



ANNUAL REPORT 2024

THE NORWEGIAN TRANSPARENCY ACT

Xplora Technologies AS

25.06.2025



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1. XPLORA'S REPORT PURSUANT TO THE TRANSPARENCY ACT FOR 2024

1.1. Introduction

The Transparency Act was put into force on 1 July 2022. The purpose of the act is to promote businesses' respect for fundamental human rights and decent working conditions and ensure the public's access to information.

Xplora Technologies AS ("Xplora Technologies") and Xplora Mobile AS ("Xplora Mobile"), jointly "Xplora", shall conduct due diligence in accordance with the Transparency Act each year and publish a report on the assessments and findings.

This report outlines Xplora's obligations to account for the due diligence assessments conducted by the company from 1 January to 31 December 2024. In the report, we also describe the measures that have been assessed and implemented to reduce the risk of adverse impact Xplora's activities may have on fundamental human rights and decent working conditions.

1.2. Contact information

Any inquiries in connection with this report can be directed to:

Xplora Technologies AS
CEO, Sten Kirkbak
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1.3. Duty to account for the due diligence

Xplora is headquartered at Nedre Slottsgate 8, Oslo and registered in Norway.



Companies that meet two of the following three conditions are subject to reporting obligations in accordance with the Transparency Act: Sales revenue over 70 MNOK, total assets of 35 MNOK or more, and more than 50 employees. Both, Xplora Technologies AS and Xplora Mobile AS meet these requirements and are therefore required to comply with the reporting obligations.¹

2. ABOUT XPLORA'S OPERATIONS

2.1. Organisation and area of operations

Xplora Technologies is a platform and services company and an industry leader in smart watches for children. Xplora Technologies was founded in 2016 to give children a safe onboarding to the digital life and a better balance between screen time and physical activity. Xplora operates as a mobile service provider, offering products and services in our core markets, Europe and the US, through online channels, a wide network of retailers, and telecommunications partners. Xplora Mobile serves as a connectivity provider, integrating connectivity services to our products offering.

The significant subsidiaries of the parent company, Xplora Technologies AS, are Xplora Mobile Holding AS, Xplora Technologies Ltd (an English limited liability company), Xplora Technologies Deutschland GmbH (a German limited liability company), Xplora Technologies SL (a Spanish limited liability company), Xplora Technologies SAS (a French limited liability company) and Xplora Technologies Inc. (a Delaware corporation). All subsidiaries in the group are 100% owned.

The parent company's operations are conducted from its Oslo and Trondheim offices in Norway. Xplora's headquarter in Oslo accommodate the group's finance, marketing, operations, and support functions, while the Trondheim office manages global and national marketing campaigns. Xplora also has offices in four Nordic countries, the US, UK, Germany, and Spain.

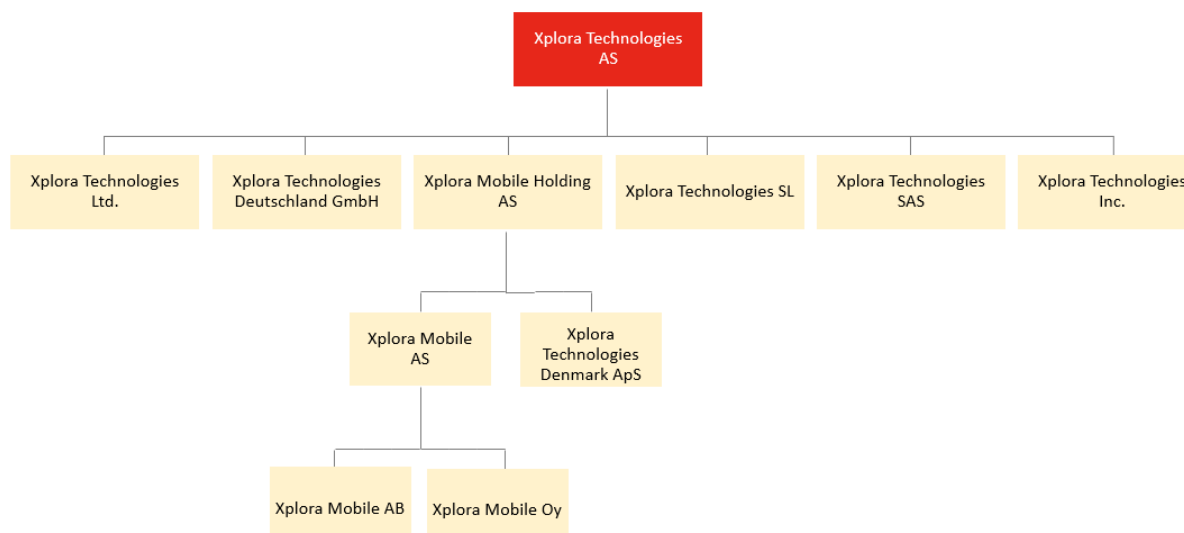
¹ The company must meet at least two of the three conditions regarding sales revenue, balance sheet total and number of full-time equivalents.



Xplora Technologies Ltd serves as the central hub for engineering and product development at Xplora. The company coordinates with distributed offsite teams, including suppliers in China, South Korea, and Pakistan, as well as a consulting partner in Poland, to support development, manufacturing, and technical operations.

Xplora Technologies Deutschland GmbH, Xplora Technologies SL and Xplora Technologies Inc. all handle sales, marketing, operations, and support functions in their respective local markets. Our French entity, Xplora Technologies SAS, is currently not engaged in any activities beyond web-based sales.

Xplora Mobile Holding AS is the parent company of Xplora Mobile AS and Xplora Technologies Denmark ApS (a Danish limited liability company). Both companies handle sales, logistics, marketing, operations, and support functions in their respective markets. Xplora Mobile AS is the parent company of Xplora Mobile AB (a Swedish limited liability company) and Xplora Mobile Oy (a Finnish limited liability company), having the same functions in their respective markets.





On January 13, 2025, Xplora obtained majority control of Doro AB. Xplora currently holds 89.6% of the 24,382,105 shares available in the market. The acquisition expands Xplora's reach into the senior market and provides a strong platform to scale Xplora's service model in a new growth segment. Due to this acquisition, the organisational chart presented above will change to reflect the integration of Doro and its operations, effective from the next reporting year.

This report covers Xplora Technologies and Xplora Mobile. Although the Transparency Act does not apply to all group companies, they effectively operate under the same strict due diligence procedures as a part of the corporate group. Further information about Xplora Technologies and its subsidiaries is available in the [annual report](#).

2.2. Internal guidelines and procedures

Xplora has guidelines on how we embed the work on human rights and decent working conditions '*Xplora's Guidelines for responsible business conduct with the Transparency Act*'. The procedure outlines the work that needs to be carried out to meet the requirements set out in the Transparency Act and were established and approved by the company's board of directors on 11 May 2023. The guidelines are communicated to the company's employees and are available on our website. The guidelines describe how Xplora conducts its due diligence and assessment of the measures taken. Xplora has established an external grievance mechanism for reporting of any potential adverse impacts on human rights and decent working conditions: compliance@xplora.com. This contact information is also available on our webpages.

In addition to the above, Xplora has in place the following policies, procedures and guidelines for furthering the company's work on human rights and working conditions:

- Xplora's Code of Ethics and Business Conduct guides employees in fulfilling their responsibilities, fostering trust, and upholding the highest ethical standards. It promotes transparent and lawful conduct by all members of Xplora Technologies AS, its subsidiaries, and representatives, including third parties. The Code is inspired by Xplora's company values, the Universal Declaration of Human Rights, and the OECD Guidelines for Multinational Enterprises.



- A Code of Conduct for Xplora's Business Partners, which further specifies our expectations that our suppliers and business partners commit to the same or similar principles in their own operations as those outlined in Xplora's Code of Conduct, including but not limited to human rights and working conditions.
- A process for conducting third party due diligence assessments, covering areas such as, but not limited to, corruption, money laundering and sanction risks, as well as risks relating to adverse impacts on human rights.
- Xplora has a whistleblowing policy aimed at encouraging a culture of transparency and openness. This policy enables the reporting of censurable conditions, empowering staff to internally communicate any concerns about wrongdoing within the company. By fostering an environment where employees feel supported in speaking up, Xplora can take appropriate actions and implement necessary measures to address these issues.

2.3. Ambitions and progress

2.3.1. Overall ambitions and progress

Xplora Technologies and Xplora Mobile are committed to our efforts to ensure human rights and decent working conditions in our supply chain and within our operations. We acknowledge that this commitment requires ongoing efforts and continuous improvement implementing measures to achieve the ambitions set by the company.

2.3.2. Ambitions for the coming year

Ambitions	Status
Follow-up high risk suppliers and third-party auditors where findings are identified.	In progress.
Enhanced due diligence and onsite audits of high-risk suppliers to further analyse the risks of adverse impact on human rights and decent working conditions.	In progress



<p>Further improve our supplier and business partner due diligence process:</p> <ul style="list-style-type: none">- Further implement Xplora's Code of Conduct for Business Partners (standards and expectations for suppliers to adhere to when conducting business with Xplora and/or contract measures)- Continue to include contract clauses related to fundamental human rights and decent working conditions. These clauses urge the suppliers to include contractual clauses that set out the same requirements and obligations in agreements with their suppliers- Improve employee training – raise employees' awareness of various compliance issues- Supplier questionnaires – collect relevant information about potential suppliers and evaluate suppliers' adherence to legal and ethical standards, identify potential compliance risks	In progress
Update 'Xplora's Guidelines for responsible business conduct with the Transparency Act' based on the experiences we gain.	Started
Continuing to improve and progress our human rights impact assessment across our own operations, supply chains and business partners, and further improve due diligence based on our experience.	Started



3. DUE DILIGENCE ASSESSMENTS

3.1. Focus and methodology

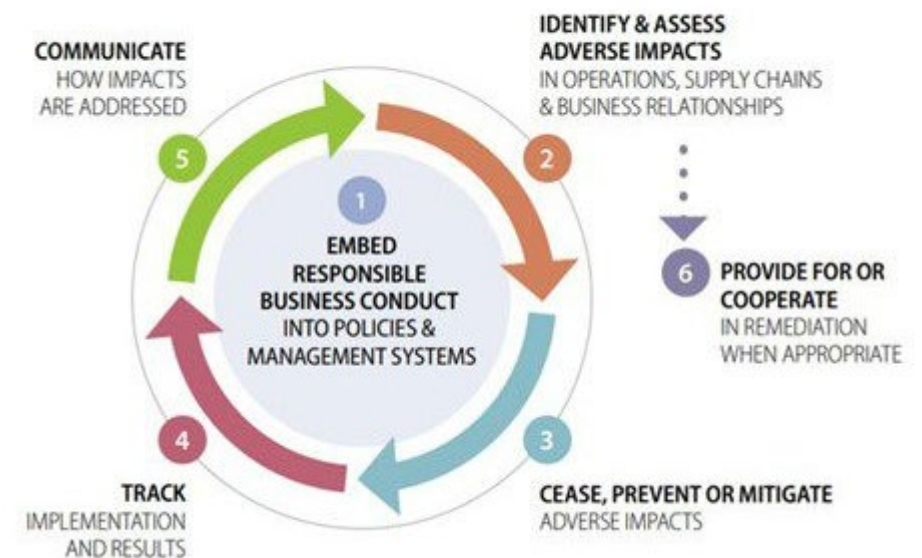
Xplora continuously makes assessments of the risk² of adverse impact on fundamental human rights and decent working conditions linked with the company's activities and business relationships. We continuously track any violations of human rights or violations of decent working conditions that relates to the company's activities.

Based on supplier data obtained from accounting data and ERP systems, Xplora has obtained a systematic overview of our suppliers and business partners. Xplora has conducted initial assessments of the risk of negative impact on fundamental human rights and decent working conditions. We have also utilized a digital platform developed by Ignite Procurement AS to simplify the implementation of the due diligence assessments in accordance with the requirements of the Transparency Act.

The initial risk classification of our first-tier suppliers is based on the following established classification rules relevant to its supply chain: **Geography, industry and contract value/size**. The platform gathers information and financial details about Xplora's suppliers, such as industry codes (NACE) and company structure. Through the classification tool in the platform, suppliers that meet defined risk parameters are classified as having high, medium, or low risk of negative impact on fundamental human rights and decent working conditions.

This year, Xplora has taken a more focused approach by manually assessing all suppliers and business partners with a spend over NOK 50,000. For smaller expenditures, risk assessments are based on Ignite's classification tool. A

FIGURE 1. DUE DILIGENCE PROCESS & SUPPORTING MEASURES



² The "risk" in this context means the likelihood of occurring of adverse impact on human rights and decent working conditions, and how severe the adverse impact may be for the affected parties.



remaining group of minor suppliers — typically one-off providers such as individuals, hotels, and restaurants — has not been assigned a risk estimate, as their potential for impact is assessed to be minimal.

Based on the findings, Xplora has assessed which actions should be taken to investigate potential negative consequences for fundamental human rights and decent working conditions. Xplora has implemented actions where the severity and likelihood of harm are highest and where we have the greatest influence for positive development. The prioritization is aligned with Xplora's connection to and responsibility for the risk, and should be proportionate to the size, nature, and context of the business.

Similarly to last year Xplora Technologies' main focus and priority has been on our core business, smartwatches and accessories (wristbands and chargers) where the severity and likelihood of harm are highest due to geography and industry. For Xplora Mobile, connectivity is the primary business and a crucial part of Xplora's business.

In 2024, while maintaining focus on our core business, Xplora manually assessed 273 suppliers and business partners with an annual spend exceeding NOK 50,000. For smaller expenditures, risk assessments are based on Ignite's proposed estimates. The manual assessment complement Ignite's digital assessments by adding deeper, context-specific insights. Conducting our own reviews helps us identify risks that automated tools may miss - enhancing decision-making, compliance, and overall risk management. The manual deep dive also enabled improved detection of duplicate entries, such as suppliers or partners engaged by multiple Xplora entities — resulting in a slightly reduced total this year, with 595 suppliers compared to 607 last year.

It is important for us to emphasize that Xplora's due diligence assessments are not a one-time effort but an ongoing and dynamic process. We continuously engage in monitoring, evaluating, and refining our practices to ensure their ongoing relevance and effectiveness.

3.2. Due diligence assessments of Xplora's own operations

As Norwegian companies, both Xplora Technologies and Xplora Mobile conduct their operations in accordance with Norwegian laws and regulations. Xplora is committed to promote the respect of human rights and decent working conditions throughout its operations and will continue to assess and improve its work in accordance with the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for MNEs and Responsible Business Conduct.



For our own operations, our assessment is based on regularly conducted employee surveys that cover all employees within our organisation. Each year, Xplora carries out an annual performance review for all employees, aiming to evaluate individual performance. To complement this approach, monthly anonymous surveys are administered through an employee feedback system. This system offers valuable insights and fosters a deeper understanding of the company's workplace dynamics. Xplora's comprehensive performance assessment strategy aligns with its commitment to employee development and organisational growth, allowing for the analysis of findings and the implementation of measures to ensure an optimal working environment.

In 2023, Xplora carried out a comprehensive organisational risk assessment across all departments, supported by third-party employee surveys, a CEO assessment, and internal workshops. This was part of a broader risk management strategy covering work environment, market, operational, geopolitical, climate, and cybersecurity risks. In 2024, Xplora followed up on the findings with a company-wide group session to present and address key areas for improvement. Leadership development programs for senior management were carried out in 2024, and a reorganisation was also initiated to clarify roles and responsibilities, completed in early 2025.

Further initiatives are planned for 2025, including leadership development programs for all managers, and regular one-on-one sessions to enhance individual support and communication. These efforts are integrated into Xplora's annual risk assessment and mitigation plan, which is reviewed in collaboration with the Board of Directors.

In the reporting period, Xplora has not identified any actual adverse impacts on human rights and decent working conditions in our own operations.

3.3. Suppliers and business partners

Xplora has commercial relationships with 595 suppliers and business partners in the reporting year. These are located in the following country/geographic area:

Country/geographical area	Number of suppliers/business partners
Norway	220



Germany	107
GB	58
Finland	45
US	42
Denmark	35
Sweden	21
Spain	13
France	10
China	6
Hong Kong	5
Ireland	5
Italy	5
Other	23

3.4. Due diligence assessments of Xplora's suppliers and business partners

Xplora is an information technology company which develops and offers wearable smart devices and accessories (wristbands and chargers), connectivity and services for kids and families, with a particular focus on the smartwatch market for kids. Like previous years, Xplora's main focus in risk assessments during 2024 has been on Xplora Technologies' core business smartwatches and accessories where the severity and likelihood of harm are highest due to geography and industry. For Xplora Mobile, connectivity is the primary business and a crucial part of Xplora's business.

Xplora's risk profile remains consistent with previous year, involving the same suppliers and production lines, which continue to be the primary focus of our assessments. Our assessments continue to focus primarily on these areas, prioritizing suppliers where our financial investment is significant. As mentioned below, we have incorporated contract terms in all new contracts and in the renegotiation of existing contracts to ensure suppliers adhere to human rights and maintain decent working conditions, in line with the United Nations Guiding Principles on Business and Human Rights. These terms also include auditing measures and consequences for non-compliance. Additionally, these clauses require suppliers and business partners to implement similar contractual obligations in their agreements with their own suppliers. As outlined in section 2.3.2, we will continue our efforts to fully implement an onboarding process for new suppliers and business partners moving forward.



Geography: The suppliers of Xplora Technologies' core products, smartwatches and accessories, are located in China and South Korea with manufacturers in China and Vietnam. Geographically these areas present a high risk due to a generally higher incidence of violations of fundamental human rights, decent working conditions, and issues related to health, safety and environment. There is also a risk of forced labour and child labour in these areas.

Industry: Smartwatches consist of numerous different components and a complex value chain with multiple links and suppliers. This presents a risk as it becomes more challenging to have complete oversight of the flow of materials, goods, and services. Also, technical components often have intricate value chains that carry risks of human rights violations and detrimental environmental impact during exposure to hazardous chemicals and toxic and harmful substances. There is also a risk of forced labour and child labour within these value chains.

For Xplora Mobile, connectivity is the primary business and an essential part of Xplora's operations. We have conducted assessments of suppliers and business partners, providing connectivity, and will continue to prioritize these as a part of our ongoing work with the Transparency Act.

In 2024, while maintaining focus on our core business, Xplora has taken a more focused approach by conducting a manual risk assessment of 273 suppliers and business partners with an annual spend exceeding NOK 50,000. For smaller expenditures, risk assessments are based on Ignite's proposed estimates. A remaining group of minors, typically one-off suppliers have not been assigned a risk estimate.

As part of the risk assessment, Xplora has carried out the following activities in the reporting year:

- We have manually assessed assessments of **273** of **595** suppliers and business partners with a spend over NOK 50,000. By performing our own evaluations, Xplora can identify red flags that automated tools may overlook—such as reputational concerns, ethical considerations, or supplier-specific nuances.
- We have sent questionnaires to gather additional information from **8** identified suppliers classified as **high risk** due to **geography** and/or **industry**.
- We have engaged a third-party to carry out an onsite audit of one of the main factories.



- We have made significant progress in incorporating contract terms to ensure suppliers' performance with Human Rights and decent working conditions consistent with the United Nations Guiding Principles on Business and Human Rights, auditing measures and consequences of non-compliance. These clauses also urge suppliers and business partners to include contractual clauses that set out the same requirements and obligations in agreements with its suppliers.
- We have carried out risk-based integrity due diligence (IDD) of high-risk business partners and suppliers.
- We have undertaken the following supplier and business partner due diligence measures:
 - Enhanced our Code of Conduct for Business Partners. The Code of Conduct set standards and expectations for business partners to adhere to when conducting business with Xplora and/or contract measures.
 - Assessed and classified new suppliers and business partners using the described methodology, followed by risk-based integrity due diligence (IDD) based on their classification.
 - Employee awareness – increased internal awareness of compliance-related issues through targeted communication and training.
 - Third-party awareness – conducted an on-site visit and delivered training sessions to Xplora's external customer service provider located in Spain, ensuring they are well-informed and capable of recognizing and promptly escalating customer information requests.

3.5. Result of the due diligence assessment

3.5.1. Manual assessment and questionnaires

We did not identify any actual adverse impacts on fundamental human rights and decent working conditions in our supply chain or in relation to other business partners. However, our analysis suggests that we should pay particular attention to suppliers and business partners involved in our core business, smartwatches and accessories, connectivity, freight and logistics where the severity and likelihood of harm are highest due to geography and industry. Xplora's due diligence assessments are not a one-time effort but an ongoing and dynamic process. We continuously engage in monitoring, evaluating, and refining our practices to ensure their ongoing relevance and effectiveness.

Engaging in dialogue with our suppliers and business partners is a vital outcome of our work with the Transparency Act. Many of our high-risk suppliers are located in Asia, where the severity and likelihood of harm are highest. This dialogue is particularly important due to cultural differences and diverse regulatory environments, as it helps bridge gaps in understanding and ensures better compliance with laws and



regulations. Through these conversations and our contractual requirements, we emphasize the importance of proper documentation and assist our suppliers in enhancing their procedures.

3.5.2. Onsite audit

During 2024 Xplora engaged a third-party to carry out an onsite audit of one of the main factories. The audit revealed the following findings that Xplora has identified and prioritized in the reporting year:

Product/Service	Identified violations of human rights/decent working conditions	Geography	How were the violations of human rights/decent working conditions uncovered?
XG03	All emergency exits are not properly marked and lighted.	Anhui, China	Violation is identified through an onsite audit.
XG03	Compulsory insurance (e.g., social insurance, accident insurance etc.) is not covering all employees.	Anhui, China	Violation is identified through an onsite audit.
XG03	Excess of statutory overtime work - working hours exceed what is allowed by law or collective bargaining agreement.	Anhui, China	Violation is identified through an onsite audit.

4. MEASURES TO CEASE, PREVENT OR MITIGATE THE ADVERSE IMPACT

In the following, the company will describe the measures we have implemented to prevent, mitigate or cease the impact and risks identified in the section above.

We have implemented the following measures based on the investigation:



Identified violation/risk of violation	All emergency exits are not properly marked and lighted.
Measures taken	The supplier has confirmed that all emergency exits throughout the factory have been inspected, and that all signs are functioning properly.
Further ambitions	We have arranged for a third-party provider to conduct a follow-up onsite audit on 8 July 2025.
Status	In progress.

Identified violation/risk of violation	Compulsory insurance (e.g., social insurance, accident insurance etc.) is not covering all employees.
Measures taken	The supplier has informed us that employees are now aware they cannot be enrolled in both Resident Medical Insurance and company-provided insurance. New hires will be enrolled in company medical and maternity insurance per labour law. Once domestic coverage is terminated, the company will resume standard social insurance contributions.
Further ambitions	We have arranged for a third-party provider to conduct a follow-up onsite audit on 8 July 2025.
Status	In progress.

Identified violation/risk of violation	Excess of statutory overtime work - working hours exceed what is allowed by law or collective bargaining agreement.
Measures taken	Employee working hours are actively monitored, and time management expectations are communicated to team-level staff. Staffing is planned in advance based on order volumes to



Further ambitions	minimize the need for overtime. Currently, all overtime remains within the limits set by Chinese Labor Law.
	We have arranged for a third-party provider to conduct a follow-up onsite audit on 8 July 2025.
Status	In progress.

5. MONITORING OF THE MEASURES – IMPLEMENTATION AND RESULTS

5.1. Introduction

We work continuously on monitoring the implementation of the measures and the outcome.

5.2. Procedures for monitoring³

The CEO of Xplora Technologies AS has the overall responsibility for monitoring the implementation and the result of measures initiated. Xplora has the following procedures for monitoring the implementation of the measures:

- We monitor the implementation and the effect of the company's internal obligations, activities and goals for the due diligence.
- We regularly carry out internal and/or third-party assessments or audits of the achieved results and communicate the results at relevant levels within the company.
- We receive regular feedback from our suppliers to confirm that the risk-reducing measures are being followed and/or to confirm that damage in fact has been prevented or reduced.

³ The Transparency Act does not require an account for how the enterprise implements and carries out the identified measures.



- We learn from the experience and the feedback that the company has acquired through our due diligence assessments and use it to improve the process and results in the future.

Based on these measures, we have worked out a progress plan for the remediation that we keep up to date. The progress plan follows the systematics in item 3.

6. COMMUNICATION WITH AFFECTED STAKEHOLDERS⁴ AND RIGHTS-HOLDERS

Stakeholder engagement is at the core of due diligence for responsible business conduct. Xplora acknowledge that by establishing dialogue with our key stakeholders, we will most likely get access to information no social audit or self-assessment questionnaire will provide. While we recognize that establishing communication with relevant stakeholders can sometimes be challenging, we are nevertheless committed to making concerted efforts to effectively communicate to ensure transparency and establish a collaborative approach with the stakeholders impacted by our operations.

7. REMEDIATION AND COMPENSATION

Xplora has not uncovered any cases requiring remediation in the reporting year.

We continue to follow applicable international standards, and we are in dialogue with stakeholders in order to reveal any potential necessity for remediation.

⁴ «Stakeholders» includes among other employee representatives, workers unions, representatives for local communities, civil services, investors, industry associations.



Oslo, 25 June 2025

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Oslo, 25 June 2025

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