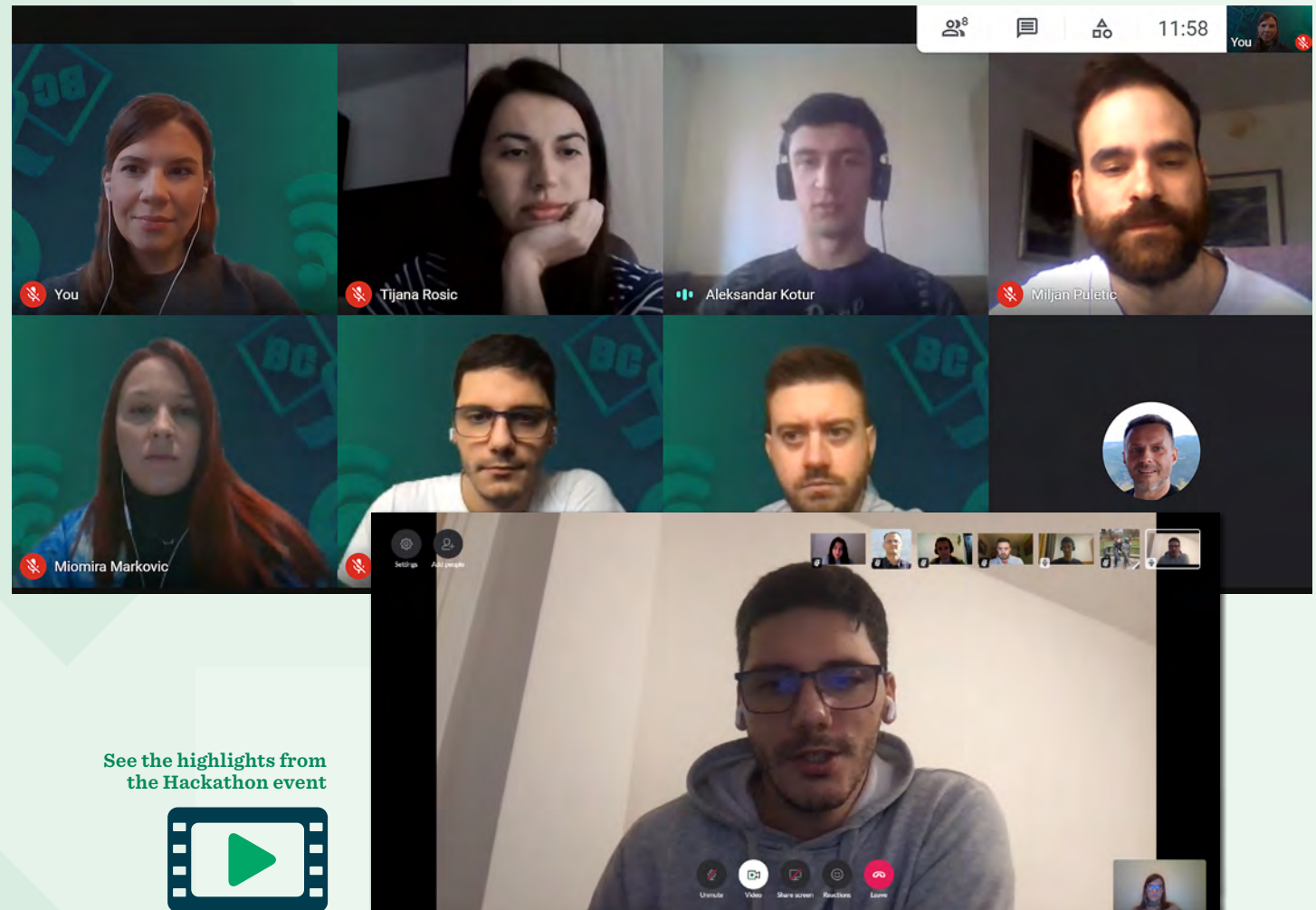


Hackathon: Your code for a better world

In December 2020, Better Collective Niš organised a 42-hour online hackathon for IT-interested students and young developers to create digital environmental solutions that can contribute to a more sustainable world.

The Better Collective Hackathon hosted in December 2020, was part of BC Niš' sustainable development initiative. The hackathon was initiated in order to support the local IT community in Niš, especially during the Covid-19 pandemic. However, the hackathon was also educational in that it enabled young people and students to gain valuable IT development experiences and knowledge through teamwork.

In order to address these environmental challenges, the contestants were given 42 hours to create digital environmental solutions that can contribute to a more sustainable world.



See the highlights from
the Hackathon event



Five teams all from different cities across Serbia competed, and were evaluated by a jury consisting of four developers and one sustainability representative from the Better Collective office in Niš.

The winning team was “Rick’s Solutions”, a team that devised a platform named EcoRock, which connects socially responsible companies with environmentally conscientious individuals. Through a system of rewards, the platform encourages the responsible behaviour of individuals. Users can register, and based on their level of environmentally responsible actions, the users can collect points that can be used for a discount or purchase from socially responsible partnering companies. The platform seeks to motivate environmentally friendly events, recycling in smart bins, and green energy production. This solution covered four of seven identified SDGs: Clean water and sanitation, clean and affordable energy, climate action, and life on land.

The runner-up became “Three and a half men”, a team who created the application “Don’t be dumb” which mediates anonymous environmental reporting problems to the responsible institution. The application sends emails to the authorities and works by users locating environmental issues and entering the type of problem occurring (air/water/soil pollution). Based on the entered data, the application proposes a list of competent institutions and respective email addresses to report to. This solution covered two of the seven SDGs: Sustainable cities and communities, and climate action.

The third place went to team Econet, for the application of the same name. Members of this team focused their activities on the education of the users. Their application raises awareness on how pollution affects the environment, where users in the application can enter various pollution parameters which will change the appearance of the ecosystem. This application allows the users to dive into a problem through VR technology. This solution covered two of the seven SDGs: Quality education and life below water.

In an effort to protect the environment and to contribute to the local community, BC Niš combined its own experiences and expertise with the forces of 18 bright and enthusiastic young people. The themes of the competition covered seven of the 17 SDGs:



Getting better during COVID-19

A flexible business model, adaptable mindsets & a strong community

Everyone at Better Collective has been exceptional at adjusting to the new normal we all face due to the COVID-19 pandemic.

Denmark went into a full lockdown on March 11, 2020, and as a result, the majority of our employees at the Copenhagen office have been working from home since then. Other offices followed, and during 2020 all employees have been working from home to some extent. At Better Collective we follow and adhere to the guidelines set out by the authorities in the respective countries in which we operate.

Assessing the impact

With the pandemic affecting all our employees, we across offices asked teams to share their reflections on the COVID-19 pandemic and its effect on work conditions. Overall, the survey found that working from home did not have a negative effect on employees' productivity. Rather, we saw many positive effects of the changing work conditions. We learnt that working from home, in some instances, can be more efficient as people experience fewer interruptions and noise disturbances. In the following some of the most frequently pros and cons of working from home have been listed:



Pros

- ♦ Working from home had a positive impact on the work/life balance.
- ♦ The collaboration across teams and countries has improved as the majority of BC employees have been working from home which has resulted in more equitable work conditions. Everyone had to participate virtually instead of some employees meeting in person while others joining virtually.
- ♦ Since the Danish lockdown initiated in mid-March, only a few cases of sickness have been registered

Cons

- ♦ Creativity thrives better when working together physically. We acknowledge the vital impact that physical human contact and interaction have on the quality of work, creativity, and employee satisfaction.
- ♦ It can be difficult to assess the negative impact on our employees' mental well-being. Our employees may have experienced job insecurity during the months of halted sports events. Other aspects of everyday life have been affected as social life and joyous events have been limited or canceled. Travel restrictions meant that a number of employees, not working in their native countries, have been unable to travel home to see friends and families.

- ♦ Not everyone thrives with working from home, it could be down to the solitary nature or a practical matter of sharing small spaces.

Building an even Better Workplace

While we hope for a brighter 2021 and for societies worldwide to come back to a normalised situation, we did learn a lot from the pandemic. We appreciate the team spirit of Better Collective's employees and will continue to nurture a corporate culture of dedication as one of our core values.

- ♦ In the future, Better Collective will be even more flexible with working schedules as working from home has proven efficient to the work and beneficial to our employees
- ♦ We will build on the increased connectedness as employees have been engaging much more in teams and virtual calls across the organisation. Positive experiences with virtual meetings will support our efforts to reduce air travel and thereby our carbon footprint.
- ♦ We take pride in the extra effort made during a difficult time as well as the flexibility shown as we redistributed resources internally from one area of the business to another.

- ♦ The most valuable lesson we take with us from this extraordinary experience: The pandemic has truly reaffirmed our belief that collaboration and strong collectives are the better way forth.



Our approach

Reporting methodology and scope

We are a data-driven business in many respects. Collecting, analysing, and presenting sustainability data adds credibility to our reporting and guides our efforts.

The present report covers the financial year January 1, 2020, to December 31, 2020. The report addresses any relevant ethical, social, and environmental issues relating to Better Collective's activities. To give our stakeholders an overview of our performances, the report puts forth our current sustainability efforts and presents our focus areas, ambitions, achievements, and goals. Better Collective's 2020 sustainability report forms part of the management report in the company's annual report in compliance with the Danish Financial Statements Act, Section 99a and Section 99b.

This report is structured around the Ten Principles of the UN Global Compact and further incorporates two of the UN's 17 Sustainable Development Goals supported by ESG (Environmental, Social, Governance) key metrics according to the recommendations set forth by Nasdaq and reported to the Nasdaq ESG Data Portal.

The report primarily focuses on the topics that are considered the most important to

our business and to the societies we operate within. These topics have been selected and prioritised based on a range of inputs gathered e.g. from a materiality assessment by Better Collective's management and the Sustainability Committee, dialogue over time with our primary stakeholders for sustainability, and the board. We consider our stakeholders for sustainability to be our shareholders, our partners and users, our employees, regulatory authorities, and society as a whole.

The sustainability data collection in the present report relates to Better Collective's operations from 2020, and further addresses our ambitions and targets for the future. Initiating the data collection in 2019, comparable data from our operations over time is still limited. Furthermore, we are focused on continually improving the data quality as reporting structures for sustainability data are implemented.

We have used a third party to calculate our carbon emission across all operations. We

have reached an average accuracy level based on the data delivered to the third party and we expect to improve the accuracy of our carbon reporting going forward. Site energy consumption is a combination of actual data and estimates based on total floor area and or employee count.

For travel data, a new reporting system implemented in 2020 has improved the accuracy of the data. The continued growth through acquisitions in recent years means that the newer offices are not accounted for with the same accuracy as our long-standing operations.



ESG Matters and Key Figures

	Unit	Target	2020	2019	2018
Environmental data					
CO ₂ e, scope 1	Metric tonnes	-	73.53	118.41	-
CO ₂ e, scope 2	Metric tonnes	-	49.99	215.14	-
CO ₂ e, scope 3	Metric tonnes	-	176.88	730.14	-
Total tonnes of CO ₂ e	Metric tonnes	-	300.41	1,063.69	-
Tonnes of CO ₂ e per employee	Times	-	0.72	2.92	-
Tonnes of CO ₂ e per mEUR turnover	Times	-	3.30	15.76	-
Social data					
Full-time workforce	FTE	-	420	364	198
Gender diversity	%	35	30	31	-
Gender diversity, management	%	35	17	17	14
Gender pay ratio	Times	-	1.84	1.45	-
Employee turnover ratio	%	-	21.15	13.79	-
Sickness absense	Days per FTE	-	1.13	2.04	-
Governance data					
Gender diversity, board	%	28.50	17	20	20
Board meeting attendance	%	-	97	100	95
CEO pay ratio	Times	-	8.27	9.12	-

ESG matters

Being a prominent sports betting media group in the iGaming industry, we recognise our responsibility and we are aware of the impact we have on the global iGaming industry, the rest of society, and Better Collective's other stakeholders. We have the ambition to use our leading position to influence and support responsible gambling and the sustainable development of our industry.

A central element of our business model is to deliver traffic to iGaming operators. We rely on the operators, as in our partners, to scan for user behaviour and take action when a user shows signs of at-risk and problem gambling behaviour. Due to our position in the value chain, and that all actual bets are placed with an operator, we have limited data on our users, no KYC requirements, no money handling, nor any exposure to money laundering issues. We do not engage with businesses operating in cryptocurrencies.

Income tax

Better Collective has tax-presence in the places where the company is incorporated, which are Denmark (where the parent company is incorporated), Austria, France, Greece, Malta, Romania, the UK, the US, Poland, Serbia, and Sweden.

Income tax for 2020 amounted to 6,785 tEUR (2019: 4,810 tEUR).

Environment

Environmental data covers the Group's operations in Denmark, Serbia, USA, Poland, UK, France, Sweden, Greece, and Austria. The data is derived from actual consumption in Copenhagen (HQ) and Nis, Serbia. For the remaining sites, the emissions have been estimated based on either floor area or employee count.

The GHG report has been prepared in accordance with Part 1 of ISO 14064: 2018. The GHG inventory, report, or statement has not been verified. Carbon Footprint's analysts have calculated Better Collective's footprint using the 2020 conversion factors developed by the UK Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). Where international offices have been included within the scope of the assessment, the 2020 emissions factors released by the Association of Issuing Bodies (AIB) have been used for the European sites. For the US sites, the 2018 EPA eGrid factors have been used. These factors are multiplied with the company's GHG activity data. Carbon Footprint has selected this preferred method of calculation as a government recognised approach and uses data that is realistically available from the client, particularly when direct monitoring is either unavailable or prohibitively expensive.

The reporting period for the year 2020 runs from January 1, 2020 to December 31, 2020.

CO₂ emissions scope 1

Scope 1 comprises CO₂ emissions from heating using oil and gas and from the usage of company cars. The 2019 figure has been recalculated due to a discovery in the inaccuracy of the Copenhagen gas data provided last year.

CO₂ emissions scope 2

Scope 2 comprises CO₂ emissions from heating and electricity supplied by external suppliers.

CO₂ emissions scope 3

Scope 3 comprises CO₂ emissions from business travel by employee cars and flights

CO₂ emissions per FTE

CO₂ emissions per employee (tonnes/FTE) is calculated on the basis of the total amount of CO₂ emissions (tonnes) and the number of full-time employees as stated in the annual accounts 2020. The 2019 figure has been recalculated due to a discovery in the inaccuracy of the scope 1 data provided last year.

CO₂ emissions per mEUR revenue

CO₂ emissions per mEUR revenue (tonnes/mEUR revenue) are calculated on the basis of the total amount of CO₂ emissions (tonnes) and the revenue in mEUR as stated in the annual accounts 2020. The 2019 figure has been recalculated due to a discovery in the inaccuracy of the scope 1 data provided last year.

Social

Full-time employees

The number of full-time employees (FTEs) as stated in the annual accounts 2020.

Gender diversity

The percentage of women in the workforce is based on information registered in the HR system at the end of 2020.

Gender diversity, senior leadership positions, and management

The percentages of women in senior leadership and management positions are based on the information registered in the HR System at the end of 2020.

Gender pay ratio

The gender pay ratio is calculated as the median male salary divided by the median female salary.

Employee turnover

Employee turnover is defined as voluntary and involuntary leavers (headcount) divided by the number of employees (head count) and converted to a percentage rate. The information was retrieved from the HR system and covered the entire Group. The employee turnover rate is based on the information registered for 2020.

Sickness absence

The number of sick days for all FTEs for the period divided by total FTEs.

Governance

Gender diversity, board

Percentage of women on the Board of Directors elected at the Annual General Meeting. The company has set a target for a board consisting of five to seven members to have a minimum of two members of the underrepresented gender elected by the general meeting.

Board meeting attendance rate

Percentage of board meetings attended per board member including board committee meetings (Audit committee and Remuneration committee respectively).

CEO pay ratio

CEO pay ratio is calculated as the CEO salary divided by the median employee salary excluding executive management.

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