

LINJE LOTTE

Norsk Tipping's Annual and Sustainability Report 2024

# On the Right Track



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**About the Report**

The 2024 sustainability report has been prepared in accordance with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD).

The reporting on corporate social responsibility and sustainability is based on the company's materiality assessment, which identifies the sustainability areas that Norsk Tipping has defined as the most important to manage and report on.

# Key Figures for 2024

Norsk Tipping's mission is to facilitate responsible gambling and prevent the negative consequences of gambling.

**Company Vision**  
*We give the dream a chance!*



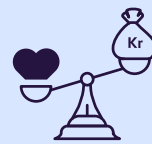
Gambling Revenues and Distribution



**NOK 54 461 million**  
total gambling revenue



**NOK 44 224 million**  
prizes paid to players



**NOK 10 237 million**  
net gambling revenue

"Tippenøkkel"



**NOK 4 254 million**  
to sports



**NOK 1 196 million**  
to socially beneficial and  
humanitarian organisations



**NOK 1 196 million**  
to culture



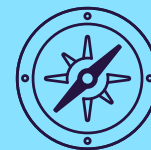
**NOK 454 million**  
to health and rehabilitation



**NOK 858 million**  
in Grassroots Share contributions



**NOK 38 million**  
to bingo operators' surplus purposes



**NOK 40 million**  
to gambling addiction prevention

**NOK 8 038 million**  
profit for distribution

# Sustainability Statement 2024

A statement on Norsk Tipping's work on corporate social responsibility and sustainability.

Abbreviations	Explanations
CSRD (Corporate Sustainability Reporting Directive)	The EU sustainability directive requires relevant companies to prepare sustainability reports with the same quality and priority as their financial reporting.
ESRS (European Sustainability Reporting Standards)	Reporting standards developed as part of the CSRD.
DMA (Double Materiality Analysis)	Companies subject to the CSRD must conduct a double materiality analysis to identify key topics and ESRSs that the company must report on.
IRO (Impact, Risk, Opportunities)	The company's potential or actual impact (I) on its environment, and potential or actual risks (R) and/or opportunities (O) in the environment that may affect the company.





# General Information

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The 2024 sustainability report is prepared in accordance with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD).





## General Reporting Requirements

This chapter provides information about the preparation of the report, as well as the company's governance, strategy, and business model. It also presents the company's analysis of impacts, risks, and opportunities.

*Illustration: Jon Arne Berg / byHands*

## Basis for the Report's Preparation

Norsk Tipping's sustainability report is prepared on an individual basis and covers the company's impacts, risks, and opportunities (IROs) in its operations, as well as in its upstream and downstream value chain. No information related to intellectual property, expertise, or innovation results has been omitted.

The same time horizons as defined in section 6.4 of ESRS 1 are used: short-term (up to one year), medium-term (one to five years), and long-term (beyond five years).

Much of the data in the climate accounting is related to the value chain, resulting in high measurement uncertainty. A thorough description of uncertainty sources is found in the climate accounting chapter ([page 29](#)). No other indicators contain value chain data, and data quality is otherwise assessed as good.

This sustainability report is a transitional report and a preliminary attempt to meet CSRD requirements before the directive formally applies to the company. The report format differs significantly from previous years. Policies, guidelines, goals, and results are reported in line with ESRS standards to the extent information is available. No comparative figures are included. No material errors have been identified in past sustainability reports.

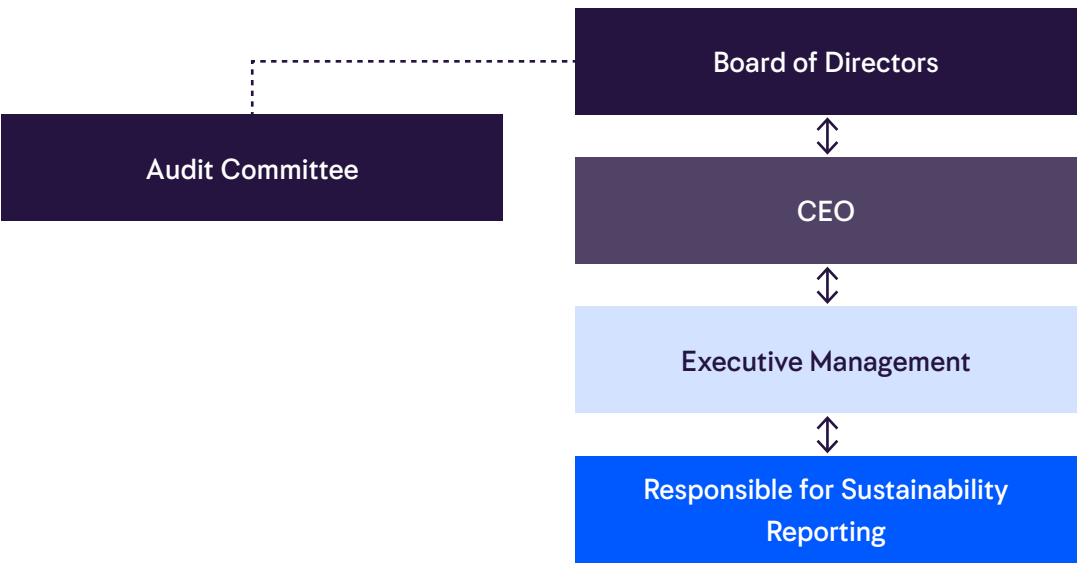
An overview of the reporting requirements covered is found from [page 21](#).

## Governance

Sustainability and corporate responsibility are overseen by Norsk Tipping's executive management, Board of Directors, and Audit Committee. Supervision covers various processes to manage the company's significant societal impacts and potential risks or opportunities that may have financial consequences.

To make well-informed decisions based on Norsk Tipping's impacts, risks, and opportunities, governance bodies use internal expertise on key sustainability topics in combination with their own knowledge.

**FIGURE 1**  
*Norsk Tipping's Sustainability Governance Model*





### CEO and Executive Management

The CEO and executive management are responsible for defining sustainability ambitions and overseeing implementation. Key roles include:

- **Director of Brand and Communications:** Has overall responsibility for CSR and sustainability and ensures the executive team remains updated. The lead person for sustainability reporting reports to this director.
- **Director of Strategy and Analysis:** Ensures integration of sustainability strategy across the business strategy.
- **Director of Organisation and Legal Affairs:** Responsible for diversity and business ethics, including embedding these into HR structures.
- **Director of Finance and Business Management:** Oversees procurement, supplier agreements, and climate accounting.

### Objective

"Norsk Tipping shall take responsibility for how our business impacts people, society, and the environment. We do this by integrating sustainable value creation into our operations and value chain. Our goal is to reduce our footprint and contribute to positive change in society."

The work is based on materiality and follows due diligence principles.

### Executive Management Composition

Seven members, 43% women (3 out of 7).

### Board of Directors

Defined by §7 of the Articles of Association. The Board has at least five members appointed by the Ministry of Culture and Equality and three elected by the employees. Members serve two-year terms.

The ministry's ownership guidelines require diversity, competence, and capacity. Gender balance is regulated by §6-11a and §20-6 of the Companies Act.

Employee-elected board members serve as a channel for employee concerns. The CEO attends board meetings without voting rights.

The board's procedures are established per §6-23 of the Companies Act. The chair is not part of executive management. All meetings begin with declarations of impartiality.

### Board Composition

Seven government-appointed and three employee-elected members. Gender balance: 57% women (government), 33% women (employees). All external members are independent.

### Audit Committee and Internal Audit

Norsk Tipping has an Audit Committee, a subcommittee of the Board of Directors. The Committee prepares matters related to the company's sustainability and financial reporting and control systems. The external and internal auditors meet with the Committee annually without the administration present.

Internal audit reports to the Board via the Audit Committee and assists in ensuring sound governance. Currently, PwC performs the internal audit function.

### Audit Committee Composition

Three board members; 66% women.

### Sustainability Issues Reviewed by Management, Board, and Audit Committee

Sustainability is an integrated part of governance activities. Table 1 outlines the areas addressed in 2024:

**TABLE 1**  
***Sustainability Issues Addressed by Governing Bodies***

Governance Body	Responsibility Area	IROs Addressed in 2024
CEO and Executive Management	Define ambitions, oversee implementation and reporting	Summary of findings from double materiality analysis (DMA) and key IROs; recommendation on material topics
Board of Directors	Overall responsibility including reporting	Summary of DMA findings and key IROs; decision on materiality analysis
Audit Committee	Prepares Board matters related to sustainability and financial reporting	Summary of DMA findings and key IROs
DMA 2024 Steering Group (Finance Director and Acting Directors of Responsibility, Society and Communications)	Technical leadership for sustainability work	Scoring and recommendation on material topics; full review of final DMA report with all IROs

**TABLE 2**  
***Table 2: Due Diligence Assessment***

No managers or employees in Norsk Tipping have performance-related remuneration in the form of option or bonus programmes.

**Due Diligence Statement**

A due diligence assessment is a process for identifying, preventing, mitigating, remedying, and disclosing how a company handles actual and potential negative impacts.

Key Elements	Report Section
<i>Integration into governance, strategy, and business model</i>	<a href="#">Governance (p. 8)</a> , <a href="#">Strategy (p. 11)</a>
<i>Stakeholder engagement in all steps</i>	<a href="#">Stakeholders' views (p. 12)</a> , <a href="#">Own Workforce (p. 34)</a> , <a href="#">Workers in the Value Chain (p. 40)</a> , <a href="#">Consumers and End Users (p. 44)</a>
<i>Identification and assessment of negative impacts</i>	<a href="#">Material impacts, risks, and opportunities (p. 15-16)</a>
<i>Measures to address negative impacts</i>	<a href="#">Own Workforce (p. 34)</a> , <a href="#">Workers in the Value Chain (p. 40)</a> , <a href="#">Consumers and End Users (p. 44)</a> , <a href="#">Business Conduct (p. 52)</a>
<i>Monitoring effectiveness and communication</i>	<a href="#">Own Workforce (p. 34)</a> , <a href="#">Workers in the Value Chain (p. 40)</a> , <a href="#">Consumers and End Users (p. 44)</a> , <a href="#">Business Conduct (p. 52)</a>

### About the Transparency Act

Norsk Tipping is subject to the Norwegian Transparency Act, which promotes respect for human rights and decent working conditions and ensures public access to relevant information.

**Internal Guidelines:** Due diligence assessments are conducted in line with OECD guidelines. All employees and board members follow ethical guidelines published on the company's website. Equality and anti-discrimination are embedded in HR policies. Whistleblowing channels are available.

**Supplier Guidelines:** Suppliers are regularly assessed for risks related to human and labour rights, following OECD frameworks. Expectations are outlined in ethical guidelines included in procurement processes and contracts. High-risk suppliers undergo integrity assessments.

### Risk Management and Internal Control with Sustainability Reporting

Risk management and internal control are intended to ensure the quality of internal and external reporting, targeted, efficient, and customer-oriented operations, as well as continuous quality improvement. Norsk Tipping has established a comprehensive risk-based quality system consisting of governing documents in the form of policies, guidelines, and procedures. The governing documents provide direction for areas the company must comply with. Compliance and achievement of objectives are systematically monitored through deviation registration, self-assessments, quality audits, as well as internal and external audits. The results from the follow-up are reported to the board via the audit committee and form the basis for the board's review of the company's most significant risk areas and internal control.

Risk management is an integrated part of business activities. In the monthly operational reporting, an updated risk picture is presented to ensure that the board and management focus on significant future issues, including sustainability-related matters, which may affect the company's goal achievement. Risk-reducing measures are concretized, and deadlines are set for implementation.

The company continuously works to facilitate a strong control environment to ensure that operations are conducted in accordance with relevant laws, are based on sound values, have solid internal routines and procedures, and demonstrate transparency. A value platform and leadership principles have been developed to support the company's social mission.

The company works systematically to assess whether the internal control is satisfactory in preventing and detecting financial fraud. Based on an overarching risk assessment, specific processes have been selected for regular evaluation. Norsk Tipping has established routines for monitoring and following up on gaming activity among retailers and players. This is done both to ensure that gaming activity takes place within responsible boundaries and to protect the company against criminal activity.

## Strategy

### Strategy, Business Model and Value Chain

Norsk Tipping is 100% state-owned and holds exclusive rights to offer several gaming products in Norway. Its societal mission is to offer responsible gambling and prevent gambling-related harm. Efficient operations ensure maximum returns to good causes.

At the end of 2024, Norsk Tipping had 408 permanent employees.

### Game Categories Offered:

- Lottery Games
- Sports Games
- Instant Games
- Casino Games

In 2024, net gaming revenue was NOK 10,237 million from 2,334,573 customers. All operations fall under ESRS Sector S.92.00 "Gambling and betting activities."

### The Company's Three Main Ambitions:

1. A society without gambling problems
2. World-class digital customer experiences
3. A dream team with strong capacity for change

The first ambition, which is also central to the company's social mission, is to facilitate a responsible gaming offering and to prevent gambling-related problems. Norsk Tipping works in a long-term, systematic, and targeted manner to provide the most responsible gaming offering possible. The company does this, among other things, by further developing responsibility tools, as well as by adapting the product portfolio, distribution, and visibility. The goal is for players not to develop more risky gambling behavior and for players with problems to reduce their gambling.



The public's gambling desire should be channeled toward a responsible gaming offering so that the benefits of channelization exceed the societal costs associated with problematic gambling behavior.

The second ambition concerns the customer experience. The customer experience is created through the interaction of the gaming offering, accessibility, user-friendliness, gaming experience, and communication. The company's goal is for this experience to be of high quality and to maintain the balance between being responsible and attractive.

The third ambition concerns the employees and the infrastructure that the employees develop and operate. The employees, together with robust systems and infrastructure, ensure that customers can place their bets, that the games are conducted, and that prizes are paid out to the customers. Norsk Tipping relies on good cooperation with suppliers to deliver games within a secure framework and closely monitors them to ensure they deliver according to the company's expectations. The procurement department, together with professionals within the company, ensures that terms, conditions, quality, and standards are adhered to in accordance with contracts.

Sustainability-related goals are integrated into the three main ambitions and the company's broader strategy and goal management. Norsk Tipping is working to define concrete goals for the company's material topics during 2025. Table 3 shows the main goals associated with the various sustainability topics that have already been set.

TABLE 3  
*Sustainability Objectives*

Sustainability Topic	Objective
Climate Change (E1)	Reduce emissions in line with the Paris Agreement (to be detailed in 2025)
Own Workforce (S1)	Minimum 40% of each gender among leaders and staff
Workers in the Value Chain (S2)	No fixed target yet, but focus on social responsibility in all procurements
Consumers and End Users (S4)	Work for a society without gambling problems, KPIs linked to gambling behaviour
Business Conduct (G1)	Monitoring of suppliers and partners to ensure compliance with the company's code of ethics
	Monitoring of attempts at match-fixing through misuse of the company's systems
	Monitoring of customers and retailers who abuse the Grassroots Share Scheme

**Stakeholder Interests and Perspectives**

- Affected Stakeholders:
  - Individuals or groups that are or may be affected – positively or negatively – by Norsk Tipping's activities. This also includes their direct and indirect business relationships in the value chain.

- Users of the Sustainability Report:
  - Primary users of general financial reporting information (e.g., the owner), as well as other users, including business partners, trade unions, civil society, non-governmental organizations, and authorities.

Some stakeholders may belong to both groups.

Table 4 describes the various stakeholders' expectations of Norsk Tipping and how the company interacts with and follows up with them.

TABLE 4  
*Norsk Tipping's Stakeholders*

Stakeholders	Expectations of Norsk Tipping	Norsk Tipping's Follow-Up
<b>Owner</b>	<ul style="list-style-type: none"> <li>• Offers attractive gambling within responsible frameworks, with the aim of preventing problem gambling</li> <li>• Operates efficiently to ensure that the greatest possible share of the surplus returns to society</li> <li>• Complies with expectations for state-owned enterprises as outlined in the ownership report</li> </ul>	<ul style="list-style-type: none"> <li>• The societal mission forms the basis for the company's strategy, objectives, and planning and is integrated into corporate governance</li> <li>• Ongoing efforts to ensure operational efficiency, with special reporting to the owner</li> <li>• Regular reporting to the owner, contact meetings, and reporting to the general meeting</li> </ul>
<b>Supervisory and Audit Authorities</b>	<ul style="list-style-type: none"> <li>• Games are offered, and the company is operated in accordance with applicable laws and regulations</li> <li>• Knowledge and insight about Norsk Tipping's players and the gambling market is shared</li> </ul>	<ul style="list-style-type: none"> <li>• Quality system with policies and guidelines governing various parts of the company's operations</li> <li>• Contact meetings with regulatory authorities (Lottery and Foundation Authority) and ongoing dialogue</li> <li>• Preparation for and participation in audits</li> </ul>
<b>Problem Gambling Stakeholders</b>	<ul style="list-style-type: none"> <li>• Improvements and further development of Norsk Tipping's efforts to prevent problem gambling</li> <li>• Sharing of knowledge, insights, and data on Norsk Tipping's game offerings and the gambling market</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous documentation of impact</li> <li>• Innovation work related to responsibility</li> <li>• Established and regular contact meetings (at least twice per year) with the gambling addiction community, as well as ongoing dialogue with the various stakeholders</li> <li>• Contributions to reports and research projects</li> </ul>
<b>Employees and Trade Unions</b>	<ul style="list-style-type: none"> <li>• Compliance with laws and collective agreements</li> <li>• That the company operates according to Norsk Tipping's values and meets its sustainability goals</li> <li>• Communication of competency plans, completion of competency mapping, and support for internal career planning</li> <li>• Transparency and employee involvement in renewal and restructuring processes</li> </ul>	<ul style="list-style-type: none"> <li>• Active participant in tripartite cooperation and emphasis on close and constructive collaboration with union representatives and employees</li> <li>• Meetings every 14 days with union reps, main safety representative, and management representatives for information exchange</li> <li>• Issues for discussion are addressed in separate meetings with agreed-upon procedures</li> <li>• The activity and reporting duty (ARP) is prepared jointly by employer and union reps</li> </ul>

Stakeholders	Expectations of Norsk Tipping	Norsk Tipping's Follow-Up
<b>Customers</b>	<ul style="list-style-type: none"> <li>Enhance availability in line with retail development; ensure physical Flax lottery tickets are accessible at key points</li> <li>Games should be available where customers are, with tailored communication</li> <li>An attractive product and service offering</li> <li>Simple, efficient, and safe customer journeys with strong data protection</li> <li>Digital sales channels must be world-class</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing development of the game portfolio; management of Flax physically and digitally</li> <li>Ensure app is available on relevant platforms and continuously updated</li> <li>Continuous improvement in usability, gaming experience, and customer protection</li> <li>Create experiences that exceed customer expectations, continuously optimized through insights and feedback</li> <li>Further development of personalized customer journeys</li> </ul>
<b>Surplus Beneficiaries</b>	<ul style="list-style-type: none"> <li>Transparency and information about how the company works to prevent gambling harm</li> <li>Operates efficiently to ensure the maximum possible surplus returns to society</li> </ul>	<ul style="list-style-type: none"> <li>Dialogue with individual recipients to inform about Norsk Tipping's activities</li> <li>Presentations at beneficiary-organized events</li> <li>Meeting points with beneficiaries, including at the general meeting</li> <li>Newsletters, blog posts, and press releases to stakeholders</li> <li>Continuous work on operational efficiency and owner reporting</li> </ul>
<b>Partners and Local Communities</b>	<ul style="list-style-type: none"> <li>Alignment between desired partner positioning and Norsk Tipping</li> <li>Collaboration to achieve common goals</li> <li>Effective management of agreements</li> <li>Openness and predictability in dialogue</li> </ul>	<ul style="list-style-type: none"> <li>Being a good and predictable partner that prioritizes strong relationships</li> <li>Continuous contact and follow-up according to agreements</li> </ul>
<b>Retail Chains, Retailers, and Online Partners</b>	<ul style="list-style-type: none"> <li>Increase accessibility according to retail evolution</li> <li>More efficient Flax distribution with higher reach</li> <li>Implement business models adapted to the current market</li> <li>Two-way partnerships that create value for both parties</li> </ul>	<ul style="list-style-type: none"> <li>Innovate, develop, and implement solutions for all products</li> <li>Implement tools supporting efficient operations</li> <li>Develop future-oriented business models tailored to customers and market development</li> <li>Be a predictable, partnership-oriented player</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Operate in line with fundamental principles: competition, equal treatment, predictability, traceability, and proportionality</li> <li>Strengthened follow-up during special circumstances</li> </ul>	<ul style="list-style-type: none"> <li>Continuous supplier dialogue throughout contract period</li> <li>Ongoing market dialogue</li> <li>Procurement conducted in line with public procurement legislation</li> </ul>



Stakeholder expectations are considered in the company's materiality analysis.

**Material Impacts, Risks, and Opportunities and Their Interaction with Strategy and Business Model**

Through the materiality analysis, the company identified and assessed material impacts, risks, and opportunities across the **upstream and downstream value chain**, as well as in its own operations. Material topics were identified for the following sustainability themes:

- Climate Change
- Own Workforce
- Workers in the Value Chain

- Consumers and End Users
- Business Conduct

Table 5 below presents the company's key sustainability topics identified in 2024. It includes an aggregated assessment of negative and positive impacts, financial risks, and opportunities. Detailed descriptions of impacts, risks, and opportunities are presented under each individual ESRS theme. The initial work on double materiality will continue and be improved in 2025.

TABLE 5  
*Norsk Tipping's Key Sustainability Topics*

Topic	Negative Impact	Positive Impact	Risk	Opportunity
Climate Change (E1)	The company's activities cause greenhouse gas emissions throughout the value chain	-	Transition risks related to increased costs and reputational damage	-
Own Workforce (S1)	Gambling exposure can negatively impact employees' gambling behaviour	-	High workload and lack of work-life balance may increase sick leave and costs	Strong brand and reputation make the company an attractive employer
Workers in the Value Chain (S2)	The company's procurement may indirectly or directly negatively affect labour conditions in the value chain	-	Financial consequences and reputational damage due to breaches of labour and human rights	-
Consumers and End Users (S4)	By offering gambling, the company influences the proportion of the population who gamble, potentially increasing problem gambling	Satisfies gambling interest with a responsible offering that allows for both small and large prizes	Growth in problem gambling or breaches of regulations can damage reputation and trust in the monopoly model	An attractive offering and promotion of healthy gambling habits can channel players into the regulated market
Business Conduct (G1)	Gambling services and customer accounts may be used for financial crime	-	Non-compliance with internal and external rules/guidelines in the value chain	-

### Material Financial Effects

In 2024, two incidents related to non-compliance with internal and external regulations occurred. One incident involved an erroneous payment of NOK 24.8 million to a customer. Following this, Norsk Tipping received a fine of NOK 4.5 million from the Norwegian Gambling Authority, which has been appealed to the Lottery Appeals Board. The second incident involved a malfunction in the self-exclusion and timeout tool in the Norsk Tipping app for Apple users. The company was fined NOK 36 million by the Gaming Authority in the aftermath.

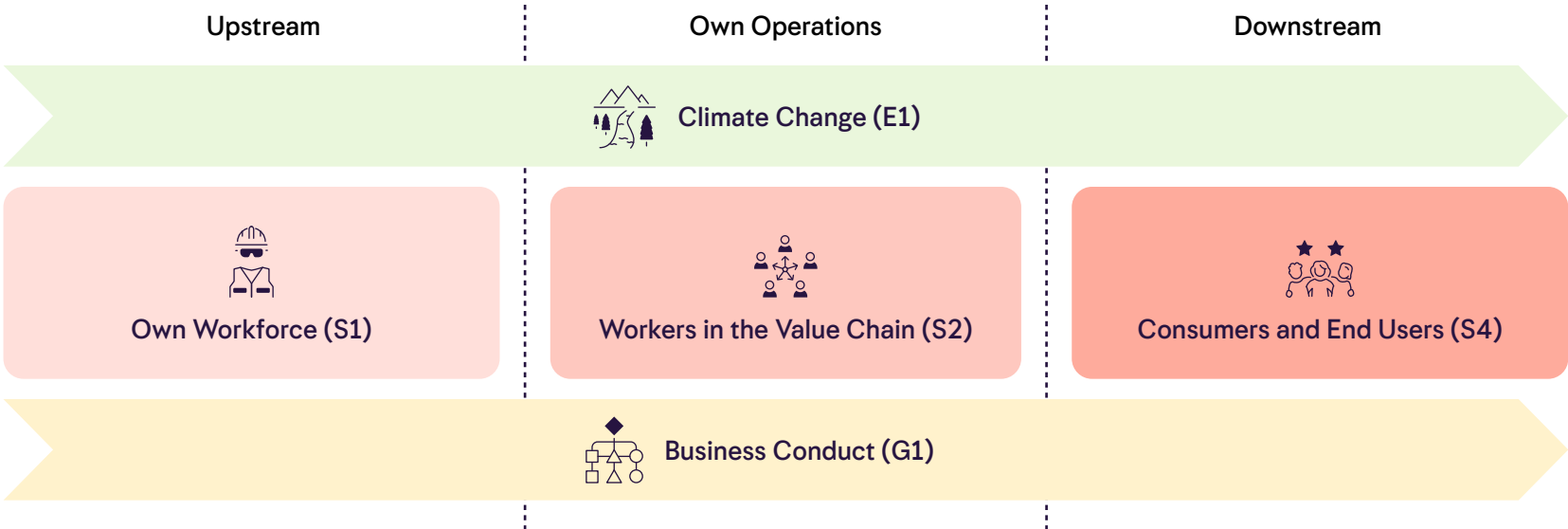
### Impacts, Risks and Opportunities

In autumn 2023, Norsk Tipping initiated an update of its materiality assessment based on principles outlined in the European Sustainability Reporting Standards (ESRS) and the double materiality requirement. Key personnel across the organisation were involved. As part of the process, the value chain was mapped (see Table 6) to enhance understanding of the relevance of sustainability topics at various stages (see Figure 2).

TABLE 6  
Norsk Tipping's Value Chain

	Upstream	Own Operations	Downstream
Primary Activities	<ul style="list-style-type: none"><li>• Procurement of software and data storage</li><li>• Production and transport of products and promotional materials</li><li>• Procurement of services</li></ul>	<ul style="list-style-type: none"><li>• Responsible operations</li><li>• Prize payouts</li><li>• Development and operation of technical solutions</li><li>• Sale and execution of games</li><li>• Marketing of games</li></ul>	<ul style="list-style-type: none"><li>• Sale via physical and digital channels</li><li>• Customer exposure to marketing</li><li>• Waste management of physical products and materials</li></ul>
Support Activities	<ul style="list-style-type: none"><li>• Procurement of equipment and services</li><li>• Procurement of electricity</li></ul>	<ul style="list-style-type: none"><li>• Employer functions</li><li>• Use of consultants and advisory services</li><li>• Stakeholder dialogue</li></ul>	<ul style="list-style-type: none"><li>• Office waste and recycling of electronic equipment</li></ul>

FIGURE 2  
Sustainability Topics Across the Value Chain



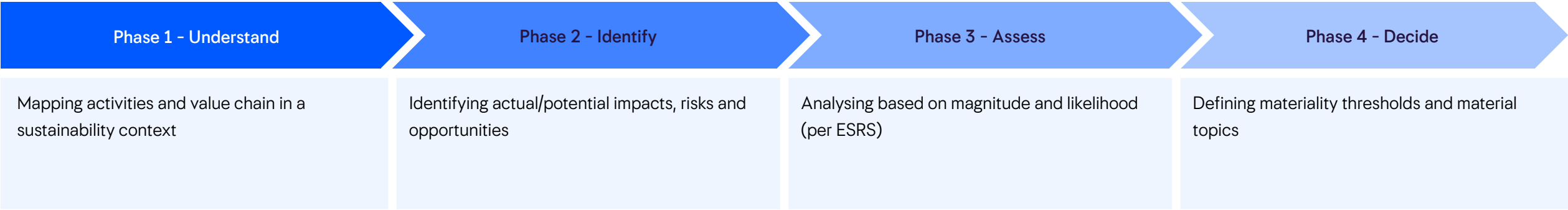
**Further Development of Materiality Assessment**  
This preliminary analysis will be extended in 2025 to ensure accuracy in identifying key impacts, risks, and opportunities. Insights gained from this transitional report will guide future improvements, with broader involvement of internal resources.

The defined sustainability topics are currently well-integrated into the business strategy, although there is room for improvement in structure, policies, and guidelines. These will be addressed in 2025.

The double materiality assessment was organised as a project involving a dedicated team and key personnel, with PwC providing specialist input. Project oversight was handled by directors of responsibility, society, communication, finance, and corporate management.

The methodology followed ESRS 1 and 2 and guidance from EFRAG. The process is summarised in Table 7.

TABLE 7  
*Double Materiality Assessment Process*





Impact Analysis

All topics identified during the identification phase were assessed with regard to impacts, risks, and opportunities. This assessment was based on criteria outlined in the CSRD and Norsk Tipping's risk management methodology.

The analysis builds on the aforementioned involvement of internal and external stakeholders, and has included the evaluation of impacts in which the company is directly involved, as well as indirect impacts through the value chain. Particular focus was placed on Norsk Tipping's core activities, and the direct and indirect impacts associated with the provision of games.

TABLE 8  
Table 8: Insight Sources - Double Materiality Analysis

 Internal Interviews	 External Interviews	 Document Analysis
<p>Experts in:</p> <ul style="list-style-type: none"><li>• Responsible Gaming</li><li>• Risk/Compliance</li><li>• Procurement and Accounting</li><li>• Communications</li><li>• Strategy</li><li>• Customer Experience</li><li>• Technology</li><li>• HR, Legal</li><li>• Security</li><li>• Identity and Payment Services</li><li>• Industry, Policy and Stakeholders</li></ul>	<ul style="list-style-type: none"><li>• Owner: Ministry of Culture and Equality</li><li>• Spillavhengighet Norway</li></ul>	<ul style="list-style-type: none"><li>• Norsk Tipping's existing materiality assessment 2022</li><li>• Sustainability Report 2022</li><li>• Norsk Tipping's uncertainty management system and existing risks</li><li>• Business reporting to the Board of Directors</li><li>• Corporate strategy for Norsk Tipping</li><li>• Reporting on responsible gambling practices</li><li>• Transparency Act - Statement 2022</li><li>• Gender Equality Statement 2022</li><li>• Minutes from Norsk Tipping's Annual General Meeting 2023</li><li>• Corporate Social Responsibility Sustainability Policy</li><li>• Code of Conduct</li></ul>

### Method for Assessment

The impact assessment was conducted by evaluating the severity of an impact (including the scale and scope of the impact, as well as whether a negative impact is irremediable) and the likelihood of its occurrence. Both actual and potential impacts were considered.

Each factor was assigned a score based on severity using a scale from 1 to 5. In addition, the likelihood of the impact occurring was assessed on a scale from 1 to 5. The combined assessment resulted in each impact being categorized as having low, medium, or high material significance.

### Analysis of Financial Materiality

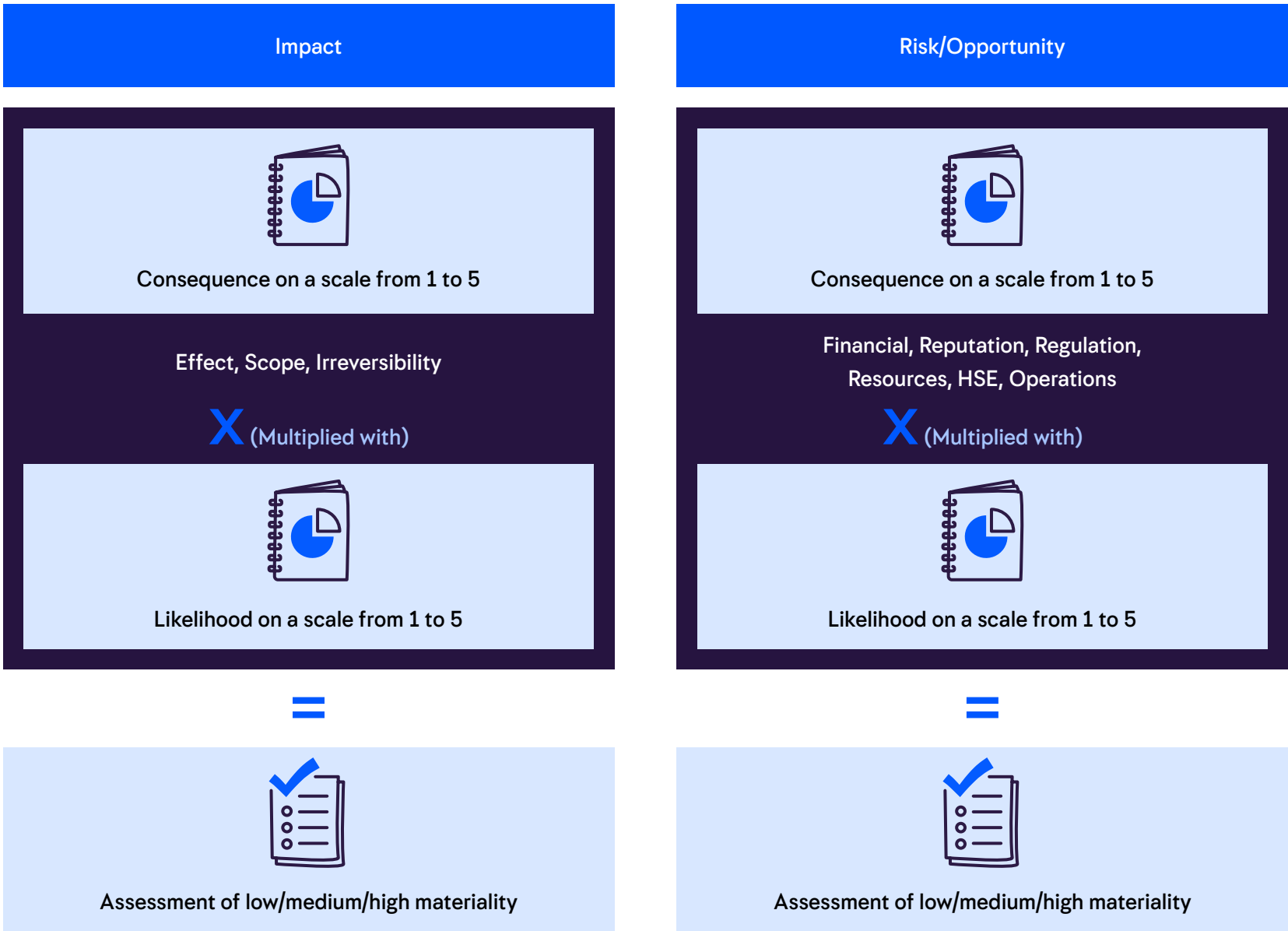
The financial materiality assessment evaluated which financial risks or opportunities are relevant to each material sustainability topic. The consequence of each risk/opportunity was assessed using one of the following criteria:

- Financial impact
- Internal/external regulations
- Reputation/trust

For each identified impact, an assessment was made as to whether the impact could have a corresponding financial effect. Financial materiality for Norsk Tipping is largely about the company's long-term ability to fulfil its societal mission and the robustness of its business model, where maintaining a strong reputation and public trust is essential.

Next, the likelihood of the risk/opportunity occurring was assessed. Definitions of financial consequence were aligned with the company's broader framework for uncertainty management.

FIGURE 3  
*Scoring Methodology for Impact Drivers and Financial Risk and Opportunities*



## Threshold Values

After all impacts, risks, and opportunities (IROs) with associated sustainability topics were assessed, threshold values were set to determine which of these were material for reporting and which were not. Going forward, Norsk Tipping will work strategically with the topics that have been assessed as material.

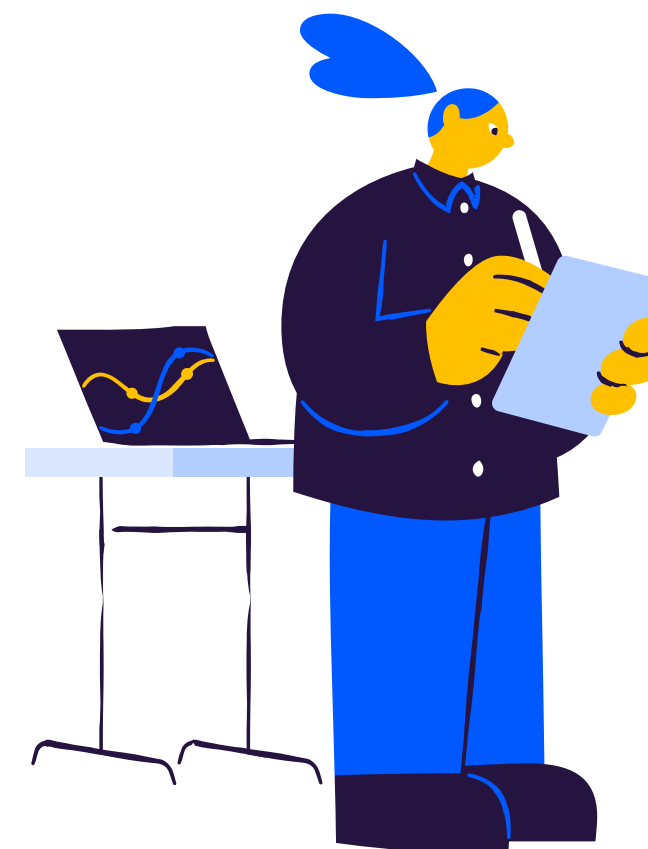
The thresholds are based on EFRAG's Implementation Guidance 1. The method starts from each IRO's consequence and probability. Both these aspects are considered when evaluating whether the IRO is material or not. EFRAG recommends prioritizing consequence over probability when there is a potential for human rights violations.

Norsk Tipping has chosen to assess all IROs with equal weighting of consequence. For example, an IRO will be considered material if it is assessed to have a very severe consequence and very low probability. Conversely, if an IRO has low consequence and very high probability, it will not be considered material.

The results from the analysis were reviewed by the company's executive leadership team, which was also kept informed about the work of preparing a transitional report for 2024. The double materiality analysis was presented to and approved by the company's board in May 2024. The work on the transitional report was presented in the board meeting in January 2025.

## Determination of Material Reporting Information

With material IROs grouped by sustainability topic, sub-topic, and sub-sub-topic, an analysis was conducted to identify material reporting information. The analysis was based on EFRAG's guidance ID 177 and the implementation guidance with a list of data points. First, each individual reporting requirement was assessed, followed by the underlying data points. The analysis was conducted to uncover the reporting elements that are material for highlighting Norsk Tipping's significant impacts, risks, and opportunities, and to provide relevant information to stakeholders through the sustainability report.





## ESRS Disclosure Overview

TABLE 9  
*ESRS Index: Overview of Disclosure Requirements (DRs) and Page References*

ESRS Standard	Disclosure Requirement	Description	Page(s)
ESRS 2	BP-1	General basis for preparation of sustainability reporting	<a href="#">8</a>
	BP-2	Disclosures in case of specific circumstances	<a href="#">8</a>
	GOV-1	Role of the administrative, management and supervisory bodies	<a href="#">8-9</a>
	GOV-2	Information provided to the undertaking's governance bodies and sustainability matters addressed	<a href="#">9-10</a>
	GOV-3	Integration of sustainability performance in incentive schemes	<a href="#">10</a>
	GOV-4	Statement on due diligence	<a href="#">10-11</a>
	GOV-5	Risk management and internal control over the sustainability reporting process	<a href="#">11</a>
	SBM-1	Strategy, business model and value chain	<a href="#">11-12</a>
	SBM-2	Interests and views of stakeholders	<a href="#">12-15</a>
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	<a href="#">15-16</a>
	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	<a href="#">16-20</a>
	IRO-2	Disclosure requirements covered in the undertaking's sustainability report	<a href="#">20-23</a>
E1	E1-1	Transition plan for climate change mitigation	<a href="#">26</a>
	E1-2	Policies implemented to manage climate change mitigation and adaptation	<a href="#">26-27</a>
	E1-3	Actions and resources related to climate policies	<a href="#">27</a>
	E1-4	Targets for climate change mitigation and adaptation	<a href="#">27</a>
	E1-5	Energy consumption and energy mix	<a href="#">28</a>
	E1-6	Gross greenhouse gas emissions (Scope 1, 2, 3 and total)	<a href="#">29-32</a>

ESRS Standard	Disclosure Requirement	Description	Page(s)
S1	S1-1	Policies related to own workforce	<a href="#">35</a>
	S1-2	Processes for engaging with own workforce and channels for raising concerns	<a href="#">36-39</a>
	S1-3	Processes for engaging with own workforce and workers' representatives regarding impacts	<a href="#">36-39</a>
	S1-4	Actions related to material impacts on own workforce and strategies to address material risks and seize material opportunities in relation to the own workforce, as well as the effectiveness of those actions	<a href="#">36-39</a>
	S1-5	Targets for addressing material negative and enhancing positive impacts, and managing risks and opportunities	<a href="#">36-39</a>
	S1-6	Characteristics of the undertaking's employees	<a href="#">39</a>
	S1-9	Diversity indicators	<a href="#">37-38</a>
	S1-14	Working conditions metrics	<a href="#">38</a>
	S1-15	Work-life balance metrics	<a href="#">38</a>
	S1-16	Remuneration metrics	<a href="#">38</a>
	S1-17	Incidents and complaints	<a href="#">39</a>
S2	S2-1	Policies related to value chain workers	<a href="#">41-42</a>
	S2-2	Processes for engaging with value chain workers regarding impacts	<a href="#">42-43</a>
	S2-3	Processes to remediate impacts and grievance mechanisms for value chain workers	<a href="#">42-43</a>
	S2-4	Actions related to material impacts on workers in the value chain and strategies to address material risks and seize material opportunities in relation to workers in the value chain, as well as the effectiveness of those actions	<a href="#">44</a>
	S2-5	Targets for mitigating negative impacts and managing risks and opportunities	<a href="#">44</a>

ESRS Standard	Disclosure Requirement	Description	Page(s)
<b>S4</b>	S4-1	Policies related to consumers and end-users	<a href="#">45-47</a>
	S4-2	Processes for engaging with consumers and end-users regarding impacts	<a href="#">47</a>
	S4-3	Processes to remediate impacts and grievance mechanisms for consumers and end-users	<a href="#">47</a>
	S4-4	Actions related to material impacts on consumers and end-users and strategies to address material risks and seize material opportunities in relation to consumers and end-users, as well as the effectiveness of those actions	<a href="#">47-50</a>
	S4-5	Targets for mitigating negative impacts and managing risks and opportunities	<a href="#">50</a>
<b>G1</b>	G1-1	Policies on business conduct and corporate culture	<a href="#">53-55</a>
	G1-2	Management of relationships with suppliers	<a href="#">55</a>
	G1-3	Prevention and detection of corruption and bribery	<a href="#">55</a>
	G1-4	Incidents of corruption and bribery	<a href="#">56</a>
	G1-5	Political influence and lobbying activities	<a href="#">56</a>
	G1-6	Payment practices	<a href="#">56</a>





# Environmental Information

Material Topic: E1 Climate Change





# Climate Change

Gain insight into how Norsk Tipping works to reduce the climate footprint of its operations.

*Illustration: Jon Arne Berg / byHands*

## Transition Plan for Climate Change Mitigation

Norsk Tipping has not yet adopted a formal transition plan for climate change mitigation. The plan began development in autumn 2024 and will continue into 2025.

## Material Impacts, Risks, and Opportunities

### Negative Impact

Norsk Tipping contributes to greenhouse gas emissions through the production and transport of physical gaming products, marketing materials, and other procured services (upstream).

In its own operations, emissions arise from company vehicles, business travel, and energy use in office buildings, as well as from waste handling and downstream product and service use.

### Risk

Increased costs related to emissions across the value chain and operations present a potential financial risk. Rising prices from carbon-related taxes may negatively affect costs.

Lack of credible emissions targets or reduction plans may damage the company's reputation.

All material risks are classified as transition risks.

Norsk Tipping's strategy and business model are generally considered robust in relation to climate change. Climate-related risks have been identified as part of the double materiality assessment, which has included both the upstream and downstream value chain, in addition to the company's own operations. The time horizons for these risks are aligned with those defined in the ESRS. A separate climate risk assessment with accompanying scenario analysis has not been conducted.

Norsk Tipping has not identified material physical climate-related risks in its own operations or within its value chain. The identified transition risks are not currently considered to significantly affect the company's strategy or business model, although they may have negative financial consequences for Norsk Tipping in the longer term. A transition to a resilient low-carbon economy is not expected to substantially impact Norsk Tipping's customer engagement in gaming activities.

The robustness assessment has been carried out at a general level by the working group responsible for sustainability reporting. The process of identifying and assessing climate-related impacts has been conducted through analysis of Norsk Tipping's greenhouse gas inventory. The majority of Norsk Tipping's climate footprint lies within the value chain, particularly associated with the procurement of goods and services.

## Governing Documents for Climate Mitigation and Adaptation

Norsk Tipping follows a Corporate Social Responsibility and Sustainability Policy, which governs all areas of sustainability and applies to both operations and the value chain. The policy goal is:

*"Norsk Tipping shall take responsibility for how the business impacts people, society, and the environment."*

### The company's work on corporate social responsibility and sustainability shall:

- Ensure compliance with applicable legal requirements
- Meet the owner's expectations for a sustainable and as efficient as possible achievement of sector policy objectives. In line with good practice, the UN Sustainable Development Goals (SDGs) shall be used as one of the frameworks guiding this work
- Be based on the company's identified material risks and opportunities, and rely on a materiality assessment that is regularly updated
- Be an integrated part of the company's strategy, corporate governance and reporting
- Be embedded in agreements with external partners (e.g. sponsorship agreements)
- Be supported by policies and guidelines covering relevant areas

- Be communicated to employees in a manner tailored to their specific areas of responsibility and tasks
- Meet expectations from society and the company's stakeholders
- Demonstrate the highest possible degree of transparency regarding the company's sustainability efforts
- Be reported comprehensively in the annual and sustainability report, which shall be prepared in accordance with applicable sustainability reporting standards

The policy is linked to all material impacts, risks and opportunities identified in the company's materiality assessment, and thereby also to the relevant stakeholders. The Director of Brand and Communications is the highest level of responsibility within Norsk Tipping for ensuring the implementation of this policy and its underlying guidelines.

Norsk Tipping also has a dedicated guideline for climate and environment, aimed at identifying and managing the company's climate impact.

The guideline is linked to the company's climate-related impacts and risks by taking as its starting point the largest emission categories identified in the greenhouse gas inventory.

**Key expectations include:**

- Be certified under the Eco-Lighthouse (Miljøfyrtårn) scheme

- Base its efforts on a risk-based approach aimed at mapping emission categories and reducing the footprint where the impact is greatest
- Set goals and implement measures to reduce the company's greenhouse gas emissions annually in line with the Paris Agreement
- Demand and utilize climate-friendly alternatives when the company purchases goods and services
- Facilitate opportunities for employees to contribute positively to climate and environmental efforts
- Travel in the most climate-friendly way possible
- Monitor goal achievement through the company's operational management and reporting
- Annually prepare a complete climate account in accordance with the GHG Protocol
- Report on goal achievement in the company's annual and sustainability reports

The scope of the guideline includes both the company's own operations and its value chain, in line with the policy for corporate social responsibility and sustainability.

The Director of Brand and Communication holds the highest level of responsibility within Norsk Tipping for the implementation of the guideline.

The guideline does not include information on climate change adaptation, energy efficiency, or the development of renewable energy.

## Climate Targets, Measures and Resources

Norsk Tipping has set a target to reduce greenhouse gas emissions by 55 percent. The company's climate and environmental guideline includes a target to reduce emissions in alignment with the Paris Agreement. Norsk Tipping is currently in the process of developing actions and allocating resources related to its climate change policies.

In 2025, the company is preparing a climate transition plan that will outline categories of actions and describe the company's contribution to achieving the goals of the Paris Agreement. The objectives of the transition plan are based on the methodology established by the Science Based Targets initiative (SBTi).

The target will cover Scope 1, Scope 2, and Scope 3 emissions, and will include quantified targets for 2030 and 2050.



## Energy Accounting

Norsk Tipping's energy consumption consists of electricity use in its own premises, charging of leased vehicles, and electricity consumption from gaming terminals. The electricity used in company facilities and for charging leased vehicles is documented through data provided by suppliers. The basis for calculating electricity consumption from gaming terminals is an estimate based on continuous operation of all Norsk Tipping machines and an average electricity consumption per hour.

In addition, district heating is purchased from Eidsiva Bioenergi. Guarantees of origin have been purchased for the electricity used in company facilities. Regarding energy consumption from Eidsiva Bioenergi, energy from waste incineration and biofuel is considered renewable energy in the energy accounts.

The calculation of the energy mix is based on NVE's (Norwegian Water Resources and Energy Directorate) climate declaration for physically delivered electricity, as well as data from *fjernkontrollen.no* for district heating, and 100 percent renewable energy for the portion of electricity covered by guarantees of origin.

TABLE 10  
*Energy Accounting*

Energy Use and Mix	2024
<b>Total fossil energy (MWh)</b>	<b>193</b>
Fossil energy share (%)	1,5 %
<b>Nuclear energy (MWh)</b>	<b>133</b>
Nuclear energy share (%)	1 %
Biomass fuel (MWh)	0
<b>Renewable electricity, heat, steam (MWh)</b>	<b>11 951</b>
Self-produced renewable energy (MWh)	0
<b>Total renewable energy (MWh)</b>	<b>11 951</b>
Renewable energy share (%)	97,3 %
<b>Total energy use (MWh)</b>	<b>12 277</b>



## Greenhouse Gas Accounting

Norsk Tipping's greenhouse gas (GHG) accounting is based on the international standard «[A Corporate Accounting and Reporting Standard](#)», developed by [The Greenhouse Gas Protocol Initiative](#), commonly referred to as the GHG Protocol. The data used in the GHG accounts has been collected from both external and internal sources. The collected data is converted to CO<sub>2</sub> equivalents where possible and presented as tonnes of CO<sub>2</sub> equivalents (tCO<sub>2</sub>e) in the climate accounts. The report was prepared by Norsk Tipping's finance department in consultation with an external advisor.

The GHG Protocol is used to identify significant emission sources and to enable the reporting of climate footprints in a comparable manner. It is based on five principles:

- 1. Relevance:** The GHG accounting must reflect the company's actual climate impact, so it can be used for internal and external decision-making.
- 2. Completeness:** All greenhouse gas emissions within the selected system boundaries must be calculated and reported. Any exclusions must be described and justified.
- 3. Consistency:** The calculation method must be consistent so that the GHG accounting is comparable over time. Reporting must be transparent and document any changes in data sources, system boundaries, methods, or other relevant factors.
- 4. Transparency:** All relevant issues must be addressed, ensuring traceability in the work. Be open and transparent about all assumptions and refer to the methodology used.

- 5. Accuracy:** Ensure the calculated climate impact is as close to the actual impact as possible. Reduce uncertainty as far as possible.

Norsk Tipping reports based on *the operational control approach, in line with the requirements defined in the European Sustainability Reporting Standards (ESRS)*.

Procurement data was primarily used as the basis for calculating the climate footprint. Materiality assessments were made based on this data to determine what should be included in the GHG accounts and what should be excluded. Further detail is provided in the tables on [pages 31](#) and [32](#). Data was collected from both external suppliers and internal systems.

The emission factors used in the GHG accounting are largely based on publicly available sources (e.g., [DEFRA](#) and [DFØ](#)). In some cases, emission factors from [Klimakost](#) were used either to validate DFØ values or where DFØ lacked relevant factors. Additionally, some specific emission factors were developed where public data was unavailable or where custom factors were considered more accurate. In some instances, assumptions and average values were used to supplement data.

Emission factors are stated in CO<sub>2</sub> equivalents (CO<sub>2</sub>e), representing the weighted contributions from the seven greenhouse gases required by the GHG Protocol. The sum of CO<sub>2</sub> equivalents expresses the Global Warming Potential (GWP) of carbon dioxide over a 100-year time horizon and includes the gases covered by the Kyoto Protocol: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, and NF<sub>3</sub>. According to the GHG Protocol, these gases should be calculated and reported both individually and

collectively as CO<sub>2</sub>e. Currently, Norsk Tipping reports these gases collectively due to limited disaggregation in available emission factors.

The quality of the input data (e.g., litres of petrol purchased) and emission factors (e.g., the carbon footprint of burning one litre of petrol) varies greatly. Where climate footprints are calculated based on procurement data, also known as the spend-based method (e.g., NOK spent on air travel) and emission factors based on cost (e.g., kg CO<sub>2</sub>e per NOK spent on air travel), the result is more uncertain. This is because similar services (e.g., flight kilometres) can be bought at different prices, and prices can vary significantly from year to year. Thus, the emission factor is less accurate than one based on specific physical activity (e.g., kg CO<sub>2</sub>e per km flown).

To increase accuracy, more precise data was requested from suppliers – providing more specific carbon footprints (e.g., quantities of IT hardware purchased, such as laptops, phones, monitors, etc.). However, supplier data is often incomplete, and assumptions or spend-based calculations are used as substitutes.

In 2024, 25% of Norsk Tipping's climate accounting is based on supplier data and activity-based calculations, while 75% is based on the spend-based method.

Norsk Tipping uses an Excel-based model to calculate its climate footprint.

All procurement data is imported into the model for a specified period. Costs related to contracts and accounts are categorized into various emission categories with corresponding scopes.

The model allows GHG calculations to be based on supplier data, activity data, or the spend-based method. If no carbon footprint is entered based on supplier or activity data – or if the entire contract is not covered – then the spend-based method is used.



## 2024 Climate Accounting

TABLE 11  
*Norsk Tipping's GHG Emissions per Scope and Category (tCO<sub>2</sub>e)*

Category	Emissions (tCO <sub>2</sub> e)
Gross GHG emissions within Scope 1	90
Share of Scope 1 emissions from regulated emission trading schemes (%)	0
Gross location-based Scope 2 GHG emissions	257
Gross market-based Scope 2 GHG emissions	4 392
Total gross indirect Scope 3 GHG emissions	23 397
1: Purchased goods and services	20 297
2: Capital goods	2 277
3: Fuel- and energy-related activities	52
4: Upstream transportation and distribution	116
5: Waste	42
6: Business travel	325
7: Employee commuting	134
11: Use of sold products	115
12: End-of-life treatment of sold products	38
Total GHG emissions (location-based)	23 745
Total GHG emissions (market-based)	27 800

Climate Intensity

Climate intensity is calculated based on total greenhouse gas emissions in tonnes of CO<sub>2</sub> equivalents divided by net gaming revenue in millions of NOK. The calculation is performed using both the location-based and market-based methods.

TABLE 12  
Climate Intensity per Net Gaming Revenue

Climate Intensity per Net Gaming Revenue	2024
Total GHG emissions tCO <sub>2</sub> e (location-based) per million NOK net gaming revenue	2,32
Total GHG emissions tCO <sub>2</sub> e (market-based) per million NOK net gaming revenue	2,72
Net gaming revenue (NOK millions)	10 237

System Boundaries in the Climate Accounts

TABLE 13  
Scope 1 Boundaries

Scope 1	Included	Comment
1. Stationary combustion	Yes	
2. Mobile combustion	Yes	
3. Fugitive emissions	Yes	
4. Process emissions	No	Not relevant, as Norsk Tipping has no activities under this category

TABLE 14  
Scope 2 Boundaries

Scope 2	Included	Comment
1. Purchased electricity	Yes	
2. Purchased heat	Yes	
3. Purchased cooling	No	Norsk Tipping does not purchase any form of cooling
4. Purchased steam	No	Norsk Tipping does not purchase steam

**TABLE 15**  
**Scope 3 Boundaries**

Scope 3	Included	Comment
1. Purchased goods and services	Yes	
2. Capital goods	Yes	
3. Fuel- and energy-related activities	Yes	
4. Upstream transportation and distribution	Yes	
5. Waste generated in operations	Yes	
6. Business travel	Yes	
7. Employee commuting	Yes	
8. Upstream leased assets	No	Norsk Tipping does not lease any significant assets beyond vehicles. Fuel from these is reported under Scope 1 and the purchase in Scope 3 Category 1
9. Downstream transportation and distribution	No	Norsk Tipping does not sell products that entail transportation costs for the customer
10. Processing of sold products	No	Not relevant
11. Use of sold products	Yes	Calculated for the use phase of prize cars
12. End-of-life treatment of sold products	Yes	
13. Downstream leased assets	No	Norsk Tipping does not lease out any assets
14. Franchises	No	Norsk Tipping has no franchises
15. Investments	No	Norsk Tipping holds a 20% ownership share in Lotteries Entertainment Innovation Alliance AS (LEIA). An at-tempt has been made to calculate Norsk Tipping's share of climate impact in the company, but due to poor data quality, the category has been entirely excluded.

### Sources of Error in the Climate Accounts

Ongoing assessments have been made in each category regarding data quality. Evaluations have been conducted to determine which supplier data are appropriate to use. Nevertheless, there is a possibility that the supplier data used are not complete. Therefore, the basis for calculating the climate footprint may be deficient. This can lead to underreporting of the climate footprint.

The climate accounts use emission factors from several sources, including DFØ, Klimakost, and custom-calculated emission factors. All these emission factors have limitations, and in cases where non-custom factors are used, the company does not have full insight into what is included. Inaccurate emission factors can lead to both overreporting and underreporting of the climate footprint. Where all other factors are equal, the highest emission factor has been chosen to compensate for potential underreporting. However, this approach is itself a source of potential error.

Significant categories in the climate accounts have been assessed using financial data. Errors may exist in purchasing data, such as misclassified items. There may also be misjudgements regarding the emission categories associated with the financial data. Other internal data may also be a source of errors—such as inaccuracies in the vehicle fleet overview or travel expense reimbursements. These may also lead to underreporting of the climate footprint.

An Excel-based model was used to calculate the climate footprint. Errors in the model, such as miscalculations or double counting, are possible. Although quality assurance of the model has been carefully conducted, errors can never be entirely ruled out.





# Social Topics

Material topics: S1 Own Workforce, S2 Workers in the Value Chain, and S4 Consumers and End Users





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# Own Workforce

Gain insight into how Norsk Tipping manages impact and risk related to its own employees, including topics such as working conditions, gender equality, diversity and other work-related matters.

*Illustration: Jon Arne Berg / byHands*

# Governing Documents

## HR Policy

Goal: "We have developed one of Norway's most attractive workplaces!" The main purpose of the HR policy is to support the company's ability to achieve its strategic goals. This is done by defining mutual obligations between managers and employees, creating clear expectations and a foundation for strong performance, learning, and goal achievement. The Director of Organisation and Legal is responsible for implementing the policy.

### Principles and Requirements:

- **Values:**
  - Skilled: We are constantly developing new competence.
  - Generous: We care about each other and help one another succeed.
  - Ambitious: We are passionate and strive toward bold goals.
  - Fearless: We try new things and dare to fail.
  - Magical: We go the extra mile.
- **Leadership Principles:**
  - We set direction and goals.
  - We achieve results through collaboration.
  - We inspire and develop.
  - We evaluate, learn, and improve.

- **Way of Working:** Norsk Tipping will further develop an agile approach based on test-and-learn methodology, interdisciplinary collaboration, shared priorities and continuous process improvement.
- **Goal Setting:** Each employee, in collaboration with their manager, shall set high but realistic goals. The company will support development based on individual strengths and potential in line with business needs. Employees are expected to take responsibility for their own learning and development.
- **Conditions and Benefits:** The company's terms and benefits shall be competitive relative to geography and comparable enterprises. The salary policy supports career paths in both professional and leadership roles.
- **Competence and Organisational Development:** The company will prioritise development needed to deliver on strategic initiatives. External recruitment shall increase the likelihood of success.
- **Diversity:** Norsk Tipping seeks a broad and diverse mix of leaders and employees and aims to achieve diversity in teams and leadership at all levels in terms of gender, experience, age and cultural/professional background.
- **Adaptability:** The organisation shall be continuously adapted to business needs to ensure efficient resource use.
- **Work Environment:** Employees shall have a good physical, psychosocial and organisational work environment.
- **Relationship Between Management and Employees:** This shall be based on dialogue, trust, and mutual respect with appropriate cooperation structures.

# Material IROs and Associated Procedures, Measures, Goals, and Metrics

## Gambling Exposure

Norsk Tipping may negatively impact its own employees due to greater exposure to gambling, which can affect their gambling habits and result in problematic behaviour.

As a gambling company, employees are exposed to games during their workday. The company's overarching strategic ambition is to "work towards a society without gambling problems."

The objective of the internal work on gambling issues among employees is to increase awareness of one's own gambling behavior, recognize signs of unhealthy gambling, and know how to manage it. Norsk Tipping has a strong collaboration with the Workplace Advisory Centre for Issues Related to Alcohol, Drugs, and Addictive Behavior (AKAN). The company's AKAN committee conducts several activities annually targeted at employees. This includes lectures on the topic, information displayed in common areas, marking World Mental Health Day, and leadership training.

The company's AKAN work has a special focus on gambling problems and has established routines for handling cases where employees show signs of problematic gambling behavior. These individuals receive guidance in the same manner as the company's regular customers. All new employees are invited

to a meeting with an AKAN representative who provides information about Norsk Tipping's AKAN initiatives, with a focus on challenges related to gambling.

Norsk Tipping conducted a survey on employees' gambling habits in 2023. A new survey is planned for 2025 with updated questions. The results are analyzed to evaluate the effectiveness of the initiatives. The measures are followed up by the AKAN committee and the Working Environment Committee (AMU) throughout the year.

### Bullying and Harassment

Norsk Tipping may have a potentially negative impact on its own employees through bullying and harassment in the workplace, which can lead to reduced well-being.

The company's strategic ambition to "build a dream team with strong transformational power" sets the direction for internal organizational work. Efforts to promote equality and prevent discrimination are central to the company's goal of being an attractive workplace in a demanding and expectation-filled market. Work on equality and diversity is governed through the company's quality system and adopted policies.

The goal in the HR policy is: "We have developed one of Norway's most attractive workplaces." It also states: "Norsk Tipping seeks a broad and diverse range of leaders and employees," and "the company aims to achieve diversity in teams and leadership at all levels in terms of gender, experience, age, and professional

and cultural background." This is specifically followed up through measurements of the proportion of female employees and leaders.

The relationship between the company and its employees is regulated at multiple levels: The Equality and Anti-Discrimination Act and the Working Environment Act form the foundation. Local collective agreements are guiding, as are the company's HR policy and guidelines for HSE, ethics and anti-corruption, pay, and rewards.

Norsk Tipping actively works to detect and counteract bullying and harassment in the workplace. Through the efforts related to the duty to act and report, no significant challenges have been identified concerning discrimination or obstacles to equality. However, areas for improvement and the need for measures have been identified, and the company has initiated processes aimed at further improvement.

In 2024, a leadership training program was carried out focusing on addressing situations when things are not working. In addition, a new tool for employee surveys was acquired to detect any deviations in the working environment. Norsk Tipping has whistleblowing channels that allow employees to report cases both internally and externally, including anonymously if desired.

Employees on their way up Stetinden in Jotunheimen. Norsk Tipping organizes one to two mountain hikes each year. PHOTO: Norsk Tipping



The organization also actively uses occupational health services in work related to the work environment and in the follow-up of personnel matters.

Through the duty to act and report, the company continuously addresses issues around diversity, discrimination, and harassment throughout the year. Union representatives are involved in this work. All new employees are informed about the whistleblowing channels and are also introduced to the contents of the personnel handbook.

Cooperation meetings between the employer and union representatives are held every two weeks, where union reps can bring up issues related to bullying, harassment, and unhealthy exposure to gambling. Norsk Tipping has a legally required Working Environment Committee consisting of representatives from both the employer and employee sides. The committee holds quarterly meetings where work environment issues are discussed. In addition, a strategy meeting is held every autumn with union representatives and the executive leadership team, where both parties are encouraged to contribute to the agenda.

These meeting forums are examples of how employees have a real opportunity to influence how the organization works on work environment initiatives.

**Diversity**

**TABLE 16**  
**Gender Distribution Among Leaders at Norsk Tipping**

	Under 30	30-50	Over 50	Total
Women	0	9	11	20 (39,2 %)
Men	0	10	21	31 (60,8 %)
Total	0	19	32	51

Norsk Tipping's definition of leaders includes the following roles: Chief Executive Officer, directors, senior advisors, department heads, delivery managers, unit leaders, team leaders, and personnel managers.

There has been an increase in the proportion of female leaders from 2023 to 2024 by 6.5 percentage points. This is the result of several years of focus on diversity and balance in each individual recruitment process.





TABLE 17  
*Gender Distribution - All Employees at Norsk Tipping*

	Under 30	30-50	Over 50	Total
Women	13	98	56	167 (37,7%)
Men	25	126	125	276 (62,3%)
Total	38	224	181	443

**Work Environment**

In the company's materiality analysis, janitors and cleaners are considered vulnerable groups. These employees make up 1.4 percent of the total workforce. These two occupational groups receive annual occupational health checks and work environment assessments. Shift employees in the company who work evening shifts may experience burdensome working hours. As a result, they are offered health checks every third year.

In total, three work-related injuries were reported in the company in 2024, one of which resulted in sick leave.

**Pay Balance**

The wage difference between women and men was 93.6 percent in 2024. This is an improvement from 2023, when women's share of men's salary was 91.6 percent. The company's Chief Executive Officer is the highest-paid employee. The annual total compensation ratio is calculated as "annual total compensation of the company's highest-paid employee divided by the median value of annual total compensation for all employees," and was 4.04 in 2024.

**Whistleblowing**

Norsk Tipping had one case of work-related harassment via the whistleblowing channel in 2024. This was handled as a personnel matter.

**Work-Life Balance**

There is a risk that increased workload and low facilitation of work-life balance may lead to increased costs related to sick leave.

The experience of a good work environment and a good work-life balance is essential for the company to be an attractive workplace. The company is committed to taking care of its employees and ensuring that individual workloads are balanced over time. The company offers a flexible work hours scheme for all employees, allowing for effective balancing of work and personal life. In 2025, the flexible work scheme has been extended to provide even greater flexibility for individuals. The opportunity for occasional remote work also contributes to daily flexibility. All employees receive two additional days off per year, plus one Christmas leave day.

As a preventive measure, the company offers coping strategy consultations and workplace assessments through its occupational health service. The threshold for using these services is low, and experience shows they have a positive effect on individuals. Sick leave is regularly followed up, among other reasons to determine whether the absence is work-related. Furthermore, perceived work-life balance is monitored through workplace surveys among all employees and during performance reviews.

In Norway, everyone is entitled to parental leave and caregiving leave. Caregiving leave entitles up to 10 days per year. In 2024, 13 female employees had an average of 24 weeks of parental leave, and 8 male employees had an average of 19 weeks. In addition to parental and caregiving leave, family-related leave is also taken for occasions such as funerals, a child's first day of school, kindergarten adjustment, and acute illness in the household.

Reputational risk has been identified in connection with situations where Norsk Tipping employees work beyond what is permitted under the Working Environment Act. Norsk Tipping has four different shift work environments. These include customer service, sports games operations, draw shifts, and operations and internal support. The shift scheduling tool has built-in alerts for violations of the Working Environment Act, and these alerts are followed up by the manager. Reports from the scheduling tool are analyzed semi-annually and reported to the Working Environment Committee. Measures are implemented as needed.



For other employees, overtime and flexible work hours are followed up by the personnel manager. HR and payroll monitor this at a higher level and notify the personnel manager when action is needed. Responsible operations are ensured through close cooperation between employees and management.

Privacy Violations

Security breaches of employees' rights to confidentiality, privacy, and data protection can also lead to increased costs for Norsk Tipping through fines.

Norsk Tipping has its own Data Protection Officer. The main purpose is to maintain an overview of all processing of personal data within the organization. Norsk Tipping has two different security councils for the assessment of new digital systems, where the sensitivity of the information determines the forum for evaluation. In the assessment by the security council, employee privacy is given high priority.

In 2024, Norsk Tipping acquired a new digital document archive. This archive meets GDPR requirements and ensures that documents are deleted according to current guidelines. Most of the digital systems used at Norsk Tipping, in which personal data is stored, have automatic deletion after a specified period. This includes, among others, the recruitment system and the tool for employee surveys. In collaboration with the Data Protection Officer, the company has developed its own internal guidelines for storing and deleting information. When using artificial intelligence tools, employees are required to classify all documents and emails based on sensitivity.

Opportunity

Norsk Tipping's social mission, strong brand, and position in Norwegian society are positive factors for recruitment/employer branding and can contribute to meaningful job content and increased employee satisfaction.

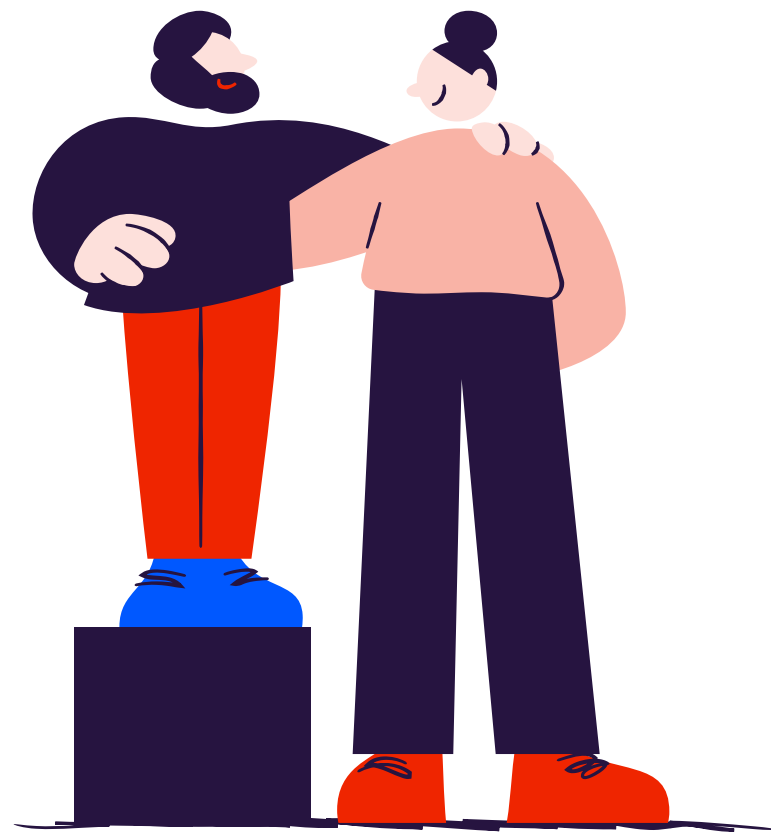
The goal stated in the company's HR policy is to develop one of Norway's most attractive workplaces. The company's strong brand and social role can help foster internal pride and contribute to attracting relevant competence.

Turnover is 4.1 percent in 2024. This figure includes employees who have left the company. Employees who have retired are not included. The calculation is based on the number of employees who have left divided by the average number of employees.

TABLE 18  
*Employees as of 31.12.2024*

	Women	Men	Total
Total employees	167	276	443
Permanent employees	148	260	408
Temporary employees	10	7	17
On-call workers	9	9	18
Full-time employees	158	267	425
Part-time employees	0	0	0

The table includes permanent and temporary employees, as well as employees without guaranteed working hours. An average over the year has not been calculated.



## Workers in the Value Chain

Gain insight into how Norsk Tipping works to address the company's impacts on workers in the value chain. This chapter covers employment conditions, equality, diversity, and other labour-related rights.

*Illustration: Jon Arne Berg / byHands*

## Material IROs

### Negative Impacts:

Norsk Tipping uses many suppliers and may have indirect and/or direct negative impacts on working conditions. Industries particularly exposed to violations of human and labour rights include, among others, transportation, the developer industry, software, IT hardware manufacturing, and/or other sectors requiring a low level of education, such as canteen services, craft/security services, etc. There may be negative impacts related to, among other things, working hours/overtime and living wages.

Procured hardware may contain components, such as metals, that originate from production with a high risk of poor working conditions in the value chain and violations of human rights.

Norsk Tipping uses many suppliers, and these may have indirect and/or direct negative impacts on working conditions. Several suppliers have consultants or other staff working on Norsk Tipping's premises. This includes, for example, hired consultants, primarily in the technology and game development field, cleaners, canteen staff, security personnel, and tradespeople.

In the upstream value chain, procured hardware may include components, such as metals, that originate from production with a high risk of poor

working conditions in the value chain and violations of human rights. In the downstream value chain, logistics services are used for the transport of physical products to sales points or for their return.

Workers particularly vulnerable to negative impacts may be found among all the suppliers mentioned above.

The company has no workers in jointly controlled entities.

The company's suppliers have been mapped based on geographic location. This also applies to subcontractors. For certain suppliers of gaming equipment or other hardware, there may be potential for negative impact based on geographic location. No actual negative impacts on workers in the value chain have been identified through spot checks, self-declarations, or audits.

## Governing Documents for Workers in the Value Chain

### Procurement Policy

The purpose of the policy is to carry out effective procurement that complies with both internal and external guidelines and meets the company's actual needs for goods and services. The person responsible for implementing the policy is the Head of Procurement.

### Principles and Requirements:

- **Category Plan:** A category plan must be established for all procurement categories.
- **Procurement Process:** An effective procurement process shall meet the requirements of the Public Procurement Act (LOA/FOA) and other relevant regulations, directives, and laws.
- **Ethical Guidelines:** Norsk Tipping's ethical guidelines for suppliers shall apply to all procurements.
- **Sustainability and Social Responsibility:** In procurements, call-offs, and orders, there shall be a focus on requirements concerning sustainability, social responsibility, and universal design.
- **Maintenance of Procurement Plans:** Procurement plans shall be continuously maintained to ensure efficient processes and proper prioritization.
- **Competition:** As far as possible or appropriate, competition shall be ensured in procurements not subject to the procurement regulations.
- **Supplier and Contract Follow-Up:** Routines shall be established for continuous follow-up to ensure optimal utilization of contracts and that suppliers meet their obligations.
- **Routine for Call-Offs and Orders:** A routine shall be established to ensure that procurement is carried out in accordance with internal and external regulations.
- **Contract Loyalty:** A high degree of contract loyalty shall prevail.
- **Decommissioning, Disposal, and Scrapping:** All decommissioning, disposal, and scrapping of equipment shall follow the relevant guidelines.

## Ethical Guidelines for Suppliers

The ethical guidelines for suppliers are annexed to all supplier agreements. These guidelines apply to all workers in the value chain. The person responsible for implementing the guidelines is the Head of Procurement. Specific requirements are outlined related to:

- Marginalized population groups and their access to resources and income
- Prohibition of forced labour
- Prohibition of child labour
- Ethnic background, religion, age, disability, gender, gender identity, marital status, sexual orientation, trade union membership, or political affiliation

The ethical guidelines for suppliers are part of contract follow-up and supplier development and must also be adhered to by subcontractors.

The obligations for workers in the value chain within the ethical guidelines are described as follows: suppliers must:

- Actively engage in due diligence assessments, i.e., conduct their own risk assessments for negative impacts on people, society, and the environment, and halt, prevent, and reduce such impacts. Measures must be monitored, effectiveness assessed and communicated to affected parties. Where the supplier is responsible for the negative impact/damage, the supplier is also responsible for remediation.
- Show willingness and ability to continuously improve conditions for people, society, and the environment through collaboration.

- Upon request from Norsk Tipping, document how they, and where applicable their subcontractors, are working to comply with the ethical guidelines.

Breaches of the ethical guidelines constitute a breach of contract.

Norsk Tipping's ethical guidelines are based on international standards, such as the OECD Guidelines for Multinational Enterprises, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, key UN and ILO conventions, and are specified only as minimum standards.

## Procedures

Perspectives for workers in the value chain serve as the basis for risk assessments prior to a procurement, during evaluation and selection of suppliers, and throughout the contract period. These risk assessments guide which suppliers and contractual relationships the company follows up with special audits. Contact usually takes place through the contractual partner, which is the supplier.

In extended audits, it may also occur that workers are contacted directly. This is especially relevant in contracts related to transportation, cleaning, canteen services, and hired consultants. Audits are conducted by a representative from the company's Security Department together with a representative from the Procurement Department. Overall responsibility for implementation lies with the Director of Finance and Corporate Management and the Director of Organization and Legal Affairs. The audit report forms the basis for further supplier follow-up.

The company does not have global framework agreements or agreements with global labour unions.

No steps have been taken to create awareness around the perspectives of workers who are particularly vulnerable to impacts.

The procedures mentioned above are tied to the implementation of Integrity Due Diligence (IDD). This includes investigations and assessments of risk elements targeting corruption, reputation, integrity, ethics, and corporate responsibility. The goal is to uncover potential risks (red flags) related to, among other things, human rights violations, labour rights violations, child labour, health and safety breaches, environmental crimes, etc.

Procedures for managing the risk of negative impacts are handled through the IDD process. Based on the IDD report, findings and risks (red flags) presented in the report and their significance for Norsk Tipping are assessed. This risk assessment also forms part of the company's due diligence under the Transparency Act. The Procurement Department considers the risk assessment in the further procurement process. Risk assessments are conducted according to the company's guidelines for uncertainty management.

There are no specific channels available for workers in the value chain to express concerns.

There are no established procedures to remedy negative impacts.

The company's procurement category plan is revised annually and outlines which areas require particular attention in supplier follow-up. Since the categories vary, there will be differences in how many and which areas are monitored across categories.

An internal framework for procurement and social considerations has been developed and is used in the preparation of these plans.

Norsk Tipping does not assess whether, or how, workers in the value chain are aware of and trust these structures or routines for expressing their concerns or needs. As of now, the company does not require this to be assessed. Currently, this is followed up in meetings with suppliers, as part of the information provided by the supplier.

### Measures

Compliance audits were conducted for two suppliers in 2024. The compliance officer is responsible for selecting the audit targets, and the company's Security Department carries out the audits.

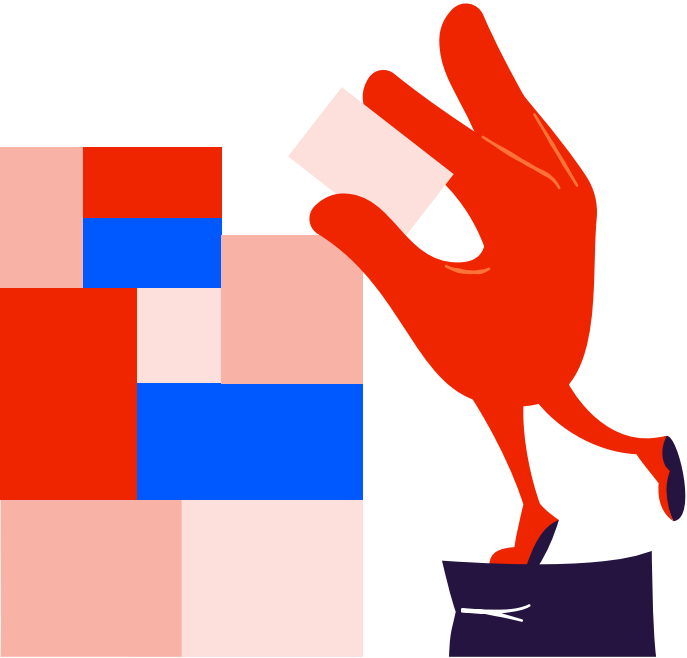
All audits are stored in the company's deviation and audit follow-up system (CIM) in a dedicated area. Identified findings and improvement measures are assigned to a responsible person for follow-up and are also documented in CIM. Further follow-up is conducted in dialogue with the supplier, and in particularly serious cases, the measures are followed up with new audits to ensure they achieve the intended results.

Additionally, the ethical guidelines for suppliers are annexed to all contracts and are subject to follow-up in meetings with suppliers.

There have been no reported or uncovered serious incidents or issues related to human rights in the value chain.

### Goals

No goals have been established related to material IROs, but the procurement policy states that there shall be a focus on social responsibility in all procurements. The policy for corporate social responsibility and sustainability has an overarching goal of reducing the company's footprint and contributing to positive change in society.







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## Consumers and End-Users

Here you can gain insight into Norsk Tipping's impacts, risks, and opportunities related to the company's customers. This chapter addresses the company's core business: The gaming offering to consumers.

*Illustration: Jon Arne Berg / byHands*

## Material IROs

### Negative Impact

By offering gambling, Norsk Tipping affects the proportion of the population that engages in gambling and may thereby potentially contribute to an increase in at-risk and problem gamblers. Problem and at-risk gambling have negative effects on family, friends, school/work life, and can lead to health challenges or the potential commission of crime, with associated societal costs.

Marketing of gambling may be burdensome for those struggling with gambling problems. Additionally, children may be exposed to gambling advertisements, which can create a desire to gamble and lead to early initiation.

Norsk Tipping may negatively impact customers' right to privacy if sensitive personal data is misused, leaked, or disclosed without consent.

### Positive Impact

Norsk Tipping can positively impact its customers by satisfying their desire to gamble in a safe environment. Norsk Tipping offers entertaining and exciting games with the possibility of winning both large and small prizes, surrounded by a comprehensive responsibility framework.

### Risk

By offering gambling, the risk of a negative trend in gambling problems in Norway may increase. If Norsk Tipping fails to channel players toward a responsible gambling offering, this may lead to a rise in gambling problems. There is also an identified risk of regulatory violations, such as breaches of GDPR.

All of these risks could lead to negative reputational consequences and diminished trust in the monopoly model as a result.

### Opportunity

By further developing an attractive gaming offering and promoting healthy gambling habits, Norsk Tipping can channel players to the legal offering. Norsk Tipping can achieve broad support among customers, the public, and surplus recipients by being an engaged social actor that contributes to positive ripple effects in society.

## Governing Documents for Consumers and End-Users

### Responsible Gambling Policy

Norsk Tipping's policy for responsible gambling includes clear goals, principles, and requirements that affect consumers and end-users. Responsibility for implementation lies with the Head of Responsibility.

#### Objectives:

- To have a real preventative effect on the negative consequences of gambling for players and society.
- To contribute long-term to increased customer value and trust in Norsk Tipping through the players' experience of how the company fulfills its social mission.
- To be recognized as a world leader and pioneer in the development of knowledge-based practices in the field.

#### Principles and Requirements:

- Norsk Tipping shall facilitate that players can take responsibility for their own gambling behaviour through access to their gambling data, tools, information, and operational transparency.
- Norsk Tipping shall also prevent negative consequences for players who are unable or unwilling to take responsibility for their own gambling behaviour.
- Players who are in the risk zone shall be informed of this.

- Norsk Tipping shall inform stakeholders about the risks of gambling and the measures implemented to prevent the negative aspects of gambling.
- Risk elements in the company's games, services, and distribution channels shall be identified and form the basis for preventative measures.
- Employees and retailers shall receive training in responsible gambling practices.
- Norsk Tipping shall possess knowledge of the negative aspects of gambling and how to prevent them and contribute to new knowledge through collaboration with research institutions.
- The company's responsibility framework shall be approved and implemented in its games, services, distribution channels, and communications.
- Customers and relatives who contact the company regarding harmful gambling behavior shall receive appropriate follow-up and support.

Privacy Policy

Norsk Tipping has its own privacy policy with a clear objective, principles, and requirements that safeguard both external end-users and internal employees. Responsibility for implementation lies with the Chief Executive Officer.

Objective: Norsk Tipping shall process personal data in accordance with the General Data Protection Regulation (GDPR).

Principles and Requirements:

- All processing of personal data must have a clear purpose and a lawful basis for processing.
- All processing of personal data must be assessed and documented in the processing record before it begins.
- No more personal data shall be collected than what is necessary to fulfill the purpose.
- The personal data processed must be accurate, and not stored longer than necessary. Once the purpose has been fulfilled, the personal data shall be deleted.
- A Data Protection Impact Assessment (DPIA) must be conducted if the processing involves a high risk to the data subject's privacy. DPIA is recommended for use of cloud services.
- The designated data controller must have completed tailored training on GDPR, including an understanding of their role, responsibilities, and tasks.
- When using a data processor (supplier), a data processing agreement must be established. This agreement must be kept up to date at all times.
- When new systems/tools/services that process personal data are introduced, principles of privacy by design must be implemented to safeguard the data subject's rights and freedoms.

Any breach of the GDPR regulation, the policy, or related guidelines must be reported to the Data Protection Officer in accordance with the company's procedures for reporting GDPR incidents.

Marketing Policy

Norsk Tipping has a marketing policy that includes clear objectives, principles, and requirements that affect consumers and end-users. The person responsible for implementing the policy is the Director of Brand and Communication.

Objectives:

- Ensure that the desire to gamble is channeled into a responsible gaming offering.
- Help communicate the company's social mission, while keeping marketing strictly limited to what is necessary to inform about the gaming offering and direct the public's gambling interest toward responsible and safe gambling options.
- Ensure that communication is open and credible to maintain public trust.
- Marketing is not an end in itself, but a tool to achieve the company's sector policy goals.

Principles and Requirements:

- Marketing shall be carried out responsibly in accordance with the Gambling Act, Gambling Regulations, other regulatory requirements and the company's marketing guidelines and associated routines.

- All customer, marketing and social communication from Norsk Tipping is considered marketing, including the company's websites and apps. Exceptions may include dialogue and messaging services related to responsibility and unwanted gambling behavior.
- Marketing shall at all times reflect the company's goals and strategies and be part of the company's corporate governance.
- To ensure the company's self-regulation, periodic risk assessments of the company's marketing shall be conducted.
- Marketing shall be based on insights and effectiveness measurements.
- Norsk Tipping's marketing shall follow the guidelines described in the Brandbook to ensure a holistic and consistent expression.
- Use of sponsorship and partnership agreements shall help support the company's business and marketing objectives and strengthen the company's position and extended social responsibility.

## Procedures

Norsk Tipping interacts with consumers and end-users in several ways.

Proactive conversations are customer follow-up calls aimed at players who may exhibit risky gambling behavior. The purpose of these conversations is to raise awareness of the customer's own gambling habits, encourage reflection on gambling behavior, and provide information about measures Norsk Tipping can offer to limit or stop gambling. These conversations are conducted by a dedicated team.

The responsibility service Spillepuls is a personalized digital interaction with customers in real time, intended to prevent players from becoming or remaining at-risk gamblers. Spillepuls interactions aim to make the player more aware of their own gambling, encourage reflection, and present a specific action that can moderate further gambling. Spillepuls is displayed when the customer is logged into the company's app or website.

The company holds two annual stakeholder meetings with various parties involved in gambling and gambling addiction. Participants include therapists, interest organizations, public health bodies, researchers, regulatory authorities, legal gambling operators, problem gamblers and their relatives. The agenda for these meetings reflects current issues and potential actions and is shaped by participant input. Emphasis is placed on creating a safe and open space where everyone can share experiences and views, with ample room for exchange of opinions. This openness helps strengthen discussions and promote new perspectives.

Norsk Tipping experiences great interest in these meetings. For the company, receiving feedback and suggestions from participants is highly valuable. The input directly contributes to the development and improvement of Norsk Tipping's initiatives and activities to prevent gambling problems in Norway.

In addition, Norsk Tipping conducts several annual customer surveys that map customer user experiences. Customers and relatives may contact Norsk Tipping to request information, express concerns, or ask for help. They can contact customer service, which refers the matter further as needed. If there is reason to or an expressed concern about negative gambling behavior, this is referred to the proactive conversation team, which contacts the customer or relatives. Customers or relatives

may also request a conversation by emailing [samtaler@norsk-tipping.no](mailto:samtaler@norsk-tipping.no). Information about this is available on the company's website and app.

Norsk Tipping has established a privacy statement available on its website. The privacy statement applies to both Norsk Tipping customers and visitors to Norsk Tipping's website. The statement describes how Norsk Tipping fulfills its obligations under the Data Protection Act/GDPR.

Customers wishing to contact Norsk Tipping regarding their rights or Norsk Tipping's processing of personal data may contact customer service. Customers who wish to receive a copy of the data stored about them can request this themselves via digital channels.

## Measures and Tools

The company's responsibility framework consists of actions and guidelines that apply to all customers, as well as various tools that individual customers may choose to use. The framework is structured as a care ladder, where follow-up is tailored to each individual's risk level and development over time.

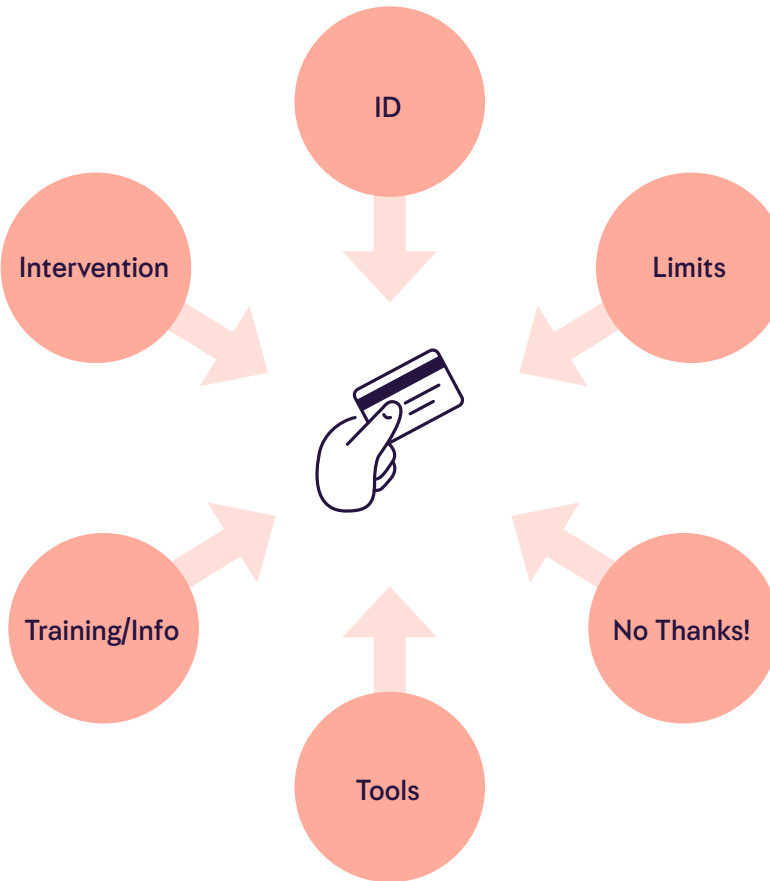
The framework exists both to reduce the negative impact Norsk Tipping has on customers and end-users, and to ensure positive experiences and enhanced enjoyment of gambling within responsible boundaries.

Norsk Tipping's marketing primarily focuses on the lottery portfolio and the corporate brand, including responsible gambling. In accordance with legislation, the company does not market casino games. Advertising for lotteries serves as an important tool for maintaining low risk gambling activity and

thus reducing the risk of displacement toward high-risk games. According to Section 6 of the Gambling Act, Norsk Tipping does not market gambling to minors (individuals under the age of 18).

Among the most important tools for following up with customers at increased risk are Spillepuls and proactive conversations, which contribute to early identification and prevention of problematic gambling behavior.

**FIGURE 4**  
**Elements of the Responsibility Framework**



### Identified and Registered Play

All gambling, except for physical Flax tickets, is registered (personally identifiable ID). This enables a range of tools and personalized follow-up for the company's customers. One must be 18 years old to register as a customer and to be able to place bets.

### Gambling Limits (Loss Limits)

Gambling limits are the cornerstone of the responsibility framework. Gambling limits restrict how much money a customer can lose on gambling (loss limits) and have both a preventative and harm-reducing effect.

The limit system consists of a total limit, which allows a maximum loss of NOK 20,000 per month. For 18-19-year-olds, the maximum loss is NOK 2,000 per month. Within the total limit, there are three sub-limits for high-risk games with lower monthly caps:

Multix: NOK 2,700

Belago: NOK 4,400

Combined limit for casino, Yezz!, bingo, and scratch games online: NOK 5,000

Setting personal gambling limits is mandatory for games categorized as medium to high risk (Keno, Oddsen, KongKasino, Flax, Yezz, Bingoria, Multix, and Belago). Additionally, all customers are subject to maximum limits. By agreement with the customer, the company can lock the customer's gambling limit to a specific amount. The customer cannot change the limit without contacting Norsk Tipping. This is a frequently used measure among customers who are followed up with proactive conversations.

### No Thanks!

Norsk Tipping does not use aggressive marketing tactics such as VIP programs, bonuses, or autoplay. No direct marketing is sent to customers with increased risk status.

### Tools for the Customer

There are several tools beyond gambling limits that customers can use to monitor and control their gambling activity:

*Gambling Account:* Provides customers with an overview of wagers, winnings, and net results per day, month, and year, both in total and by game category. Customers playing high-risk games receive a weekly overview of their gambling account. The interval for receiving this summary can be changed to daily or monthly, depending on the customer's preference.

*Gambling Breaks and Self-Exclusion:* Allows customers to take a break from gambling or to completely block access to gambling, either for all games or for specific games the customer wishes to avoid.

*Gamban Gambling Filter:* Customers who want to exclude themselves from all gambling are offered a free gambling filter that blocks access to all gambling operators on their digital devices.

*Self-Test:* Customers can take an anonymous self-assessment that provides feedback on risk and negative consequences of their gambling, and suggests relevant measures if needed.



### Training/Information

*Spillevelt.no - Information Page:* The Spillevelt website contains information about signs of problematic gambling behavior and various support services available for both players and relatives. In addition, the page provides information on all available tools that customers can use to maintain good control and oversight.

*Feedback to Customers About Risk:* The Spillepuls tool analyzes the risk level of the customer's gambling activity. Customers can at any time view their risk status in the app/website and receive alerts if the risk level increases.

### Interventions

*Proactive Conversation:* The company contacts customers with high losses/high risk by phone for a personal follow-up conversation. These conversations are appreciated by customers, and many end up taking measures related to their gambling behavior.

*Spillepuls:* Spillepuls is a personalized dialogue based on machine learning that communicates with customers in real time. Spillepuls is built with modules covering various events that can occur during gambling sessions and different behavioral markers. Spillepuls provides factual information about the customer's gambling, encourages reflection, and suggests specific actions the customer can take to moderate further gambling.

### Personal Restrictions for Individual Customers

The company may impose restrictions for individual customers experiencing gambling problems. This can include blocking all gambling activities or locking gambling limits at a low level, so the customer cannot increase the limit without first speaking with Norsk Tipping.



Two of the Norsk Tipping employees who work with proactive conversations.  
PHOTO: Norsk Tipping

### Other Relevant Restrictions Outside the Responsibility Framework

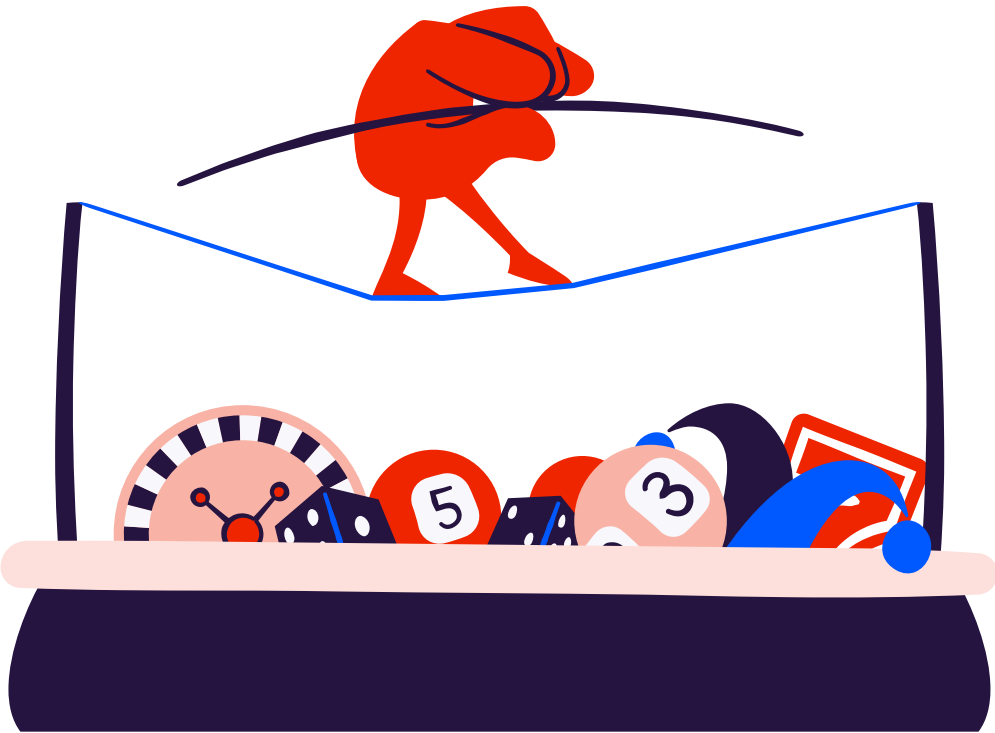
In addition to the responsibility framework, there are many different restrictions in the gaming offering intended to reduce the risk of gambling problems. This is especially applicable to high-risk games. Examples include: minimum draw speed, maximum stake, maximum winnings, and replaying of winnings.

### Goals

Norsk Tipping's ambition is to be the gaming company for all people and to work toward the goal of a society without gambling problems. Through the company's responsibility framework, including loss limits, Norsk Tipping can reduce both the intensity and economic consequences of gambling for players. The company works to guide problem gamblers toward more responsible gambling behavior and, in some cases, help them stop gambling entirely and seek treatment.

The company also actively works to steer the gambling market in a greener direction. This involves encouraging players to choose low-risk games such as lotteries instead of high-risk games like casino games. Through its goal of directing gambling consumption toward less risky alternatives and strengthening consumer protection for high-risk games, Norsk Tipping contributes to reducing gambling problems in Norway.

Norsk Tipping has cooperation agreements within sports, culture, and volunteer organizations. The aim is to strengthen the company's reputation and build a long-term brand position. The sponsorship portfolio is designed to support the company's strategy and objectives. Social responsibility and sustainability are included in all agreements.







# Governance

Material Topics: G1 Business Conduct





## Business Conduct

Here you can gain insight into Norsk Tipping's impact, risk, and opportunities related to business practices and corporate culture. This chapter also includes whistleblower protection, supplier relationships, corruption, anti-money laundering and political influence.

*Illustration: Jon Arne Berg / byHands*



## Material IROs

### Negative Impact

Norsk Tipping may have a negative impact on society if player accounts are used for money laundering.

Norsk Tipping may also have a negative impact by offering sports betting in cases where individuals engage in match-fixing.

Norsk Tipping has potential or actual negative impact on work performance and the work environment when employees are exposed to incidents that may have adverse effects on themselves and the overall workplace climate.

### Positive Impact

Norsk Tipping can have a positive impact on societal development by acting as a bridge between politics, sports/culture and gambling addiction communities.

## Risk

Negative reputational effects and potential financial consequences resulting from inadequate compliance with internal and external regulations/guidelines in the company's own operations and in the value chain.

Incidents such as match-fixing in sports may result in reputational damage for Norsk Tipping, as well as fines if routines and measures to detect such cases are insufficient.

## Governing Documents for Good Business Conduct and Corporate Culture

### Policy for Business Conduct and Integrity

The company's goal is for all aspects of its operations to be carried out ethically and responsibly. This includes the prevention, detection, and response to corruption, fraud, and other financial crimes among employees, suppliers and partners. The Director of Organization and Legal Affairs is responsible for implementing the policy.

The policy covers the following areas with related objectives:

- *Anti-corruption and Internal Fraud* – Zero tolerance for corruption and internal fraud
- *Fraud by Suppliers and Partners* – Monitoring to ensure suppliers and partners comply with ethical guidelines
- *Match-Fixing* – Monitoring and controlling attempts at match-fixing through misuse of the company's systems
- *Fraud Related to the Grassroots Share Scheme* – Monitoring customers and retailers who abuse the grassroots share scheme

#### Definitions:

- *Corruption*: To demand, receive, or accept an improper advantage in connection with a position, office, or assignment, or to give or offer someone such an advantage
- *Fraud*: Dishonesty to gain an unjust or illegal advantage, including corruption, embezzlement, breach of trust, fraud, theft, accounting violations, favoritism/nepotism, or other misuse of position
- *Internal Fraud*: Fraud committed by employees or hired consultants
- *Match-Fixing*: Manipulation of a sports competition for financial gain

#### General Principles and Requirements:

- Establishment of risk-reducing measures to prevent, detect and respond to unwanted incidents
- Routines for uniform handling of incidents and deviations
- Compliance with best practices in all professional areas
- Regular evaluation of control measures to ensure effectiveness and appropriateness

#### Principles and Requirements to Counteract Corruption and Internal Fraud:

- Development of an anti-corruption program
- Risk assessments of processes and services
- Annual training and dilemma training for all employees

#### Principles and Requirements to Counteract Fraud Among Suppliers and Partners:

- Background checks during procurement
- Compliance audits based on risk assessments
- Monitoring and screening of existing suppliers and partners

#### Principles and Requirements to Counteract Match-Fixing:

- Compliance with the National Action Plan against Match-Fixing
- Risk assessments before significant changes in the game portfolio or contract agreements
- Communication of the company's guidelines and sanctions related to match-fixing

#### Principles and Requirements to Counteract Fraud Related to the Grassroots Share Scheme:

- Risk assessments to identify vulnerabilities
- Establishment of controls to detect misuse
- Reporting of suspected misuse to relevant authorities

#### Anti-Money Laundering Policy

The policy aims to ensure that the company complies with the Anti-Money Laundering Act and establishes necessary measures to prevent and detect money laundering and terrorist financing. The Director of Organization and Legal is responsible for implementing the policy.

The company is subject to reporting obligations under the Anti-Money Laundering Act and must meet the requirements of:

- The Anti-Money Laundering and Terrorist Financing Act (Anti-Money Laundering Act)
- Regulations on measures against money laundering and terrorist financing (Anti-Money Laundering Regulations)
- The Financial Supervisory Authority's guide to the Anti-Money Laundering Act
- The Lottery and Foundation Authority's guide for money laundering in gambling
- The Gambling Act and Gambling Regulations

#### Principles and Requirements:

- **Risk Assessment:** A risk-based approach to prevent, detect, and respond to money laundering and terrorist financing. Periodic risk assessments must be conducted and documented.
- **Internal Control:** Written measures and routines to prevent, detect, and respond to money laundering and terrorist financing. Action plans must be anchored with the anti-money laundering officer.
- **Customer Measures:** Risk-based customer measures and ongoing monitoring of customers, especially those from high-risk countries or politically exposed persons (PEPs).
- **Agent Measures:** Control over attempts at money laundering and terrorist financing among agents, including enforcement of security requirements and follow-up of unwanted incidents.

Norsk Tipping has routines to ensure a good corporate culture. The company regularly conducts employee surveys to measure employee satisfaction and work environment. Leaders follow up their departments/units, and HR and the occupational health service support the leaders as needed. Norsk Tipping has close cooperation with the safety service and union representatives where work environment and current issues are discussed. In addition, HR gathers all personnel leaders for regular meetings where information is provided on current topics important for promoting a good and unified corporate culture.

All new employees receive a thorough introduction where they are introduced to the company's values, culture, working methods, and guidelines. Norsk Tipping has ethical guidelines and

security instructions for employees that describe the behavior expected of the company's employees and how they can report matters that are contrary to these.

Norsk Tipping has established procedures for both internal and external whistleblowing. The company has facilitated easy reporting for employees through an external whistleblowing channel. Similarly, external partners can report concerns via the company's website.

A whistleblowing council, consisting of three individuals, determines who should be notified and assesses whether the company has the competence and resources to follow up on the report. The council conducts initial investigations and oversees the handling of whistleblowing cases. Norsk Tipping has established procedures to ensure that employees who report concerns are protected, in accordance with the requirements of the Working Environment Act, Chapter 2.

The company has established procedures to investigate incidents related to business ethics, including the use of integrity investigations. No instances of corruption or bribery have been uncovered.

Norsk Tipping provides training on ethics, dilemmas, whistleblowing, and corruption for all employees and managers, as well as the company's board. This is conducted both as e-learning and traditional classroom training.

Norsk Tipping's operations are subject to many of the same inherent risks as other businesses. The company's activities involve large supplier contracts, various sponsorship agreements, the sale of games that may be exposed to match-fixing, and the conduct of draws that could be subject to manipulation.

As a result of these identified inherent risks, Norsk Tipping has established a range of preventive and detective controls to reduce them to an acceptable level.

## Handling of Supplier Relationships

The company has its own guidelines for supplier management and procedures for supplier contact. All suppliers are required to adhere to ethical guidelines and are regularly monitored for compliance. All agreements are risk-assessed at least once a year, and certain suppliers are also subject to quality audits. The main focus of these audits includes compliance with the company's ethical guidelines for suppliers. Risks in the supply chain are discussed in collaboration meetings with suppliers where relevant. Where no risk is identified, the topic is not addressed to the same extent.

Requirements for the use of EHF invoices and digital payment solutions in all agreements contribute to positive payment practices for all our suppliers. Optimizing transaction efficiency and using carbon-neutral data centers help minimize the energy consumption associated with digital payments. Similar sustainability and environmental requirements in agreements contribute positively in the same way.

When selecting suppliers, it is required that they accept the company's ethical guidelines. Additionally, environmental requirements or criteria are used in most procurements where relevant. Norsk Tipping adheres to suppliers' invoice deadlines and pays all invoices on the due date if the invoices are approved according to internal authorizations.

## Anti-Corruption and Bribery Prevention

Norsk Tipping has established policies that provide guidance for the company's work on business ethics and integrity, as well as anti-money laundering. In addition, the company has developed clear ethical guidelines for all employees. Roles, responsibilities, and authority for this are managed by the organization and legal department's security unit. Norsk Tipping has established its own procedures to ensure that any deviations and findings are reported both continuously and periodically to the company's management and board.

Norsk Tipping has its own quality system where all policies, guidelines, and procedures are available to all company employees. In addition to this, basic training is provided for all employees, and role-based training tailored to risk. Documentation of completed training is recorded in a dedicated IT system.

Norsk Tipping requires all employees to complete basic training on combating corruption and bribery. The training focuses on risks particularly relevant to the company. All training is documented in a dedicated IT system so that the company has an overview of how many have participated in the training. The company's goal is that at least 90 percent of employees have completed the training. Measurements show that more than 90 percent of employees have completed the required training.

Norsk Tipping conducts role-specific training in corruption and bribery for all employees, managers, senior management, and the company's board.

## Incidents, Lobbying, and Payments

Norsk Tipping has not been subjected to convictions or fines for violations of laws concerning the fight against corruption and bribery.

Norsk Tipping has not taken measures as a result of not having uncovered any corruption or bribery.

## Political Influence and Lobbying

As a state-owned enterprise governed by special legislation, Norsk Tipping will always adhere to the prevailing gambling policy.

In line with the government's ownership report (Meld. St. 6 (2022-2023)), Norsk Tipping works to achieve the sector policy goals as effectively as possible.

As part of efforts to achieve the overarching goal of gambling policy - to prevent problematic gambling behavior - Norsk Tipping sees itself as an important provider of knowledge and insights about the Norwegian gambling market.

The company prioritizes being an active disseminator of facts to its stakeholders, including the owner and political decision-makers.

Norsk Tipping participates in hearings organized by ministries or Parliament when the company believes it can contribute to clarifying the matter being considered.

## Payment Practices

To ensure good supplier management, Norsk Tipping has established internal guidelines and procedures to ensure good payment practices, especially for small and medium-sized suppliers.

Norsk Tipping complies with suppliers' invoice deadlines and pays all invoices on due date if the invoices are approved in accordance with internal authorizations.

Handlers of unprocessed invoices are reminded daily.

81 percent of all invoices are transferred for payment before the due date.

On average, invoices are paid one day before the contractual deadline begins to run.

Norsk Tipping's standard payment terms are payment within 30 (thirty) calendar days after receipt of a correct invoice.

This applies to all suppliers and contracts.

There are no ongoing lawsuits related to late payments.

The sustainability report has not been certified by an auditor.





# Formal report

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Governance and results from 2024

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FORMAL REPORT

# Corporate Governance

In chapter 11.12 of the Government's Ownership Report, it is stated that the State expects the company to follow the recommendations of the Norwegian Code of Practice for Corporate Governance (NUES) where relevant and adapted to the company's operations.

Below is an account of the relevant points from the Norwegian Code of Practice for Corporate Governance as of 14 October 2021. Norsk Tipping is not a publicly listed company, and therefore not all parts of the NUES recommendation are applicable.

## 1. Statement on Corporate Governance

The corporate governance report, along with the Board instructions and the CEO instructions, clarifies the distribution of roles between the owner, the Board, and management.

In accordance with the Ministry of Culture and Equality's guidelines for corporate governance, the ownership role is exercised in line with the State's principles for sound ownership. Chapter 2 of the guidelines contains general rules and requirements for the Ministry's governance, control, and consideration of cross-cutting issues (corporate social responsibility) for companies in which the Ministry holds shares. Chapter 5 outlines specific factors to consider when governing and controlling each company or group of companies based on their sector policy goals. For Norsk Tipping, these considerations are described in Chapter 5.3.

Beyond the principles laid out in the governance guidelines, Section 11 of the Gambling Act stipulates that the Ministry has direct instruction authority via letters to the company outside of the general meeting.

## 2. Activities

In line with the Government's expectations in the Ownership Report (Meld. St. 6 (2022-2023) *"A Greener and More Active Ownership - the State's Direct Ownership in Companies"*), Norsk Tipping reports on material matters related to the company's operations, including the effective achievement of sector policy goals.

The company's Articles of Association specify the following purpose:

"The company's purpose is to facilitate a responsible gambling offering and to prevent negative consequences of gambling in accordance with the Gambling Act. Within these parameters, the company shall operate efficiently so that the greatest possible portion of revenues from its gambling activities is allocated to the purposes mentioned in Section 12 of the Gambling Act.

The company's activities shall be aimed at offering gambling to the Norwegian market."

The Government's White Paper (Meld. St. 12 (2016-2017) *"Everything to Gain - A Responsible and Active Gambling Policy"*) states that the Government's primary goal is to ensure responsible gambling, and that responsibility must take precedence over economic considerations. However, a responsible gambling policy also requires that regulated providers offer attractive games that can draw players.

The Board processes and adopts the company's strategy and business plan. Annually, it sets central goals for responsible gambling, number of customers, market share, reputation, and profit for public benefit purposes, along with associated risk appetite. The Board also sets goals for sustainability.

The Board follows up on operations through monthly business reporting. This includes updates on key performance indicators and the company's risk picture. These processes ensure the Board plays an active role in corporate governance.

A written protocol is prepared for Board decisions on the business report.

Responsible gambling is a fundamental prerequisite for the company. A dedicated Responsible Gambling Policy outlines principles that form the basis of the company's responsibility efforts.

The goal for corporate responsibility and sustainability is that: "Norsk Tipping shall take responsibility for how its activities affect people, society and the environment. We do this by integrating sustainable value creation into our operations and value chain. The aim is to reduce our footprint and contribute to positive societal change."

The work is based on materiality and operational follow-up grounded in due diligence principles.

In autumn 2023, Norsk Tipping initiated a double materiality assessment and climate accounting, aiming for compliance with the Ownership Report and CSRD. Sustainability reporting will be integrated into business reporting.

Refer to the [2024 Sustainability Report](#) for how Norsk Tipping manages impacts across the respective areas.

### 3. Company Capital and Dividend

Norsk Tipping is a limited liability company wholly owned by the State, under Section 11 of the Gambling Act. No dividend is paid from the company; profits are distributed per Section 12 of the Gambling Act.

### 4. Equal Treatment of Shareholders

The company's shares are owned by the Ministry of Culture and Equality. These provisions are therefore not relevant for Norsk Tipping.

### 5. Transferability of Shares

Not applicable to Norsk Tipping, see chapter 4.

### 6. General Meeting

The Minister of Culture and Equality constitutes the company's general meeting. According to Article 6, a general meeting is held annually, with specified items on the agenda.

Since the general meeting comprises of one person, formal rules on notice and proxies do not apply, but notice and agenda documents are still issued, and minutes are recorded. The Auditor General, external auditor, the Board, and the CEO attend the general meeting.

### 7. Nomination Committee

Board members are appointed by the Ministry of Culture and Equality. The company does not have a nomination committee.

### 8. The Board of Directors - Composition and Independence

The Board of Directors and its composition are governed by Section 7 of the Articles of Association. The Board consists of at least five members appointed by the Ministry of Culture and Equality, as well as three members elected by and from among the company's employees. Board members are elected for two-year terms.

The Ministry's guidelines for corporate governance set requirements for the Board's composition in terms of competence, capacity and diversity. Gender balance on the Board is regulated by Sections 6-11a and 20-6 of the Norwegian Companies Act.

Employees at Norsk Tipping can raise concerns through the employee-elected members of the Board. The CEO of Norsk Tipping attends Board meetings without voting rights.

Board instructions are in accordance with Section 6-23 of the Norwegian Companies Act. The Chair of the Board is not a member of the company's executive management. The handling of matters in the Board follows public regulations and the company's ethical guidelines on impartiality.

Each Board meeting begins with a review of potential conflicts of interest related to the agenda items. Section 5 of the Board instructions outlines the duty of Board members to disclose any conflicts of interest.

The background and qualifications of each Board member are described on [the company's website](#).

### 9. The Work of the Board

The Ministry's instructions to the Board and its *"Guidelines for Corporate Governance"* establish rules for the Board's work and case processing. According to the Ministry's instructions, the Board shall make decisions on an independent basis in line with general business principles.

The Board conducts an annual evaluation of its work, competencies, and working methods. This evaluation forms the basis for potential improvements. The Board's handling of the evaluation is recorded in the minutes.

The Board has adopted instructions for the CEO. The CEO prepares matters for the Board in consultation with the Chair. Emphasis is placed on ensuring that matters are prepared and presented in such a way that the Board has a sound basis for decision-making.

The Board regularly assesses the achievement of sector policy objectives, and whether these are being met in a sustainable, responsible, and efficient manner.

With effect from 1 November 2012, the Board of Norsk Tipping established an Audit Committee. The instruction for the Audit Committee was last updated at the Board meeting on 24 June 2021.

The Board's Compensation Committee was established in autumn 2017, and the Board adopted the "Instruction for the Board's Compensation Committee" on 26 September 2017.

The committees are described in more detail in chapters 10 and 12.

## 10. Risk Management and Internal Control

The Board of Directors holds overall responsibility for organizing risk management. To ensure clear division of roles and adequate independence between decision-makers and controlling and reporting functions, the company operates with a three-lines-of-defense model. This is a recognized framework, illustrated below.

**FIGURE 5**  
*Model for Risk Management and Internal Control*

Ministry of Culture and Equality			
Board of Directors			
		Audit Committee	
Chief Executive Officer and Company Management Team			
1st Line	2nd Line	3rd Line	4th Line
<b>Operational Management</b> <ul style="list-style-type: none"><li>• Risk management and internal control in daily processes and activities within line organizations</li></ul>	<b>Facilitation and Control Functions</b> <ul style="list-style-type: none"><li>• Risk Management</li><li>• Information Security</li><li>• Quality</li><li>• Controller</li></ul>	<b>Internal Audit</b> <ul style="list-style-type: none"><li>• Independent and objective assurance and advisory service designed to add value and improve the organization's operations</li></ul>	<b>External Auditor</b> <ul style="list-style-type: none"><li>• Audit of the annual financial statements</li></ul> <b>Norwegian Gaming Authority</b> <ul style="list-style-type: none"><li>• Supervision of gambling activities</li></ul>

The model also includes the external auditor and the Norwegian Gaming and Foundation Authority to represent the broader structure in place to ensure the independence of decision-makers from control and reporting functions – thus visualizing the "fourth line of defense."

The external auditor provides the owner, Board, and executive management with assurance regarding the company's risk management for financially material matters that may affect the company's goal achievement.

The Norwegian Gaming and Foundation Authority (*Lotteri- og stiftelsestilsynet*) is a directorate and supervisory authority under the Ministry of Culture and Equality. It administers and oversees both private lotteries and state-operated gambling in Norway. The Authority ensures that the company's gambling activities are conducted in accordance with laws and game rules, as outlined in Chapter 5 of the Gambling Act.

Risk management and internal control contribute to ensuring the quality of both internal and external reporting, support targeted, efficient, and customer-oriented operations, and promote continuous quality improvement.

Norsk Tipping has established a comprehensive risk-based quality management system consisting of governing documents in the form of policies, guidelines, and procedures. These documents provide direction for critical areas of compliance.

Compliance and goal achievement are systematically monitored through deviation reporting, self-assessments, quality audits, and internal and external audits and supervisory reviews.



Follow-up results are reported to the Board via the Audit Committee and form the basis for the Board's review of the company's main risk areas and internal control work. The company has established a crisis management system and conducts regular emergency preparedness exercises.

Risk management is an integral part of business operations. The monthly business report includes an updated risk profile to ensure continuous focus from the Board and management on material risks.

Risk mitigation measures are specified, and deadlines are set for implementation.

The company continuously works to foster a solid control environment, ensuring operations comply with relevant laws and regulations, are built on sound values, include robust internal routines and procedures, and are conducted with transparency.

A values platform and leadership principles have been developed to support the company in fulfilling its societal mission.

Norsk Tipping systematically assesses whether internal control is adequate to prevent and detect financial irregularities. Based on an overarching risk assessment, specific processes are selected for regular review. The company has established routines for monitoring and following up on gaming activity by both retailers and players. This is done both to ensure responsible gaming practices and to protect the company from criminal activities.

As of 2023, the company has established a dedicated Compliance Officer role. The purpose of this position is to ensure compliance with applicable legislation, regulations, and internal policies and guidelines at Norsk Tipping.

## Audit Committee and Internal Audit

Norsk Tipping has an Audit Committee, a subcommittee of the Board, serving as a preparatory body on matters concerning the company's financial reporting and control systems.

The external and internal auditors meet annually with the Audit Committee in sessions without the presence of executive management.

The company also has an internal audit function that reports to the Board via the Audit Committee. Its purpose is to assist the Board and management in exercising sound corporate governance.

## Certifications

Norsk Tipping is certified (PA1) in accordance with:

- ISO/IEC 27001
- WLA-SCS (World Lottery Association Security Control Standard)

The company undergoes annual certification audits against these standards. The purpose is to evaluate whether the company's information security management system is adequate and appropriate.

Norsk Tipping is also certified under the responsible gaming standards of the:

- European Lotteries and Toto Association (EL)
- World Lottery Association (WLA)

These certifications are conducted by an independent external auditor and are valid for three years, subject to periodic audits to verify continued compliance.

Norsk Tipping is also Eco-Lighthouse certified (*Miljøfyrtårnsertifisert*).

## 11. Remuneration of the Board of Directors

Members of the Board receive a fixed annual fee that is independent of the company's financial results. The amount of remuneration is determined by the Ministry of Culture and Equality. This information is publicly available through the notes to the annual financial statements and in the [Report on Remuneration to Senior Executives](#) (in Norwegian).

## 12. Salary and Other Remuneration to Executive Management

The Board has established a Compensation Committee, which serves as an advisory body to the Board on matters concerning the company's executive remuneration policy in general, and the CEO's salary and employment terms in particular. Based on the remuneration principles adopted by the Board, the CEO determines the compensation and other terms for executive personnel in the company.

The Articles of Association stipulate that the company shall comply with the provisions of the Public Limited Liability Companies Act Section 6-16a on the determination of salary and other remuneration to senior executives, Section 6-16b on the remuneration report, and the Regulation on Guidelines and Reporting of Remuneration to Senior Executives.

A remuneration report in accordance with Section 6-16b of the Public Limited Liability Companies Act and the Regulation is submitted to the Annual General Meeting and published on [the company's website](#).

No additional remuneration is granted to employees of Norsk Tipping for serving on boards of companies wholly or partly owned by Norsk Tipping.

No employees receive performance-based compensation in the form of stock options or bonus schemes.

### 13. Information and Communication

Although the company is exempt from the Norwegian Freedom of Information Act (*offentleglova*), it practices the highest possible degree of openness and transparency. A dedicated guideline has been established for this area. The objective is for the company to meet, as far as possible, the public's expectations for access to information about the company's operations.

Norsk Tipping is subject to the Transparency Act (*åpenhetsloven*) and is obliged to provide information about how the company addresses negative impacts on fundamental human rights and decent working conditions.

Norsk Tipping's financial reporting shall, in addition to presenting its economic and financial position, provide a relevant, comprehensive, and reliable overview of strategies, goals, and results.

### 14. Takeover

Not applicable to Norsk Tipping.

### 15. Auditor

The audit arrangement for Norsk Tipping involves a division of control responsibilities. The external auditor is responsible for the ongoing audit of the company's financial statements, while the Office of the Auditor General of Norway (*Riksrevisjonen*) conducts corporate and performance audits of Norsk Tipping.

The external auditor is appointed by the Ministry of Culture and Equality following a procurement process in accordance with the Public Procurement Act.

Each year, the auditor presents an audit plan and an assessment of the company's internal control to the Audit Committee.

The auditor participates in the Board meeting where the annual financial statements are reviewed, and also attends the Annual General Meeting, where the financial statements are presented for final approval.

The auditor maintains dialogue with the company's Audit Committee regarding the execution of the annual financial statement audit.

The Audit Committee must approve any services provided by the auditor that are not part of the standard audit engagement.

The auditor's remuneration is presented for approval at the General Meeting. Fees and remuneration to the auditor are disclosed in the notes to the financial statements.



FORMAL REPORT

# Board of Directors

Get to know the company's board members

## Board of Directors



### Sylvia Kristin Brustad

Chair of the Board  
Member of the Board's Competence  
Committee

Born: 1966  
Board member since: 2023

**Current Position:** CEO and owner of Brustad Utvikling AS

#### Other Directorships:

Chair of the Board at Stiftelsen Fossumkollektivet  
Chair of the Board at Atlungstad Brenneri  
Board Member at Vestre AS  
Board Member at Radiumhospitalets venner

Chair of the Quarantine Committee (appointed by the Ministry  
of Local Government and Regional Development)  
Council Member at Høyskolen Kristiania

**Education:**  
Arbeiderbevegelsens Folkehøgskole and Trysil Upper Secondary School

**Previous Key Positions:**  
Member of Parliament (1989–2009), Minister of Children and Family Affairs,  
Minister of Local Government and Regional Development, Minister of Health and  
Care Services, Minister of Trade and Industry; County Governor of Hedmark;  
Director at Aker ASA; CEO of Aker Kværner Holding; Tourism Director at  
Hamarregionen Reiseliv SA; Director Spekter Helse at Arbeidsgiverforeningen  
Spekter; Board Member at Hamar Olympiske Anlegg

Central Executive Committee of the Labour Party; Chair of the Women's Political  
Committee of the Labour Party; Member of the Norwegian Defence Commission  
(NOU); Chair of the Main Committee for the Alf Prøysen Centenary; Board  
Member of Norsk Industri; Board Member at Norway Seafoods; Member of the  
Kvinnsland Committee (NOU); Board Member at Eidsiva Energi; Chair of Hamar  
Media; Board Member at Sagatun Brukerstyrt Senter; Board Member at Voksne  
for Barn; Chair of Hedmark Revisjon IKS; Chair of PTØ Norge.



### Per Olav Monseth

Vice Chair  
Chair of the Board's Compensation  
Committee

Born: 1979  
Board member since: 2017

**Current Position:** CEO at Salvesen &  
Thams

**Other Directorships:** Chair of the Board  
at Vitux Group AS, Bitastad AS, Wiski  
Capital AS, and Futurum Ventures;  
Board Member at Axess AS, Bragda AS,  
and Deltager AS

**Education:** MBA with specialization in  
finance from the Norwegian School of  
Economics (NHH) and Indian Institute  
of Management (2004); Basic studies  
in psychology from the University of  
Bergen; Naval Officer School

**Previous Key Positions:** CFO with  
responsibility for projects and business  
development at Polaris Media ASA;  
Vice President at New York-based  
investment firm Lindsay Goldberg;  
Consultant at McKinsey & Co.; Chair  
of Buypass AS and Adresseavisens  
Pensjonskasse; Board Member at Danica  
Pensjonsforsikring and Trønder Energi



### Shiraz Naveed Abid

Board Member

Born: 1980  
Board member since: 2024

**Current Position:** Director of Consumer  
Market – Altibox, ice, and NiceMobil

**Other Directorships:** Chair of the Board  
at Ice Retail AS and Phonepartner AS;  
Board Member at Standard Online AS  
and Altibox Denmark

**Education:** MSc in Business  
Administration from BI Norwegian  
Business School; Bachelor in IT  
Management from BI Norwegian  
Business School

**Previous Key Positions:** CEO and  
CCO at ice; Board Member at Ice  
Communication Norge AS



**Aysegül Cin**  
Board Member  
Member of the Board's Audit Committee

Born: 1981  
Board member since: 2020

**Other Directorships:** Board Member at Gjensidige Baltics and Salesscreen

**Education:** MSc in Industrial Economics and Technology Management from NTNU and Universität Karlsruhe (Germany)

**Previous Key Positions:** Group Director for Claims; Group Director for Sweden and the Baltics; Director for CRM and Digital Channels in the Business Division at Gjensidige Insurance; various leadership roles in Gjensidige within private division, corporate development, strategy, and M&A



**Kristin Ward Heimdal**  
Board Member

Born: 1991  
Board member since: 2023

**Current Position:** CEO and Editor-in-Chief of Podme Norway

**Other Directorships:** VGTV, Max Social

**Education:** MSc in Economics with specialization in Public Economics from NHH

**Previous Key Positions:** Head of Strategy and Projects at Schibsted News Media



**Dag Westby**  
Board Member  
Chair of the Board's Audit Committee

Born: 1960  
Alternate board member: 2009 - 2021.  
Permanent alternate member from 2013.  
Board member since: 2021

**Current Position:** Senior Advisor – Corporate Governance and Management Support at Forsvarsbygg

**Education:** Law degree (Juridicum)

**Previous Key Positions:** Director of Internal Control and Preventive Security at Forsvarsbygg; Director of Property Management; Project Director; Head of Internal Legal Office at Forsvarsbygg; Member of the Executive Board at the Norwegian Association of Lawyers; President of Ottestad Rotary



**Linda Vøllestad Westbye**  
Board Member  
Member of the Board's Audit Committee

Born: 1979  
Board member since: 2019

**Current Position:** Director of Retail Banking at Sparebanken Sogn og Fjordane

**Other Directorships:** Chair of Sogn og Fjordane Eignedomsmekling; Board Member at Bustadkreditt Sogn og Fjordane, Westkap AS; Chair of Vie Grannelag

**Education:** Master's in Social Anthropology; Solstrand Program (AAF Accelerate); Coaching and Relationship Leadership; Master's Program "Brytningstid" in Innovation and Change Management, NHH

**Previous Key Positions:** Department Director at the Lottery Authority; Advisor at the Lottery and Foundation Authority; Regional Secretary at the National Association for Traffic Accident Victims; Seminar Leader/Examiner at the University of Bergen





**Pål Enger**  
Employee-Elected Board  
Member

Born: 1971  
Alternate Board Member: 2019 -2023  
Board member since: 2023

**Current Position:** Strategic Advisor – Corporate Responsibility, Sponsorship & Events

**Other Directorships:** Board Member at Hamar Venstre; Member of the Representative Council at Sparebank1 Østlandet

**Education:** Cand. Mag. in Journalism, MRDH Volda; Army Officer School Jørstadmoen; Communication Management, Board Competence, and Negotiation Techniques from BI; Program Engineering at the University College in Gjøvik



**Tonje Leidland**  
Employee-Elected Board  
Member

Born: 1991  
Board member since: 2023

**Current Position:** Business Advisor at Norsk Tipping

**Education:** MSc in Innovation with specialization in Economics from Inland Norway University of Applied Sciences; Bachelor in Retail Management from BI Norwegian Business School

**Previous Key Positions:** Chair of Evaluation Committee at Inland Norway University; Junior/Senior Project Manager and Business Development Manager in print and digital media



**Petter Torgerhagen**  
Employee-Elected Board  
Member

Born: 1967  
Board member since: 2021

**Current Position:** Senior Business Advisor/Product Manager at Norsk Tipping

**Other Directorships:** Board Member at NITO Norsk Tipping

**Education:** Bachelor's in informatics, Østfold University College – Specialization in Neural Networks and Fuzzy Logic

**Previous Key Positions:** Employee-Elected Board Member at Norsk Tipping (2007-2011)



**Andrea Catharina Knagenhjelm**  
Employee-Elected Alternate  
Board Member

Born: 1976  
Board member since: 2023

**Current Position:** Systems Engineer, Scrum Master

**Other Directorships:** Board Member at NITO Norsk Tipping; Chair of Sameiet Banken

**Education:** Informatics at NæringsAkademiet Oslo; Visual Artist, Nydalen School of Art

**Previous Key Positions:** IT Operations Team Leader (Backbone, Daemons); Chair of the Art Association at Norsk Tipping (2018-2022); Alternate Member of the Tromevo Foundation (2000-2005) – evaluating cultural and educational initiatives



**Linda Reinhardsen Frisvold**  
Employee-Elected Alternate  
Board Member

Born: 1976  
Board member since: 2019

**Current Position:** Senior Business Advisor, Product Coach – Technology Division

**Other Directorships:** Deputy Member at Bit Eiendom AS

**Education:** Certified Teacher with Additional Training, Hedmark University College; Certified Agile Team Coach, Agile Team Facilitator, Scrum Master, Product Owner, and Product Manager

**Previous Key Positions:** Lead Teacher at Globalskolen; Head of Training, Product Owner, Scrum Master, union representative, and Chief Safety Representative at Norsk Tipping



**Gjermund Nedgård**  
Employee-Elected Alternate  
Board Member

Born: 1966  
Board member since: 1. januar 2023

**Current Position:** Business Advisor, Scrum Master in IT Development

**Other Directorships:** Deputy Chair of NTL Norsk Tipping

**Education:** Informatics, Hedmark University College

**Previous Key Positions:** IT Operator at the Norwegian Armed Forces Telecom and Data Services (1988-1994); IT Operations at Norsk Tipping (1994-2017); IT Development (from 2017); Employee-Elected Board Member at Norsk Tipping (2011-2015); Chair of NTL Norsk Tipping (2009-2017)

FORMAL REPORT

# Board of Directors' Annual Report

The board's report on the business in 2024.

Norsk Tipping is a state-owned limited company under the [Ministry of Culture and Equality](#). The company is based in Hamar.

Its operations are governed by the [Gambling Act](#) of 18 March 2022, as amended. The Ministry of Culture and Equality issues regulations on which gambling activities the company may offer, and which require a license from the Norwegian Gambling Authority.

Norsk Tipping has a three-part societal mission, with the main objective of preventing gambling problems and other harmful consequences of gambling. The company shall ensure that gambling is conducted in a responsible and safe manner, while its profits go to charitable causes. Maximizing profit is not the main goal for Norsk Tipping or the state's ownership. The state's clear aim is for Norsk Tipping to help shape the gambling market in a socially responsible direction. There is broad political consensus that gambling must be regulated to prevent harmful gambling behaviour.

The company adheres to governance guidelines for state-owned companies under the Ministry of Culture and Equality. In line with the Ministry's requirements, the company follows the recommendations of the Norwegian [Code of Practice for Corporate Governance](#) (NUES) where relevant.

Norsk Tipping reports on its work with corporate social responsibility and sustainability based on the EU's new Corporate Sustainability Reporting Directive (CSRD) and the accompanying European Sustainability Reporting Standards (ESRS). The company will be subject to these requirements from 2025. It is also subject to the Norwegian Transparency Act. [The company's due diligence statement](#) is available in the annual report at: <https://2024.norsk-tipping.no>.

## Highlights from 2024

### Responsible Gaming

In 2024, Norsk Tipping experienced a significant influx of customers who previously played with unregulated operators. This channelling led to both customer and revenue growth. The company's role is to guide these players toward responsible gambling behaviour.

Norsk Tipping monitors risky gambling behaviour using its proprietary "Gambling Pulse Index," which showed improvement in 2024. The results indicate that the company's targeted efforts have helped reduce gambling problems in Norway.

The company's core mission is to prevent negative consequences of gambling by offering attractive and responsible gambling options. It aspires to be a global leader in responsible gambling.

Norsk Tipping operates under strict responsibility regulations, particularly for casino games, which are subject to even stricter controls. Mandatory limits, lack of marketing, and a ban on several mechanisms that encourage more gambling are key elements.

A combination of large and small responsibility measures, along with limited visibility tailored to raise awareness, effectively prevents gambling problems.

In 2024, the company has seen signs of normalization in casino gaming among young men, whose participation rate is three times that of the general population. Since casino games are the most addictive, this is concerning. In response, the company introduced lower limits for players under 20 in 2023, and as of 1 February 2025, this will apply to all players under 25.

Additionally, more players showed vulnerability due to financial stress from inflation and high interest rates. Some attempt to solve their financial problems through gambling, both as an escape and a solution.

Norsk Tipping actively addresses these, and other issues related to responsible gambling. The company encourages players to choose low-risk games like lotteries over high-risk ones like casinos. It communicates through personalized digital interactions aimed at preventing players from becoming or remaining at risk. In 2024, 506,000 players received such messages; 40% took action to reduce their risk.

4,300 high-risk players had personal conversations with the company about their behaviour and losses. These conversations informed customers about their gambling history, potential control measures, and available treatment services if needed.

The company will continue efforts to reduce casino gambling in Norway and implement personalized protections for younger players.

The improved channelling is related to the fact that the regulation of gambling in Norway has become more effective over time. Unlicensed operators have become less visible. Several of these companies have scaled back their efforts in the Norwegian market, and marketing on television channels widely distributed in Norway is now at an insignificant level. However, this is not equally true for internet advertising, where a large number of independent websites, in collaboration with unlicensed operators, actively target the Norwegian market and refer customers to unlicensed online casinos.

Norsk Tipping has reduced its marketing expenses in line with the decreasing visibility of unlicensed operators. Through this, the company has fulfilled the requirement from the Norwegian Gambling Authority to reduce marketing expenses by 20 percent compared to 2022 levels by 30 June 2024.

### Revenue, Profit, and Customers

Norsk Tipping's total operating revenue increased from NOK 49 billion in 2023 to NOK 54 billion in 2024. Due to high prize payout ratios and a high degree of prize reinvestment in some of the company's games, the development of net gaming revenue (gaming revenue less prizes) is considered a better measure of business volume. Net gaming revenue amounted to NOK 10.2 billion. This represents a growth of NOK 968 million (10.4 percent) from 2023.

The number of players also increased compared to 2023. A total of 2.34 million people played one of Norsk Tipping's games in 2024. This is 160,000 more than the year before. 32 percent of the players are under the age of 40. This indicates that the company's product offering is attractive enough to channel gambling desire in all age groups over 18 into a regulated offering within responsible frameworks. Over 50 percent of the population over 18 years played Norsk Tipping games. As the exclusive provider of gambling services, it is important for the company that the general public maintains a connection with Norsk Tipping, and the development in this area is therefore positive.

Reputation is also of great importance in securing public trust in the company. Norsk Tipping primarily uses Kantar's syndicated reputation survey to measure the company's reputation. In 2024,

the company achieved a score of 72 points, an increase from 69 points in 2023. This represents a very high level and indicates that the company enjoys a strong reputation. Among the 72 companies included in the survey, Norsk Tipping ranked fourth.

Operating expenses (excluding prize payouts) increased by NOK 195 million compared to 2023. The 8 percent increase is related to both higher revenue and high activity in the company, particularly within technology and development. Depreciation increased as a result of investments in building renovations. Additionally, higher-than-normal price and wage growth in 2024 contributed to increased costs. The company has set aside NOK 40.5 million to cover uncertain liabilities related to administrative fines imposed by the Norwegian Gambling Authority due to deviations in the company's processes.

The company sold its ownership stake in Buypass AS, generating a book gain of NOK 119 million. Combined with increased net interest income of NOK 58 million, this led to an increase in net financial items from NOK 239 million in 2023 to NOK 417 million in 2024.

Altogether, the annual profit grew from NOK 7.087 billion in 2023 to NOK 8.038 billion in 2024, a 13.4 percent increase from the previous year.

Lottery games account for 62 percent of net gaming revenue and represent the company's largest category. Lottery games have a lower risk of problem gambling than the other categories and enjoy broad support among the population. A strong lottery portfolio is therefore important for channelling gambling desire into a responsible, regulated offering.

Casino games account for 14 percent of net gaming revenue, down from 15 percent in 2023. This category is more prone to problem gambling than lotteries. The company continuously adjusts its approach to balance responsibility and attractiveness within this category. It is essential for the monopoly model that Norsk Tipping can channel customers in this category to a regulated and responsible gambling offering, with the aim of reducing the negative consequences of gambling activity. Government restrictions on unregulated operators contribute to increasing Norsk Tipping's market share in this area.

Sports betting accounts for 14 percent of net gaming revenue in 2024. This category also carries a higher risk of problem gambling than lotteries, and the company's responsibility measures help reduce turnover in this category.

The Board pays close attention to the mission of achieving sector policy goals as efficiently as possible. Profit for public benefit is a consequence of regulation, but not the main objective. Considerations related to responsible gambling weigh heavily in all decisions concerning the company's development, even if they may result in loss of revenue or increased costs. Within these parameters, there is nevertheless an expectation that the business is to be operated as cost-effectively as possible.

The surplus allocated to good causes, measured as a share of net gaming revenue, is an important key figure for the company's cost development. In 2024, this figure reached 78.5 percent of net gaming revenue. This is 2 percentage points higher than in 2023 and continues the long-term trend of an increasing share of net gaming revenue being allocated to good causes.



## Sustainable Value Creation

The objective of Norsk Tipping's sustainability efforts is for the company to take responsibility for how its operations impact people, society, and the environment. The company seeks to reduce its footprint and contribute to positive societal change by working strategically with sustainable value creation.

In the State Ownership Report (*Meld. St. 6 (2022–2023) A Greener and More Active State Ownership*), Norsk Tipping is defined as a Category 2 company, where the state's ownership objective is the sustainable and most efficient possible achievement of sector policy goals. Norsk Tipping's work is continuously evolving to ensure a holistic approach to value creation across the company, thereby fulfilling the owner's expectations.

In line with the owner's expectations and best practices, Norsk Tipping's sustainability work is based on material issues related to the company's operations.

In 2024, Norsk Tipping continued its preparations for becoming subject to the Corporate Sustainability Reporting Directive (CSRD) from the 2025 fiscal year. The company conducted its first version of a double materiality assessment, in accordance with the directive's requirements. It also prepared the company's 2024 Transition Report, although without auditor assurance. Dialogue with the company's auditor and preparations for assurance of the 2025 sustainability report have been initiated.

In 2024, Norsk Tipping was re-certified as an Eco-Lighthouse (*Miljøfyrtårn*). In line with the owner's expectations, Norsk Tipping measures its climate emissions in accordance with the international GHG Protocol and is committed to reducing its emissions in line with the Paris Agreement.

In 2024, the company began developing a climate transition plan. The climate accounts for 2024 are included in the company's 2024 Transition Report. Total climate emissions for 2024 were 23,978 tonnes of CO<sub>2</sub> equivalents, compared to 20,350 tonnes of CO<sub>2</sub> equivalents in 2023. This represents an 18 percent increase, primarily due to increased business volume. Scope 3 emissions, related to the purchase of goods and services, represent the largest share of the company's carbon footprint in 2024.

The 2024 Transition Report provides a more detailed account of the company's sustainability efforts.

## Balance Sheet

At the end of 2024, the company's total assets amounted to NOK 9.3 billion, and the equity ratio was 5.2 percent. The corresponding figures for 2023 were NOK 7.4 billion and 6.5 percent. The company's free equity as of 31 December 2024 was NOK 335 million.

The low equity ratio must be seen in light of the company's specific nature, which means that operations throughout the year accumulate profits that are paid out in the following year. A significant portion of the balance sheet total consists of surplus funds pending distribution.

In the short term, there is relatively little uncertainty regarding the future development of the company's financial situation. The company's position as a special-law entity with predictable operating conditions means that it maintains satisfactory equity and financial standing, despite a low equity ratio at year-end.

## Cash Flow

Gaming revenue represents the company's most important source of cash flow.

Gaming revenue after deductions for prizes was NOK 967 million higher than in 2023.

Net cash flow from operating activities in 2024 amounted to NOK 8.0 billion, compared to NOK 7.0 billion in 2023.

## Future Development

The sector policy objectives in the Norwegian gambling market – where the main goal is to reduce problematic gambling behaviour in the population – form the foundation of the company's strategy. The overarching ambition is for Norsk Tipping to be the people's gaming company, meaning that the company's offering must be attractive enough for those who wish to play, while at the same time helping to prevent gambling problems.

Striking a balance between offering responsible and attractive games is central to the company and is a core premise of its strategy. Over time, Norsk Tipping has taken a leading position in the area of responsibility and has worked systematically to become a global leader in this field. Norsk Tipping plays a key and proactive role in preventing and mitigating gambling problems in society. Stronger regulation and a reduced presence of unlicensed operators will enable the company to place even greater focus on these aspects of its operations in the coming years.

Further development of the company's products and solutions is an important measure to fulfil the societal mission of providing an attractive and responsible gambling offering, where the profits

go to good causes. The company maintains continuous activities to ensure that the game portfolio supports its overarching objectives.

The greatest risk related to the company's future goal achievement is whether the current regulatory framework contributes to reducing gambling problems in society. Norsk Tipping has implemented measures to support this and is continuously working on new initiatives in this area.

## Research, Development, and Renewal

Norsk Tipping does not conduct its own research and development activities as defined by the Accounting Act. However, the company carries out ongoing development activities related to the renewal and advancement of products, systems, and services in several areas, and this is an integrated part of the company's operations.

The development of digital sales solutions and services constitutes an important element of the company's renewal efforts, and there is a constant need for improvements and adaptations of the company's systems. In 2024, the company further developed its responsibility initiatives through *Spillepuls*, by taking over the monitoring tool *Playscan* and integrating a proprietary analytics model. This will provide the company with an improved basis for further developing responsibility measures to help reduce problematic gambling behaviour.

## Financial Risk

Norsk Tipping conducts certain transactions and holds assets in foreign currencies and is therefore somewhat exposed to financial market risk. The largest transactions relate to prize

payouts in games conducted in cooperation with other state-owned gambling companies. In addition, the company is exposed to credit risk related to settlements from retailers. Settlement for the previous week's sales is made the following week through automatic withdrawals. Guarantee and deposit arrangements have been established, significantly reducing credit risk. The company did not incur any material losses in 2024.

The liquidity situation is satisfactory, as the company generates substantial available funds through daily operations. At year-end, the company had a positive balance of bank deposits, cash, and equivalents totalling NOK 8.7 billion, most of which is placed as an account loan to the Treasury in Norges Bank. The company considers the uncertainty related to financial development in the coming year to be relatively low.

## Going Concern Assumption

The Board considers that the annual financial statements and the annual report provide a true and fair view of the company's financial performance and position at year-end.

The financial statements have been prepared on a going concern basis. The Board is not aware of any material circumstances during or after the reporting period that would affect this assumption or the financial statements otherwise.

Directors' and officers' liability insurance has been taken out for members of the Board, the CEO, and other employees with independent management responsibility. The insurance covers their potential liability toward the company and third parties up to NOK 25 million per year for financial loss caused by an act or omission in their leadership capacity.

## Working Environment

Norsk Tipping is an Inclusive Working Life (IA) company and has a clear ambition to ensure equal opportunities within the organization. The company continuously implements measures to improve gender balance among employees and managers. The executive management team consists of three women and four men (as of 31 December 2024). In total, women hold 39 percent of management positions, while women make up 36 percent of the 408 permanent employees.

The company has prepared a report on the state of gender equality and the actions taken to fulfil its duty to promote equality. See the Gender Equality Statement and the report submitted to the Ministry of Culture and Equality.

Total sick leave in 2024 was 3.83 percent. This is an increase of 0.2 percentage points from 2023. Norsk Tipping has an overall goal of keeping sick leave below 4 percent.

Three workplace injuries were reported in 2024, one of which resulted in absence from work.

## Allocation of the Annual Surplus

The company's free equity consists of an investment fund and other equity.

Total free equity as of 31 December 2024 is NOK 335 million.

The Board's proposal for the allocation of the annual surplus funds is as follows:

Proposed allocation of surplus (in million NOK)	NOK million
"Tippenøkkelen" (fixed distribution formula)	7 101
Grassroots Share (Grasrotandelen)	858
Bingo operator's Profits for Good Causes	38
Measures against gaming addiction	40
<b>Total</b>	<b>8 038</b>

### Board of Directors, Norsk Tipping AS

Hamar, 6 March 2025

	Sylvia Kristin Brustad Chair	
Per Olav Monseth Vice Chair	Dag Westby	Aysegül Cin
Petter Torgerhagen	Kristin Ward Heimdal	Tonje Leidland
Linda Vøllestad Westbye	Pål Enger	Shiraz Naveed Abid
	Tonje Sagstuen CEO	

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# Annual Accounts

Income statement, balance sheet and cash flow.

# Income Statement

Amounts in NOK millions

Income Statement	Note	2024	2023
<b>OPERATING REVENUE AND EXPENSES</b>			
Gaming revenue	<a href="#">1</a>	54 461	49 391
Other operating revenue		7	5
<b>Total operating income</b>		<b>54 468</b>	<b>49 395</b>
Prize payouts		44 224	40 120
Sales commissions		521	480
Salary expenses	<a href="#">2</a>	506	469
Depreciation of tangible and intangible assets	<a href="#">3</a>	83	57
Other operating expenses	<a href="#">2, 4</a>	1 512	1 421
<b>Total operating expenses</b>		<b>46 846</b>	<b>42 548</b>
<b>Operating profit</b>		<b>7 621</b>	<b>6 848</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Other financial income	<a href="#">5</a>	419	243
Other financial expenses	<a href="#">5</a>	2	4
<b>Net financial items</b>		<b>417</b>	<b>239</b>
Result before tax		8 038	7 087
<b>Result</b>		<b>8 038</b>	<b>7 087</b>
<b>Annual result</b>	<a href="#">12</a>	<b>8 038</b>	<b>7 087</b>
<b>TRANSFERS</b>			
Tippenøkkelen (fixed distribution formula)		7 101	6 215
Grassroots Share		858	794
Bingo operators' surplus allocation		38	42
Problem gambling prevention		40	35
<b>Total transfers</b>		<b>8 038</b>	<b>7 087</b>



# Balance Sheet

## Assets

Amounts in NOK millions

Assets	Note	2024	2023
<b>NON-CURRENT ASSETS</b>			
Intangible assets			
Intangible assets	<a href="#">3</a>	6	10
<b>Total intangible assets</b>		<b>6</b>	<b>10</b>
<b>FIXED ASSETS</b>			
Art	<a href="#">3</a>	1	1
Land, buildings, and real estate	<a href="#">3</a>	208	179
Machinery and equipment	<a href="#">3</a>	144	181
<b>Total fixed assets</b>		<b>354</b>	<b>361</b>
<b>NON-CURRENT FINANCIAL ASSETS</b>			
Investments in subsidiaries	<a href="#">6</a>	1	1
Investments in associated companies	<a href="#">6</a>	1	34
Other non-current receivables	<a href="#">7</a>	49	46
<b>Total non-current financial assets</b>		<b>51</b>	<b>80</b>
<b>Total non-current assets</b>		<b>411</b>	<b>451</b>
<b>CURRENT ASSETS</b>			
<b>RECEIVABLES</b>			
Sales agent receivables	<a href="#">8</a>	0	46
Other current receivables	<a href="#">9, 15</a>	184	236
<b>Total receivables</b>		<b>183</b>	<b>281</b>
<b>CASH AND CASH EQUIVALENTS</b>			
Bank deposits, cash, etc.	<a href="#">10</a>	8 736	6 708
<b>Total current assets</b>		<b>8 919</b>	<b>6 989</b>
<b>Total assets</b>		<b>9 330</b>	<b>7 440</b>

# Balance Sheet

## Equity and Liabilities

Amounts in NOK millions

Equity and Liabilities	Note	2024	2023
<b>EQUITY</b>			
<b>CONTRIBUTED EQUITY</b>			
Share capital	<a href="#">11</a>	0,15	0,15
<b>RETAINED EARNINGS</b>			
Restricted equity fund	<a href="#">12</a>	150	150
Investment fund	<a href="#">12</a>	9	9
Other equity	<a href="#">12</a>	326	326
<b>Total retained earnings</b>		<b>485</b>	<b>485</b>
<b>Total equity</b>		<b>485</b>	<b>485</b>
<b>LIABILITIES</b>			
<b>PROVISIONS FOR LIABILITIES</b>			
Pension liabilities	<a href="#">13</a>	139	194
Other provisions	<a href="#">14</a>	41	0
<b>Total provisions</b>		<b>179</b>	<b>194</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable	<a href="#">15</a>	136	141
Public duties payable		39	36
Remaining surplus for distribution	<a href="#">16</a>	7 454	5 484
Prize liabilities		176	215
Prepaid player deposits		133	150
Other current liabilities	<a href="#">17</a>	727	735
<b>Total current liabilities</b>		<b>8 666</b>	<b>6 761</b>
<b>Total liabilities</b>		<b>8 845</b>	<b>6 956</b>
<b>Total equity and liabilities</b>		<b>9 330</b>	<b>7 440</b>

**Board of Directors of Norsk Tipping AS**  
Hamar, 6 March 2025

Per Olav Monseth  
Vice Chair

Petter Torgerhagen

Linda Vøllestad Westbye

Sylvia Kristin Brustad  
Chair

Dag Westby

Kristin Ward Heimdal

Pål Enger

Tonje Sagstuen  
CEO

Aysegül Cin

Tonje Leidland

Shiraz Naveed Abid

# Cash Flow Statement

Amounts in NOK millions

Cash Flow Items	Note	2024	2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax		8 038	7 087
Depreciation	<a href="#">3</a>	83	57
Change in customer receivables	<a href="#">8</a>	46	-1
Change in accounts payable		-5	-8
Change in pension liabilities	<a href="#">16</a>	-55	-32
Gain on financial items (e.g., sale of shares)		-123	0
Change in other accruals	<a href="#">10</a>	28	-62
<b>Net cash from operating activities</b>		<b>8 012</b>	<b>7 042</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets	<a href="#">3</a>	72	57
Proceeds from sale of financial assets		155	0
<b>Net cash from investing activities</b>		<b>83</b>	<b>-57</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Profit distribution to beneficiaries		6 068	6 673
<b>Net cash from financing activities</b>		<b>-6 068</b>	<b>-6 673</b>
<b>Net change in cash and cash equivalents</b>		<b>2 027</b>	<b>311</b>
Cash and cash equivalents at beginning of period		6 708	6 395
<b>Cash and cash equivalents at year-end</b>		<b>8 735</b>	<b>6 707</b>

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# Notes

Notes to the Financial Statements

Unless otherwise stated, all amounts  
are in NOK millions.



## Accounting Principles

### General

The annual financial statements have been prepared in accordance with the provisions of the Accounting Act and generally accepted accounting principles, with adaptations required due to Norsk Tipping's unique character as defined by the Gambling Act of 18 March 2023.

Norsk Tipping AS is subject to the Gambling Act. The company has the exclusive right to offer gambling requiring special public oversight due to high prizes, high turnover, or a high risk of causing gambling problems. The company is owned by the state, and its shares are non-transferable. The Ministry of Culture and Equality determines the Articles of Association, appoints the Board of Directors, and issues instructions to the Board. The Board is responsible for ensuring that operations are conducted in accordance with the company's objectives and guidelines. The Board is responsible for the satisfactory organization and management of the company, including ensuring that registration and asset management are subject to reliable controls. The Ministry may issue written instructions to the company outside the General Meeting regarding the fulfilment of the law's purpose.

### Consolidation

Norsk Tipping's subsidiaries are not material to the assessment of the Group's financial position and performance. Therefore, in accordance with Section 3-8 of the Accounting Act, consolidated financial statements are not prepared.

### Use of Estimates

Management has used estimates and assumptions that affect the income statement and the valuation of assets and liabilities. These estimates primarily concern the valuation of tangible and intangible assets and related depreciation based on assumed economic lifetimes. Assessments have also been made regarding uncertain assets and liabilities at the balance sheet date in accordance with good accounting practice. Management is not aware of any significant uncertainty related to the accounts or balance sheet values.

### Currency

Transactions in foreign currencies are converted at the exchange rate on the transaction date. Monetary items in foreign currencies are translated to NOK at the exchange rate on the balance sheet date. The effects of exchange rate changes are recognized in profit or loss under other financial items during the accounting period.

### Operating Income, Prizes, and Commissions

Gaming revenue is recognized as the gross amount wagered by players. For terminal games (Belago and Multix) and online casino games, players typically engage in multiple games in a single session, reinvesting any winnings. Each individual game (stake with subsequent draw and possible prize payout) is considered an independent transaction for accounting purposes, regardless of session context.

The recording of gaming revenue, related prizes, and commissions does not fully align with the calendar year, but instead follows the calendar week structure. In 2024, gaming-

related income and expenses covered 52 gaming weeks. Stakes and the expected prize share from multi-week games are accrued to the relevant weeks. Commissions are accrued correspondingly.

Revenue from other sales is recognized when delivery has occurred and the substantial risks and rewards have been transferred.

### Taxation

The company is exempt from taxation.

### Classification and Valuation of Balance Sheet Items

Current assets and current liabilities include items due within one year from the acquisition date and items related to the operating cycle. All other items are classified as non-current assets or long-term liabilities.

Current assets are valued at the lower of acquisition cost and fair value. Current liabilities are recognized at nominal value at the time of incurrence.

Non-current assets are valued at acquisition cost less depreciation and impairment. Long-term liabilities are recognized at nominal value at the date of establishment.

### Research and Development

The company applies the exemption rule in Section 5-6 of the Accounting Act to expense costs related to basic research and development. The company has limited activity of this type.

## Tangible and Intangible Assets

Tangible assets are capitalized and depreciated on a straight-line basis over their expected useful lives. Maintenance costs are expensed as operating costs, while upgrades or improvements are capitalized and depreciated over their expected useful life. If the asset's fair value is lower than its carrying amount, an impairment is made to fair value. Fair value is the higher of net realizable value and value in use. Value in use is the present value of the future cash flows the asset is expected to generate, either directly or as a prerequisite for other company cash flows.

The company's development activities related to internally developed software, game concepts, distribution channels, and systems are evaluated in accordance with NRS 19 - Intangible Assets. Development activities that meet the criteria are capitalized and depreciated over their expected economic lifetime.

## Subsidiaries / Associated Companies

Investments in subsidiaries and associated companies are accounted for using the cost method in the separate financial statements. Investments are valued at acquisition cost for the shares, unless impairment has been necessary. Investments are written down to fair value if the decline in value is not considered temporary and is necessary in accordance with good accounting practice. Impairments are reversed if the basis for the impairment no longer exists.

Dividends, group contributions, and other distributions from subsidiaries and associates are recognized in income the same year they are approved by the General Meeting of the respective companies.

## Receivables

Retailer receivables, trade receivables, and other receivables are recognized at face value less allowances for expected losses. Allowances for losses are based on individual assessments of each receivable. In addition, a general allowance is made for other receivables to cover estimated losses.

## Pensions

The company has defined benefit pension plans, which are measured at the present value of future pension benefits earned as of the balance sheet date. Pension assets are measured at fair value.

Changes in defined benefit obligations resulting from changes in pension plans are allocated over the expected average remaining service period.

The company uses the corridor method to account for the effects of changes in pension assumptions. The accumulated effect of changes in estimates and in financial and actuarial assumptions (actuarial gains and losses) below 10% of the greater of the pension obligations and pension assets at the beginning of the year is not recognized. When the accumulated effect exceeds 10%, the excess is recognized over the expected average remaining service period. The net pension cost for the period is classified as salary and personnel costs.

## Cash Flow Statement

The cash flow statement is prepared using the indirect method. Cash and cash equivalents include cash, bank deposits, and other short-term, highly liquid investments.

## Value-Added Tax (VAT)

Norsk Tipping AS's ordinary activities are exempt from VAT under Section 5b, first paragraph, no. 6 of the VAT Act. Costs and investments are generally inclusive of VAT.

NOTE 1

# Gaming Revenue

The company's business areas are divided by game category based on fundamental characteristics of the games.

## Gaming Revenue by Product Category

Gaming Revenue	2024	2023
Sports games	6 584	5 657
Lottery games	12 795	11 816
Instant games	2 610	2 410
Casino games	32 472	29 508
<b>Total gaming revenue</b>	<b>54 461</b>	<b>49 391</b>

## Net Gaming Revenue by Product Category (Stakes less prizes)

Net Gaming Revenue	2024	2023
Sports games	1 421	1 163
Lottery games	6 386	5 885
Instant games	954	864
Casino games	1 476	1 358
<b>Total net gaming revenue</b>	<b>10 237</b>	<b>9 270</b>

Gaming revenue includes calendar weeks 1-52 in 2024 (January 1, 2024 - December 29, 2024).

The company operates exclusively in the Norwegian market. There are no natural geographical market segments.

## NOTE 2

# Salaries and Personnel Expenses

Salaries and Personnel Expenses	2024	2023
Salaries and fees	384	356
Employer's national insurance contributions	71	60
Pension costs	40	48
Other social benefits	11	4
<b>Total</b>	<b>506</b>	<b>468</b>

Benefits in kind	11	81
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## Remuneration to Senior Executives

Name	Position	Salary and Fees	Other Benefits	Pension Costs	Total
Tonje Sagstuen	CEO	3 229	87	416	<b>3 732</b>
Stein Willy Andreassen	Director of Finance and Corporate Governance	2 286	22	333	<b>2 641</b>
Merete Haug Jørstad	Director of Organisation and Legal	1 767	16	389	<b>2 172</b>
Sverre Berg Lutnæs*	Director of Responsibility, Society, and Communication until 30.04	1 209	7	253	<b>1 469</b>
Vegar Strand	Director of Strategy, Analysis and Business Development from 01.05	1 050	4	255	<b>1 309</b>
Linda Eng Strand*	Director of Sponsorship and Communication until 30.04	1 110	42	252	<b>1 404</b>
Tina Rødahl	Director of Brand and Communication from 01.05	1 027	12	429	<b>1 468</b>
Helge Løken	Director of Technology	1 644	29	362	<b>2 035</b>
Roger Soleim	Director of Customer Experience	1 785	43	330	<b>2 158</b>

\* = Was employed by the company for the full fiscal year. Full-year compensation is included in the reporting.

There are no bonus schemes in the company, either for executives or other employees.

Full-time equivalents (FTEs) in 2024: 417, FTEs in 2023: 419.

Total remuneration paid to Board members in 2024: NOK 2,034,200

For further information, refer to the Remuneration Report (in Norwegian).

NOTE 3

# Fixed Assets and Intangible Assets

Tangible Fixed Assets	Art	Vehicles	Machinery, Equipment, Furnishings	Land & Buildings	Total
Acquisition cost 01.01.2024	1	1	2 040	563	2 606
Disposals during the year	-	-		0	0
Additions during the year		-	29	43	72
<b>Acquisition cost 31.12.2024</b>	<b>1</b>	<b>1</b>	<b>2 070</b>	<b>606</b>	<b>2 679</b>
Accumulated depreciation and impairment	-	1	1 925	398	2 325
<b>Book value 31.12.2024</b>	<b>1</b>	<b>-</b>	<b>144</b>	<b>208</b>	<b>354</b>
Depreciation for the year	-	-	66	14	80
Depreciation plan (straight-line)	No dep.	5 yrs	3-6 yrs	10-25 yrs	

The company has certain immaterial lease agreements related to cars, office machines, and equipment that are expensed.

Intangible Assets	IT Infrastructure	Game and Application Development	Distribution Channels	Agreements	Total
Acquisition cost 01.01.2024	292	180	330	12	814
Year's disposals					-
Year's additions	-	-	-	-	-
<b>Acquisition cost 31.12.2024</b>	<b>292</b>	<b>180</b>	<b>330</b>	<b>12</b>	<b>814</b>
Accumulated depreciation and impairment	286	180	330	12	808
<b>Book value 31.12.2024</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>
Depreciation for the year	4	-	-	-	4
Depreciation plan (straight-line)	5 yrs	3-7 yrs	5-7 yrs	3 yrs	



The intangible assets relate to development projects carried out by the company.  
The projects concern the development of new solutions or adaptations of purchased solutions from external vendors.

It is expected that the total return from capitalized assets at least equals the production cost.  
Costs related to salaries and other personnel expenses for employees involved in development are not capitalized, as the company does not have a reliable measurement of these.

Depreciation and Amortization	2024	2023
Intangible assets	4	0
Tangible fixed assets	80	57
<b>Total</b>	<b>83</b>	<b>57</b>

NOTE 4

# Other Operating Expenses

Other Operating Expenses	2024	2023
Operation of facilities and machines	545	502
Distribution and freight costs	29	34
ID and payment solutions	248	224
Consulting services and fees	172	158
Printing and supplies	31	31
Costs to the Gaming Authority	45	44
Telecommunications	49	62
TV production	23	34
Advertising	144	150
Sponsorship and promotion	31	116
Community-benefit cooperation projects*	70	0
Other expenses	126	65
<b>Total other operating expenses</b>	<b>1 512</b>	<b>1 421</b>

\* = Community-benefit cooperation projects are activities within the company's sponsorship operations that, by their nature, are not considered marketing. In 2023, community-benefit cooperation projects were included under the items Advertising and Sponsorship and Promotion.

Auditor Fees (Amounts in NOK thousands)	2024	2023
Statutory audit	469	374
Other attestation work	353	359
Other services	127	133
<b>Total</b>	<b>949</b>	<b>865</b>

NOTE 5

# Financial Income and Expenses

Financial Income	2024	2023
Interest income	281	221
Other financial income	0	0
Income from investments	12	10
Gain on sale of shares	119	0
Currency gains	7	12
<b>Total financial income</b>	<b>419</b>	<b>243</b>

Financial Expenses	2024	2023
Interest expenses	2	0
Other financial costs	0	0
Currency losses	0	4
<b>Total financial expenses</b>	<b>2</b>	<b>4</b>

The company maintains accounts in NOK and EUR. Balances in foreign currency accounts are normally limited to the needs of ongoing operations. Prize transactions in games conducted in cooperation with other regulated gambling operators (Vikinglotto and Eurojackpot) are carried out in EUR, which means that the company may, at times, hold a larger balance in EUR.

In accordance with the company's Articles of Association, surplus liquidity exceeding 2.5 percent of the previous year's net gaming revenue is transferred each month to the company's government deposit account at Norges Bank. The interest rate on this deposit follows the government's folio interest rate for deposits.

The company has no forward currency contracts.

NOTE 6

# Subsidiaries and Associated Companies

Financial Income	Acquired	Location	Ownership	Voting Rights	Cost	Book Value
SUBSIDIARY						
Norske Spill AS	2009	Hamar	100 %	100 %	1	1
ASSOCIATED COMPANY						
Lotteries Entertainment Innovation Alliance AS	2018	Hamar	20 %	20 %	1	1
Total					0	0

Pursuant to section 3-8, paragraph two, of the Accounting Act, the subsidiary has not been consolidated into Norsk Tipping AS's accounts. The reason for excluding the companies from consolidation is that they are of no relevance when assessing the Group's financial position or performance.

Norsk Tipping has sold the company's shareholding in Buypass AS. The profit from the sale amounts to NOK 118.8 million.

The company Lotteries Entertainment Innovation Alliance AS was established as a joint venture in cooperation with four other stateowned gaming enterprises.

NOTE 7

## Other Non-current Receivables

Other Non-current Receivables	2024	2023
Long-term employee loans*	5	7
Other receivables	44	38
<b>Total</b>	<b>49</b>	<b>46</b>

\* = The company offers home loans to employees under terms equivalent to those in the Norwegian Public Service Pension Fund (SPK).

NOTE 8

## Sales Agent Receivables

Norsk Tipping AS settles accounts with retailers on a weekly, post-payment basis via direct debit. These receivables are largely secured through deposits and guarantees from the retailers. Withdrawals are based on weekdays, and year-end balances may vary accordingly.

NOTE 9

## Other Receivables

Other receivables include prepaid and accrued costs and other customer receivables with maturity of less than one year from the end of the accounting year.

Other Receivables	2024	2023
Trade receivables	0	3
Prepaid expenses	97	134
Employee loans/salary advances*	7	6
Other current receivables	80	94
<b>Total</b>	<b>184</b>	<b>236</b>

\* = Employee loans and salary advances have a maturity of up to 4 years. The interest benefit is treated as a taxable fringe benefit.



NOTE 10

# Bank Deposits, Cash, and Equivalents

The item Bank deposits, cash, and equivalents includes restricted tax deduction funds amounting to NOK 25 million.

Surplus liquidity is transferred monthly to a government loan account at Norges Bank, which is classified as a bank deposit.

Balance of the government loan account as of 31.12.2024: NOK 8,174 million

NOTE 11

# Share Capital

Norsk Tipping's share capital consists of three shares, each with a nominal value of NOK 50,000.

The State, represented by the Ministry of Culture and Equality, owns 100 percent of the shares.

NOTE 12

# Equity

In accordance with the Gambling Act and guidelines from the Ministry of Culture and Equality, the company maintains an investment fund. The investment fund includes retained earnings in line with other equity.

Equity	Share Capital	Restricted Equity Fund	Investment Fund	Other Equity	Total
Equity as of 31.12.2023	0,15	150	9	326	485
CHANGE DURING THE YEAR					
Allocated from annual profit				8 038	8 038
Transfers to surplus recipients				-8 038	-8 038
Total movement in year				0	0
Equity as of 31.12.2024	0,15	150	9	326	485

## NOTE 13

# Pension Liabilities

Norsk Tipping AS has both funded and unfunded pension schemes. The funded plans are administered by the Norwegian Public Service Pension Fund (SPK), as described below. The unfunded plans relate to retirement pension agreements for employees and former employees in senior positions with salaries exceeding 12G, as well as two pension agreements for former senior executives.

Additionally, the company has in some cases entered into individual retirement pension agreements with employees upon their departure due to organizational changes.

### Norwegian Public Service Pension Fund (SPK)

Description of the arrangement: Norsk Tipping AS has a collective pension scheme for its employees in SPK. The plan provides benefits under the Public Service Pension Act and includes old-age, disability, spouse, and child pensions. It also covers benefits from age 62 under the AFP scheme for the state sector. Benefits are coordinated with the National Insurance Scheme. The company's share of the premium is expensed under salaries and personnel costs.

Premiums and pension liabilities for the SPK plan are calculated using actuarial principles. The scheme is not fund-based but is modeled on a simulated portfolio as if 65 per cent were invested in government bonds and 35 per cent returned the same as the Government Pension Fund Global. The pension payments are guaranteed by the state. The scheme is not portable and is assumed to be continued within SPK. Bonds are assumed to be held to maturity, and pension assets are valued at book value.

### Funded Pension Schemes (SPK)

Pension Cost Items	2024	2023
Present value of current year's pension accrual	51	49
Interest cost on pension liability	37	32
Expected return on pension assets	-38	-35
Employees' contributions	-7	-7
Administration costs	1	1
<b>Net pension cost before amortization</b>	<b>44</b>	<b>41</b>
Recognized actuarial deviations	15	10
Accrued employer's social security contributions*	9	8
<b>Net pension cost, funded schemes</b>	<b>69</b>	<b>58</b>
Number of active members included in the calculation	442	440

\* = Employer's social security contributions are based on the net defined benefit pension liability multiplied by the applicable rate.  
Unrecognized actuarial gains and losses in the balance sheet include social security contributions.

Pension Obligation	31.12.2024	31.12.2023
Calculated pension obligations	1 202	1 219
Employer's social security contributions	44	64
Pension assets (at market value)	-892	-765
Net accrued pension obligation	353	519
Unrecognized actuarial deviation	-274	-402
<b>Net pension liabilities</b>	<b>79</b>	<b>117</b>

Financial Assumptions	2024	2023
Discount rate	3,90 %	3,10 %
Expected return on pension funds	5,30 %	4,80 %
Expected wage growth	4,00 %	3,50 %
Expected increase in base amount (G)	3,75 %	3,25 %

The financial assumptions are based on NRS(V) Pension Assumptions (January 2025).

Demographic and turnover assumptions are based on commonly used insurance standards, including mortality assumptions according to K2013.

## Unfunded Pension Agreements and Operational Pensions

The company has unfunded pension agreements as mentioned in Note 2, and agreements with certain employees for operational pensions upon departure. The operational pension provides entitlement to 66% of salary until age 67.

Unfunded Pension Agreements and Operational Pensions	Over 12G	Operational Pension
Provision as of 01.01	59	18
New provision/expense in period	-1	2
Payments made in 2024	14	6
<b>Liability as of 31.12</b>	<b>45</b>	<b>15</b>

All provisions/expenses for the period were charged to the 2024 accounts.

Total Pension Liabilities	2024	2023
Unfunded pension schemes over 12G	45	58
Funded pension schemes (SPK)	79	117
Operational pension	15	13
<b>Total pension liabilities</b>	<b>139</b>	<b>188</b>

## NOTE 14

# Other Provisions for Liabilities

Norsk Tipping identified several non-conformities in 2024 that have posed a risk of administrative fines from the Norwegian Gambling Authority. Based on the information available and applicable accounting standards, the company has made provisions based on best estimates for the final outcome in the following cases:

### Appealed administrative fine concerning erroneous payout to a player

Due to an error by a subcontractor, an incorrect payout of NOK 24 million was made to a player in March 2024. The Norwegian Gambling Authority has issued a notification of an administrative fine of NOK 4.5 million in this case. The company has chosen to provision this amount in full, despite the matter being appealed to the Lottery Appeals Board.

### Notification of administrative fine regarding error in self-exclusion function in iOS app

On 25 June 2024, Norsk Tipping notified the Gaming Authority of an error that had prevented certain customers from self-excluding from gambling via Norsk Tipping's iOS app. The error likely occurred during an update in January 2024 and was not discovered until May of the same year. The Gaming Authority has assessed the situation as a material breach of Section 7, third paragraph of the Gambling Act, cf. Section 9 of the associated regulation, and has notified its intention to impose an administrative fine of up to NOK 36 million.

In its assessment, the Gaming Authority emphasises that the error affected a key responsible gambling tool and that a significant number of customers may have been impacted. At the same time, it is acknowledged that the error was corrected immediately after Norsk Tipping became aware of it. Based on a holistic assessment of the seriousness of the case, the company's diligence, and the Gaming Authority's indication of the fine amount, Norsk Tipping has provisioned NOK 36 million in accordance with the notice from the Gaming Authority.

### Total provision

The total provision for possible administrative fines amounts to **NOK 40.5 million** as of 31 December 2024.

## Contingent Liability

### Error in draw pool calculation

Norsk Tipping has identified an error in the processing of syndicate games in certain of the company's draws. The error resulted in syndicate games being overrepresented in the draw pool. The issue only affects draws where a single entry is selected among all submitted entries. The error has been reported to the Norwegian Lottery Authority (Lotteritilsynet). The company takes the matter seriously. At the time of financial statement preparation, there is significant uncertainty regarding the Lottery Authority's potential response—whether an administrative fine will be imposed in this case, and the possible size of such a fine.

Under the Gambling Act, an administrative fine of up to 10 percent of net gaming revenue may be imposed. Based on the company's experience so far, administrative fines have historically been at the lower end of the possible range. Due to the uncertainty, the company is not able to reliably estimate an outcome. Therefore, no provision has been made for this matter, but a note disclosure has been included in accordance with applicable accounting standards.



NOTE 15

# Balances with Subsidiaries and Associates

Balances with Subsidiaries and Associated companies	2024	2023
Short-term liabilities to group companies	0	0
Short-term liabilities (accounts payables) to associated companies	0	24
Short-term receivables from group companies	0	0
Short-term receivables from associated companies	4	4

## Transactions with Related Parties

Purchase of Goods and Services	2024	2023
Lotteries Entertainment Innovation Alliance AS (LEIA)	14	16
<b>Total</b>	<b>14</b>	<b>16</b>

Lotteries Entertainment Innovation Alliance AS (LEIA) provides games and platform services. All agreements are in accordance with the Public Procurement Act.

## NOTE 16

# Surplus and Allocations

Surplus and allocations represent the year's profit allocation minus advance payments to beneficiaries based on earnings throughout the year.

Advance Payments to Beneficiaries	2024	2023
Health and rehabilitation purposes	0	133
Bingo operators' surplus allocations	19	21
Grassroots recipients	565	504
Sports purposes	0	903
Culture purposes	0	42
<b>Total</b>	<b>584</b>	<b>1 603</b>

Remaining Surplus for Distribution	2024	2023
Annual surplus for allocation	8 038	7 087
Advance payments	584	1 603
<b>Total</b>	<b>7 454</b>	<b>5 484</b>

## NOTE 17

# Other Current Liabilities

Other Current Liabilities	2024	2023
Sales agents deposits	20	23
Game-related prize pools	184	203
Accrued vacation pay	41	38
Player account liabilities	443	422
Accruals	40	50
<b>Total</b>	<b>727</b>	<b>735</b>

FORMAL REPORT

# Audit Report



BDO AS  
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0121 Oslo

## Independent Auditor's Report

To the General meeting of Norsk Tipping AS

### Opinion

We have audited the financial statements of Norsk Tipping AS.

#### The financial statements comprise:

- The balance sheet as at 31 December 2024
- The income statement for 2024
- Statement of cash flows for the year that ended 31 December 2024
- Notes to the financial statements, including a summary of significant accounting policies

#### In our opinion:

- The financial statements comply with applicable statutory requirements, and
- The financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors and the Managing Director (management) are responsible for the other information. The other information comprises the Board of Directors' report. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

BDO AS, et norsk aksjeselskap, er deltaker i BDO International Limited, et engelsk selskap med begrenset ansvar, og er en del av det internasjonale nettverket BDO, som består av uavhengige selskaper i de enkelte land. Foretaksregisteret: NO 993 606 650 MVA.

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### Opinion on the Board of Directors' report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

### Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

BDO AS

[Navn - revisor]  
State Authorised Public Accountant  
(This document is signed electronically)

Note: Translation from Norwegian prepared for information purposes only.

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