



KLARNA AND BEAUTYCOUNTER PARTNER TO OFFER CLEAN BEAUTY TO MORE SHOPPERS

Proprietary Data from Klarna Reveal Strong Demand for Clean Beauty as Health and Safety Remain Top of Mind

New York, NY (August 20, 2020) – Klarna, the leading global payments and shopping platform, today announced a partnership with Beautycounter, the leader in safer skin care and cleaner cosmetics, to enable customers to shop for the products they love with financial flexibility through Klarna's four equal, interest-free installments. The partnership further expands Klarna within the beauty category and offers customers additional ways to shop at a time when consumers are prioritizing their health and personal care.

"Our mission is to get safer products into the hands of everyone with a commitment to educate consumers, formulate with responsibly sourced ingredients, and advocate for more health protective laws," said Gregg Renfrew, Founder and CEO of Beautycounter. "As the leader in clean beauty, partnering with Klarna means we are meeting customers wherever and however they like to shop through more financial control and convenience."

Data from the Klarna app show that Gen Z shoppers in the US have increased their spending on clean beauty by nearly 26% since the start of the pandemic, the most of any demographic group. Additionally, among the more than 2 million items that were wish listed on the Klarna app in the past year, personal care products such as sleeping masks, facial protective primers, concealers and peeling solutions ranked among consumers' top picks. For Beautycounter, the All Bright C Serum was the company's most successful product launch in its history during the height of the pandemic, selling out its six-month supply in less than three weeks.

"Consumers today and Gen Z in particular, are demanding increased transparency from brands, whether it's from ingredients in the products they buy to the payment solutions they choose," said David Sykes, Head of US at Klarna. "We're excited to partner with Beautycounter, the leader in clean beauty, to offer their customers alternative payment options to shop for the safer and cleaner items they want during these times."

Klarna recently conducted a consumer survey around holiday shopping and found that 79% of respondents would rather be healthy than wealthy this holiday season, a desire that dovetails with rising consumer interest in clean beauty. The survey also found that 56% of consumers think that malls will not return to their heyday, indicating that online shopping experiences will grow even more important. The popularity of Beautycounter's free virtual

beauty consultations, [The Virtual Counter](#), which have been booked out every day since launch, underscores this finding.

Klarna's partnership with Beautycounter is an extension of its wider push into beauty and skincare amid rising consumer demand for these categories. The company has recently partnered with Sephora, Augustinus Bader, Beauty Bay and OUAL among others in the beauty category.

About Klarna

We make shopping smooth. With Klarna, consumers can buy now and pay later, so they can get what they need today. Klarna's offering to consumers and retailers includes payments, social shopping and personal finances. Over 200,000 merchants, including H&M, IKEA, Expedia Group, Samsung, ASOS, Peloton, Abercrombie & Fitch, Nike and AliExpress, have enabled Klarna's innovative shopping experience online and in-store. Klarna is ranked number five on the 2020 CNBC Disruptor 50 list, is one of the most highly valued fintech in Europe, with a valuation of \$5.5 billion, and is one of the largest private fintechs globally. Klarna was founded in 2005, has over 3,000 employees and is active in 17 countries. For more information, visit klarna.com.

About Beautycounter

Beautycounter is the leader in the safer skin care and cleaner cosmetics category. The Santa Monica, CA-based brand drives a national movement for improved transparency and accountability in the beauty industry, including advocacy to update federal regulations that have stood largely unchanged since 1938. The company's mission is to get safer products into the hands of everyone. Beautycounter develops and distributes approximately 150 products across skin-care, color cosmetics, advanced anti-aging, kids, baby, and personal-care collections. Beautycounter is a Certified B Corporation. Founded by Gregg Renfrew in 2011, Beautycounter launched in 2013 as a direct-retail brand that is available online at beautycounter.com, in retail boutiques in New York City, Denver, and a seasonal Nantucket pop-up, through strategic partnerships including Sephora, and through approximately 50,000+ independent Consultants across North America. Beautycounter has received numerous awards, including CNBC Disruptor 50, Fast Company's Most Innovative Companies, Allure's Best of Beauty, Glamour's Beauty Awards, Refinery29's Innovators List, the NewBeauty Awards, WWD's 2019 Best-Performing Beauty Company (small cap), and the CEW's 2019 Indie Brand of the Year. For more information, visit www.beautycounter.com.