TRANSPARENCY ACT STATEMENT

REPORT FOR THE PERIOD 01.01.2024-31.12.2024

KIN GROUP AS

Table of Contents

Section 1: Group Overview

1.1. Introduction

Kin Group AS ("Kin" or the "Group") is subject to the Norwegian Transparency Act (Åpenhetsloven) as the consolidated Kin Group exceeds the statutory thresholds for revenue and employees. In accordance with § 5 of the Act, this statement presents Kin's organisation, business model, and governing frameworks for safeguarding fundamental human rights and decent working conditions across our own operations and throughout our supply chain. The report covers the financial year ending 31 December 2024 and encompasses Kin Group AS as the parent company together with all majority-owned subsidiaries. It has been approved by the Board of Directors and is published to provide shareholders, employees, customers, suppliers and other stakeholders a transparent view of how Kin identifies, manages and continuously improves its approach to responsible business conduct.

1.2. Group overview

Kin is a privately held investment company headquartered in Oslo. Kin acquires controlling interests (typically 60–80 percent) in small and medium-sized Norwegian ecommerce businesses and supports the accelerated development of these companies through centralised expertise within technology, marketing, retail operations and finance.

Kin Group AS is majority and controlled by Kin Holdco AS which has a diverse shareholder base. Per 31 December 2024 the Group comprised of Kin Group AS, nine holding companies and seven operating subsidiaries. The Group had 60 employees and consolidated turnover for the 2024 financial year amounted to NOK 256.6 million.

1.3. Group structure and area of operations

Kin is organised under a holding company model. Equity interests in the portfolio companies are held through intermediate holding entities wholly controlled by Kin Group AS; founders and key managers retain minority ownership through the relevant holding companies. The Group's legal structure as per 31 December 2024 is presented in *Figure 1*.

All operating companies are incorporated in Norway and conduct the majority of their commercial activities domestically. Finished goods and components are sourced from reputable suppliers in Europe, the United States and Asia, and web shops provide, some but limited cross-border sales to customers elsewhere in the Nordic region and globally.

Below follows a list of operating companies in the group (holding companies not included);

Company name	Revenues 2024 *(NOK million)*	Number of employees	Webshop URL
Kin Group AS	1,8	7	kin.as
Plukkselv.no AS	20,7	2	plukkselv.no
Brewhouse AS	49,0	8	brewshop.no
Metallsøker AS	10,5	1	metallsoker.no
K-Beauty Norge AS	97,6	11	skinsecret.no
Bedre Inneklima AS	43,1	9	bedre-inneklima.no
Nøstebarn AS	33,9	23	nostebarn.no

1.4. Governance framework

Kin's Board of Directors exercises overall supervision of strategy, risk and capital allocation. The Board operates through an established annual agenda with quarterly board meeting covering the following topics:

Quarter	Principal agenda items
Q1	Operational and financial status, review commercial plan, review of draft annual accounts;
Q2	Operational and financial status, review commercial plan, approval of annual accounts and calling for general assembly
Q3	Operational and financial status, review commercial plan, risk review and internal control
Q4	Operational and financial status, review commercial plan, approval of next year's budget; assessment of governance process and board mandates

Each subsidiary is led by a General Manager ('Daglig leder') who acts under a written mandate approved by both the subsidiary board and Kin. Subsidiary boards are held up to four times per year for operating entities; extraordinary meetings are convened without delay should material incidents arise.

Responsibility for the Group's compliance with the Transparency Act rests with the board of directors and Chief Executive Officer, Skøien, who also signs and submits the annual statement.

1.5. Guidelines and procedures for managing actual and potential adverse impacts

Kin was founded as a start-up in 2021 and continues to formalise its policy framework as the company matures. At the reporting date the Group relies on the following governance instruments:

- **Management mandates** – Explicit requirements for legal compliance, ethical conduct and responsible sourcing embedded in the mandate of every subsidiary General Manager.
- **Supplier selection criteria** – Operating companies are instructed to engage suppliers that demonstrate a solid track record and hold relevant third-party certifications (e.g. ISO management system standards).
- **Transaction and onboarding due diligence** – Prior to acquisition Kin's finance function performs legal, financial and reputational screening of target companies. Post closing integration includes a review of key contracts and supply chain dependencies.
- **Board level monitoring** – Risk, compliance and serious incident reporting constitute standing items on subsidiary board agendas. Any critical matter must be escalated to the Kin Board without undue delay.

While Kin has not yet adopted a formal Code of Conduct, Supplier Code or Group Human Rights Policy, the Board recognises the value of such instruments and has resolved to develop them where legally required and operationally appropriate.

1.6. Continuous improvement initiatives

During the next twelve-month period Kin will:

1. Draft and adopt a Group Code of Conduct and Supplier Code aligned with the OECD Guidelines for Multinational Enterprises
2. Introduce a whistle-blower mechanism accessible to employees and business partners, contingent on legislative requirements
3. Facilitate a procedure and methodology in the operating companies allowing for required due diligence of selected suppliers
4. Improve awareness around Transparency Act and ESG topics for managers, directors and key employees

Section 2 – Findings from Supplier Screening

3.3 Methodology Overview

Kin Group conducted a due diligence exercise covering first-tier suppliers that represent approximately **80 % of aggregated purchasing volume** across all operating companies in the group. Each supplier has been rated against two independent indicators:

- **Industry Risk** – derived from the European Bank for Reconstruction and Development (EBRD) Environmental & Social Risk Categorisation List (NACE mapping).
- **Geographical Risk** – based on the International Trade Union Confederation (ITUC) Global Rights Index 2024.

Combining these data points, each supplier has been assigned an overall social sustainability score on a three-tier scale: **High**, **Medium**, or **Low**.

3.4 Scope and Coverage

The screening encompassed **312 active suppliers** across all eight operating companies:

- Bedre Inneklima AS
- Brewhouse AS
- Detective for a Day AS
- Metallsøker AS
- Nøstebarn AS
- Plukkselv.no AS
- K-Beauty Norge AS
- Kin Group AS

3.5 Categorisation Results

Risk Level	Number of Suppliers	Share of Spend (%)
High	14	≈ 6 %
Medium	86	≈ 28 %
Low	212	≈ 66 %

While a majority of suppliers fall into the **Low** category, the screening highlighted a manageable subset requiring closer attention in subsequent phases.

3.6 Significant Risk Themes

The **High-risk** cohort clusters around four thematic areas:

- Textile and apparel manufacturing in **Lithuania** and **Germany**
- Plastic packaging and keg production in **Italy** and the **Czech Republic**
- Cosmetic formulation and contract manufacturing in **South Korea**

- Garden and hobby product moulding in the **Czech Republic** and **Spain**

Typical indicators include low unionisation scores, recurring labour rights violations, and limited supply-chain transparency.

Section 3 – Measures and results

3.1 Expected Outcomes of the 2024 Screening Exercise

The 2024 supplier-risk assessment has already delivered several tangible benefits for Kin Group:

- **Enhanced transparency across the portfolio.**
  All operating companies now share a unified view of their most critical suppliers and associated risk factors, creating a common baseline from which to manage human-rights and labour-standards issues.
- **Prioritised allocation of resources.**
  By narrowing the focus to 14 High- and 86 Medium-risk suppliers, Kin can channel time and budget toward the suppliers where intervention is likely to generate the greatest impact.
- **Improved governance dialogue.**
  The findings have been presented to subsidiary boards, triggering constructive discussions on responsible sourcing, contract clauses, and internal escalation routines.
- **Foundation for future performance indicators.**
  The traffic-light framework (High / Medium / Low) establishes a repeatable metric that will allow Kin to track year-on-year progress and report quantitative improvements in subsequent Transparency Act statements.

We expect these outcomes to translate into strengthened supplier relationships, clearer contractual expectations, and a gradual reduction in the share of spend exposed to elevated social-sustainability risk.

3.2 Preliminary Conclusions and Next Steps

No actual infringements of fundamental human rights or decent working conditions were uncovered during this review. Kin Group will therefore concentrate the **2025 work programme** on proactive engagement with High- and Medium-risk suppliers:

- **Targeted self-assessment questionnaire.**
  Distribute a standardised self-assessment questionnaire focused on labour practices, health & safety, and subcontractor management
- **Supplier dialogue and remediation.**
  Initiate bilateral dialogue where questionnaire responses reveal material gaps and agree corrective-action plans with clear timelines.
- **Escalation pathways.**
  Establish contractual provisions —up to and including suspension of cooperation—for suppliers unable or unwilling to meet minimum requirements.

- **Internal capacity-building.**
  Improve awareness and knowledge around Transparency Act and ESG requirements and rules for managers and directors to embed responsible-sourcing considerations into day-to-day commercial decisions.

The Board of Directors resolves that the Group shall establish a concrete plan to take further steps to improve compliance with the requirements of the Transparency Act, improve how the Group and its operating subsidiaries are working with this subject.

Progress and outcomes will be addressed further in **next year's Transparency Act statement**.

Oslo, 4th July 2025

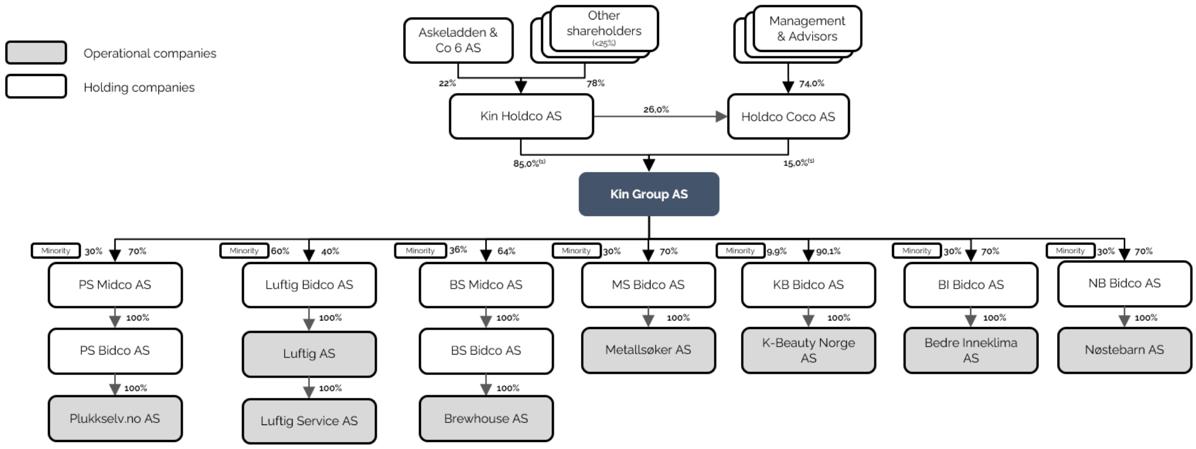
Andreas Rokne
Chairman of the board

Anders Kvåle
Director

Per Skøien

Per Skøien
Chief Executive Officer

Figure 1 - Corporate structure as per 31.12.2024



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