

**GRANBERG®**  
FEARLESS PERFORMANCE



**GRANBERG GROUP  
SUSTAINABILITY REPORT  
FOR 2023**

Reporting period 01.01.2023 - 31.12.2023



## FROM OUR CEO

It is with immense joy and pride that I present Granberg Group's Sustainability Report for 2023.

In an era when our responsibility towards the planet and future generations has never been more critical, we at Granberg Group are steadfast in our commitment to sustainable development. Sustainability is not just a core value for us – it is a way of life that permeates everything we do.

Over the past year, we have worked diligently to reduce our carbon footprint, optimize resource use, and promote a circular economy. We have taken concrete steps to positively impact the environment, society, and the economy.

The environment is our top priority. We have implemented a strong environmental focus throughout the value chain and invested in renewable energy sources and process optimization, which has resulted in more effective measures to reduce our emissions.

Our employees are the heart of our business. We strive to provide a safe and inclusive workplace and continually invest in their development. We also support the local communities where we operate through various initiatives. Innovation is the driving force behind our sustainability strategy. We promote research and development to discover new and better ways to run our business.

Transparency and accountability are fundamental values for us. This report provides an honest and detailed overview of our sustainability efforts, our results, and our future plans. We share both our successes and challenges with our stakeholders and partners.

With a clear vision for the future, Granberg Group aspires to be a leading player in sustainable development, known for our integrity and innovation. We will continue to set ambitious goals and strive for continuous improvement.

I invite you all to join us on this journey towards a more sustainable future. Together, we can truly make a difference, one step at a time.



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## INTRODUCTION

With over six decades of experience in the hand protection industry, Granberg has become a household name known for quality products and innovative solutions. Our success in this competitive market can be attributed to our unwavering focus on quality, innovation, and a deep sense of responsibility toward our customers and the environment.

As we look to the future, we recognize that the world is changing rapidly, and our responsibility toward sustainability is even more critical. Our commitment to sustainability is not just a moral obligation but also a sound business practice to ensure the long-term success of our company.

At Granberg, we have been working on sustainability for many years, reflected in our initiatives to protect the environment, promote ethical trade, and ensure social

rights for our employees and suppliers. We understand that sustainability is not just about caring for our immediate surroundings, but about laying the foundation for future generations.

We are responsible for contributing to sustainable development of our business operations. We strive to improve our processes and collaborate with our subcontractors and customers to reduce our environmental impact.

Our journey toward sustainability is ongoing, and we strive to seek smart, new ways to contribute toward a sustainable future. Our commitment to sustainability is a core value that defines who we are as a company. By choosing Granberg, you are partnering with a company that cares about the environment and is committed to building a sustainable future.



## ABOUT THE REPORT

This report provides an overview of Granberg's commitment to sustainability. While it is impossible to include every detail of our efforts toward a sustainable future, we aim to give readers an understanding of our approach.

The report contains selected information from our various locations, which should offer a comprehensive picture of our company's current state. Granberg AS, the largest company within the Granberg group, is headquartered in Bjoa, Norway. It handles several tasks from our subsidiaries, such as marketing, logistics, product development, and supply. Consequently, more data is available for Granberg AS than from other sites.

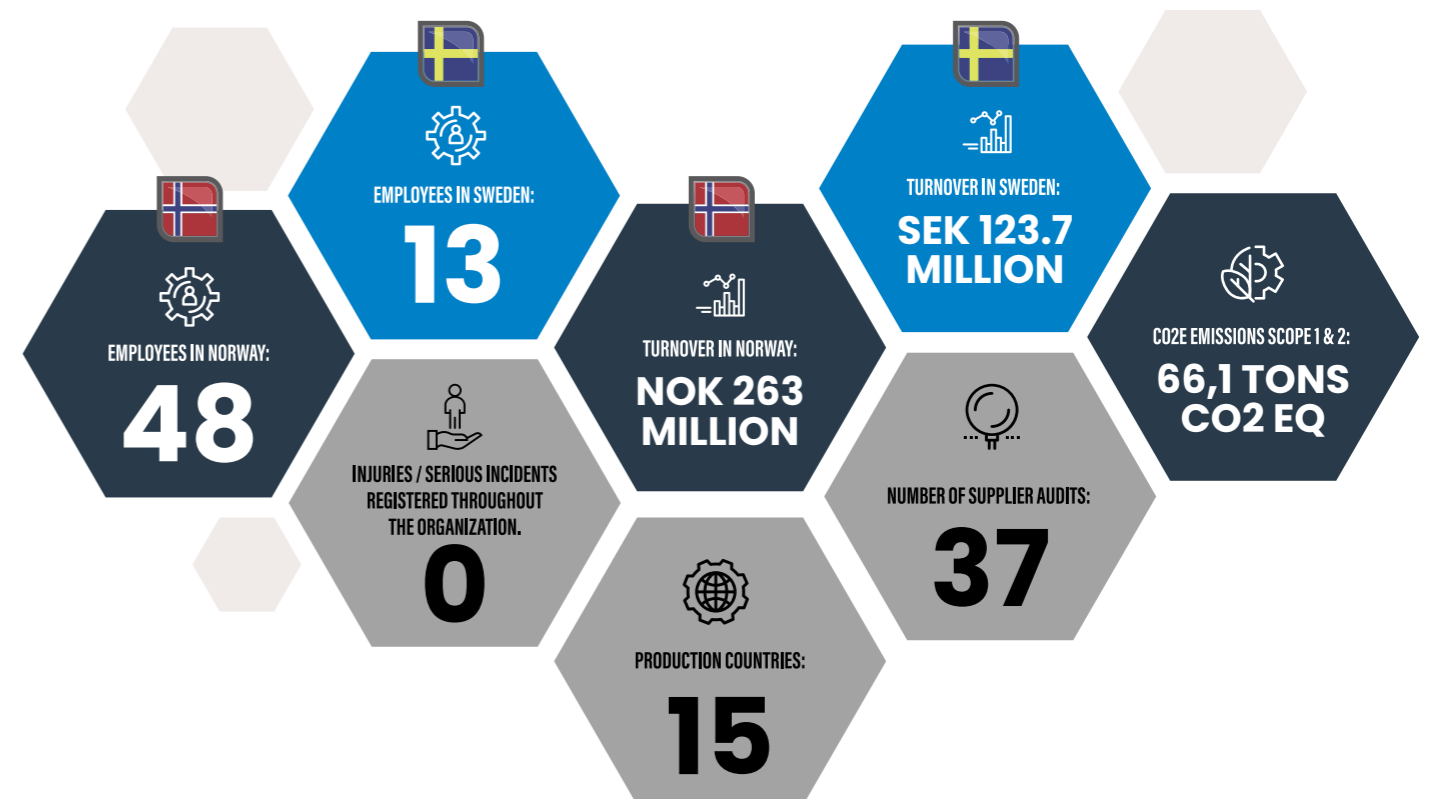
Our smaller facilities, such as the one in Lithuania, engage in limited production of textiles on a smaller scale, manufacture samples of Kozane products, and assist with research and development (R&D) tasks for the Granberg group. Emissions or other measurements for this location are negligible compared to the results of the rest of the group. Therefore, we have omitted them from this report for 2023 (or reported them as part of the results from Granberg AS). Future versions of the sustainability report will include figures from this location.

A living sustainability report is subject to change yearly. It will evolve each year with developments in Granberg and society. We know that sustainability requirements are becoming increasingly stringent, and we aspire to be at the forefront of this trend. We encourage all our partners to do the same.

We are committed to ensuring transparency in our sustainability practices and reporting. While our sustainability report has yet to be externally verified, we assure our stakeholders that we take the accuracy and reliability of our reporting seriously. As part of this commitment, we conduct regular internal audits to verify the accuracy and reliability of the information presented in our sustainability report. We will continue to improve our sustainability practices and reporting to ensure transparency and accountability in the future.

The reporting period for this report is 01.01.2023 - 31.12.2023. Sustainability reports are published annually on the Granberg website. We have not identified any cause for restatements from previous sustainability reports as of the making of this year's report.

## KEY FIGURES 2023





## WHAT WE DO

Granberg specializes in designing, developing, and manufacturing products for numerous industries. With over 60 years of experience safeguarding workers' hands in the harsh Norwegian climate, the company now offers work gloves in many parts of the world. Our brands include work safety gloves, medical gloves, leisure gloves, infection control equipment, and cut-protective textiles, which are supplied to various industries such as mechanical, offshore, construction, fisheries, processing, and healthcare. We continuously innovate our products to meet the market's needs and our customers' demands.

Our head office and warehouse are in Bjoa, and we have a smaller office in Stavanger, Norway. We also have an office and warehouse in Falkenberg, Sweden. Additionally, our production facilities for cut-protection textiles are in Kaunas, Lithuania. Granberg Gloves LLC serves as our stepping stone to the US market.

Our primary activities and processes include HR, quality and HSE, sales, customer service, finance, warehouse, product and supply chain, marketing, IT, Operations, export, and support functions such as strategy, development, and audit. The general manager/CEO is responsible for the organization's processes, with delegated responsibility



to department heads in their respective departments and locations. Departments include administration (including CEO, strategic advisor, accounting, HSE & Quality, and HR), sales (including export and Internal sales), marketing, products and supply chain, IT & facilities, business development, and Warehouse. Granberg AS undertakes tasks for other locations, such as marketing, IT, quality assurance support, etc.

The Granberg group's physical offices, warehouses, or representatives, share resources and services to optimize efficiency. Our Norway office performs tasks such as marketing and IT/Operations for the location in Sweden. Our team in Lithuania undertakes R&D or testing for the product department in Norway.

## OUR HISTORY

The Granberg story began in western Norway's countryside with the world as our marketplace. For us, it means deep roots, a strong will, and foresight forged by listening, learning, and delivering.

Our journey started in a small village in Bjoa, Norway, with a man named Paul Granberg. He dreamed of creating a better life for his family. His vision was to contribute to a safer community, understanding the need for workers' hand protection in fast-growing industries in the 1960s.

Granberg's pride in our history symbolizes our determination as we grow and evolve into a leading manufacturer of hand protection. This vision has been at the heart of our business since the beginning and continues with the second and third generations of the Granberg family running the business.

Over the years, guided with the same passion and drive, our goal for hand protection has grown continuously, and we focus on helping people worldwide achieve their tasks with "Fearless Performance" while keeping their hands safe.

Today, Granberg is a proud and well-established company, true to our customers and their needs. Our product design and development evolution has been empowered with patented materials and hundreds of products in our portfolio. In addition, we recruit the best and most dedicated professionals to be part of our team as we grow sustainably as a company.

## WHO WE ARE

Granberg AS in Norway is the largest company in the Granberg Group, with its head office based in Bjoa with a workforce of 48 employees. Our office and warehouse in Falkenberg, Sweden, had 13 employees in 2023. There were three freelancers working for Granberg AS in this period. Individuals from the local community fill the majority (90%) of senior management positions. Four new employees were hired, and three employees left the organization, resulting in a turnover rate of 6.3% for Norway, and 0% for Sweden.

Throughout the Granberg Group, we offer equal benefits to full-time and part-time employees, including pension plans with additional retirement insurance to long-term employees in Sweden. The company follows the legal requirements for parental leave. We provided a total of 8 employees with parental leave in 2023. We comply with the legal requirements for notice periods and other operational changes.

The company's management comprises a near equal distribution of male (53.3%) and female (46.7%) gender. The age distribution of the workforce ranges from 20 to 65 years old. We actively promote diversity and inclusion within the workplace. Our diversity and inclusion policy ensures that all qualified candidates are hired and promoted without regard to race, ethnicity, gender, sexual orientation, gender identity, age, religion, disability, or any other such status. Our success is tied to our workforce diversity and different perspectives. There have been no reported incidents of discrimination, harassment, or unfair treatment in the organization in 2023.

In 2023, the distribution of women and men in Granberg was 52.5% and 47.5%, respectively. We will continue to uphold and improve our diversity and inclusion practices by regularly assessing and measuring our progress toward achieving our goals and making necessary adjustments to our policies and programs.

## OUR CORE VALUES



### HONESTY

Be honest and genuine, with integrity in everything.



### COURAGE

Be courageous. Building great things means taking risks.



### PASSION

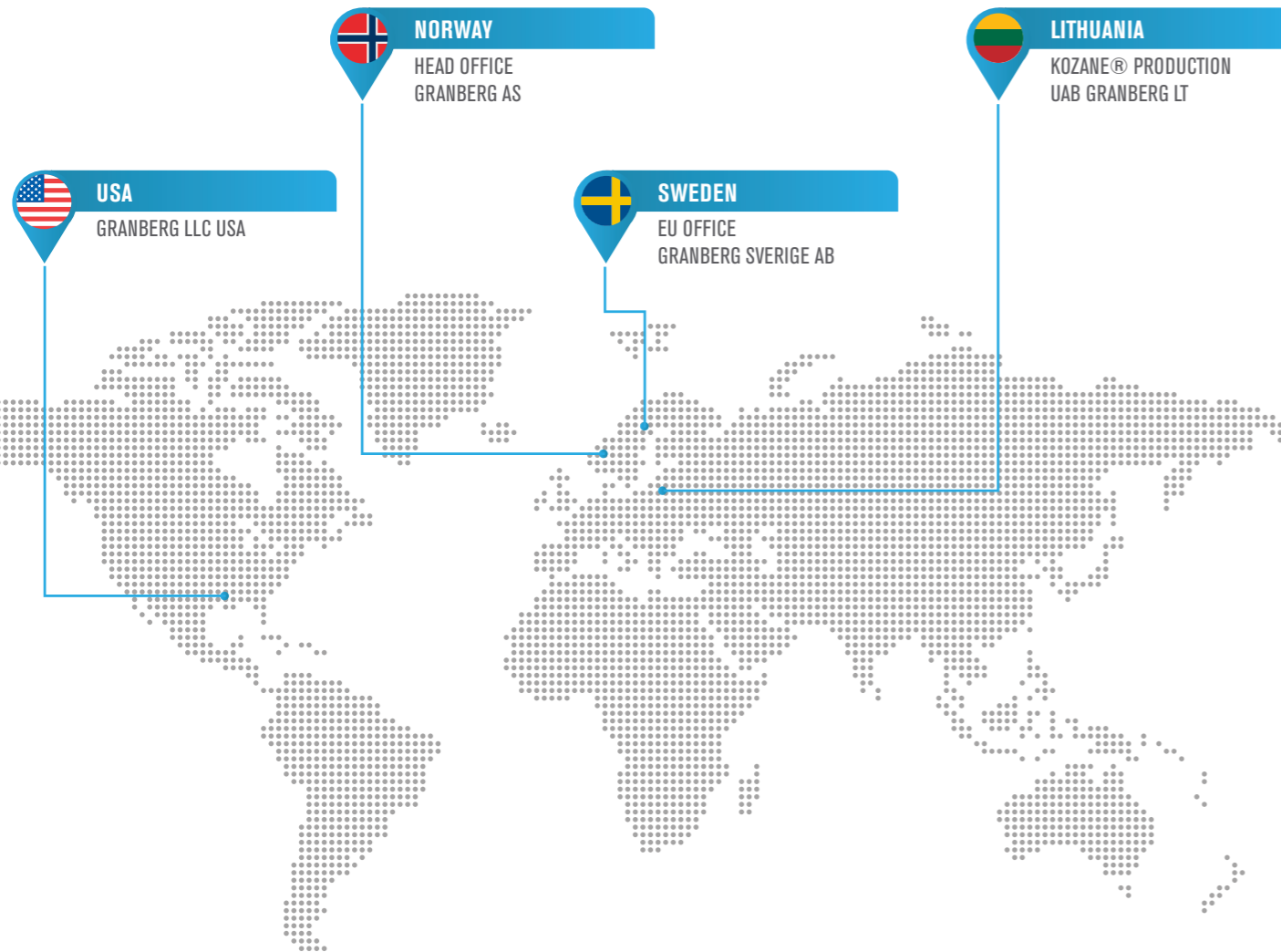
Be passionate and committed in your heart and mind.



### TEAMWORK

Be a team player. Together everyone achieves more.

## OUR PRESENCE



## SINCE OUR LAST REPORT

Since our previous sustainability report, we have made significant strides in further improving our processes, enhancing communication with our suppliers, and gathering information related to sustainability.

Many new regulations are on the verge of being adopted in the EU, and we are proactively working to stay ahead of these changes. Our commitment to compliance and excellence drives us to align our practices with upcoming EU legislation, ensuring we are well-prepared and remain leaders in our industry.

Our new website is now live, and we are continuing to develop a top-notch self-service solution for our customers. This platform aims to increase efficiency, reduce errors in the order process, and minimize the need for returns, thereby reducing shipments to our customers. This approach is both economically sound and environmentally beneficial.

Our solar panels are now producing over 35% of the energy we use, with a portion of this energy being sold back to the power company. This development underscores our commitment to sustainability and reducing our carbon footprint.

In addition, we have launched a comprehensive project to measure our greenhouse gas emissions across the entire value chain down to the product level. This ambitious project involves detailed data collection and analysis, enabling us to identify key areas for improvement and implement targeted strategies to reduce our emissions. By understanding our environmental impact at such a granular level, we can make more informed decisions and drive significant progress in our sustainability efforts.



## INTO THE FUTURE

As we look ahead, we have identified several key areas where we will focus our efforts in the coming years to continue progressing toward our sustainability goals. We have made improvements in both the amount of packaging and the way we package our products. We are going further by developing eco-friendly alternatives to plastic and investing in new warehouse technology to remove unnecessary volume from boxes, positively impacting shipping efficiency.

Additionally, we have started work and testing on updated and more integrated order processing systems. Improvements that will enhance our efficiency and reduce errors, making us more resilient and better prepared for the future. By doing so, we can improve our transportation capabilities by combining shipments and minimizing errors that lead to returns, ultimately benefiting the environment. Adopting new solutions will help us serve our customers better and enable us to stay ahead and adapt to the changing business landscape.

We are committed to optimizing our supply chain and purchasing processes, giving greater oversight of our suppliers and allowing us greater control of our shipments, thereby decreasing CO2 emissions. Our project to measure greenhouse gas emissions is a major focus area and will provide us with invaluable insights into our processes. We eagerly anticipate the results of these initiatives.

We are reducing our carbon footprint and working on mapping our CO2-emitting activities in detail across all locations, regardless of their size. By doing so, we can identify areas for improvement and act accordingly. By expanding our efforts to map out emissions in the supply chain on a product level, we will empower our customers to make more informed decisions when selecting products based on their environmental impact. This significant action is necessary to achieve our sustainability goals.

Since last year, we have been measuring training and competency-enhancing initiatives within our organization. We are establishing a program to ensure that all employees receive the necessary skills and knowledge to perform their jobs to the best of their abilities. This program will help us monitor and support the continuous development of our workforce, ensuring they have the competence needed to excel in their respective fields.

Furthermore, we are increasingly incorporating AI into our daily operations. By leveraging AI, we are enhancing decision-making processes, improving efficiency, and optimizing various aspects of our business operations. Granberg will continue its commitment to make meaningful progress toward our sustainability objectives, ensuring we stay at the forefront of sustainable practices in our industry.



## MANAGEMENT

Granberg is committed to sustainability and ensures sustainable principles are integrated into all aspects of our business operations. We have established robust management systems that cover all areas, including strategic planning, risk management, reporting, and monitoring.

Our management systems incorporate regular reviews of our sustainability work, which involves setting targets and goals, monitoring progress, and taking corrective action when needed. Internal audits, standards, and frequent reviews of processes, laws and regulations ensure we meet all internal, external and legal requirements.

Sustainability reporting is an integral part of our management systems, and we communicate our sustainability performance to our stakeholders regularly, including customers, employees, and the wider community. We continually review and improve our practices to ensure our management systems align with our sustainability objectives. This approach allows us to maintain a positive impact on the environment, society, and economy.



## WE ARE CERTIFIED



We recognize that more than simply stating our commitment to sustainability is required. We must incorporate sustainability into our company's culture and operations, which requires focused efforts to meet the expectations and requirements of authorities, the market, and other stakeholders. At Granberg, we are certified under the quality and environmental standards ISO 14001:2015 and ISO 9001:2015, affirming our ongoing commitment to sustainability and quality management.

ISO 14001:2015 is an international environmental management standard that minimizes an organization's environmental impact. It provides a framework for developing an environmental management system that helps companies comply with environmental regulations, prevent pollution, and improve their overall environmental performance.

ISO 9001:2015 is a globally recognized standard for quality management systems. Its primary objective is to assist organizations in meeting customer requirements and ensuring customer satisfaction. It establishes a framework for developing a quality management system that allows companies to consistently deliver products and services that align with customer needs, enhance customer satisfaction, and improve overall performance.

We adhere to guiding policies that align with our values and objectives. Our certification under ISO 14001:2015 and ISO 9001:2015 reinforces our commitment to sustainability and quality. By implementing these standards, we ensure that our company operates in an environmentally responsible manner while delivering high-quality products and services to our customers. We continually improve our operations to meet evolving customer needs, regulatory requirements, and societal expectations.

# OUR SUSTAINABILITY POLICY

Our Sustainability Policy has been guiding our sustainability efforts over the past year. Previously, aspects of our sustainability practices were included in other policies, such as our Environmental Policy and HSE policy. However, we recognized the need for a standalone Sustainability Policy that covers a broader range of issues.

This policy helps us focus more intently on sustainability and enables us to communicate our efforts more clearly to our stakeholders. We understand that sustainability is a critical issue for our customers, and this policy provides a robust framework for us to work toward more sustainable practices that align with their expectations.

The Sustainability Policy will continue to be the cornerstone of our sustainability efforts, steering our initiatives and ensuring that we remain committed to sustainable development in all aspects of our operations.

## SUSTAINABILITY POLICY

Granberg is committed to promoting sustainability throughout our operations, recognizing the importance of protecting the environment and ensuring a better future for all. This sustainability policy applies to all locations within the Granberg Group, regardless of country or region, and will be reviewed annually to ensure that we continuously improve our sustainability performance. We are committed to supporting applicable United Nations' Sustainable Development Goals (SDGs) and aligning our sustainability strategy with these goals.



### Governance and Management:

We shall have a designated responsible for our sustainability work ensuring that the company adheres to sustainable practices and that all employees are educated on sustainability principles. Sustainability is integrated into our overall business strategy and shall be reflected in our decision-making processes. We will engage with our stakeholders, including customers, suppliers, and employees, to identify sustainability issues and ensure we meet their expectations.

### Environmental Sustainability:

We are committed to reducing greenhouse gas emissions and minimizing our carbon footprint. We will set, measure, and regularly review targets for reducing our carbon emissions. We will monitor and reduce our energy and water consumption by implementing energy-efficient technologies and conservation measures. We will minimize our waste generation and aim to recycle and reuse materials, including using sustainable packaging materials, wherever possible. We will ensure that our waste disposal methods are environmentally friendly and comply with local regulations. We will promote biodiversity conservation by minimizing the use of harmful chemicals and our impact on ecosystems and habitats.

### Social Sustainability:

We will ensure that Granberg and our suppliers and partners adhere to ethical labor practices, respect human rights, and provide their employees with safe and healthy working conditions. HSE shall be a leading principle throughout the organization and the value chain, and we will promote diversity and inclusion in our workforce and provide equal opportunities for all employees, regardless of gender, race, ethnicity, religion, sexual orientation, or age. We will engage with the community and support local development initiatives that promote sustainability and social welfare.

### Economic Sustainability:

We will ensure that our supply chain is sustainable and that our suppliers adhere to ethical and environmental standards. We will invest in sustainable technologies and research to promote innovation and sustainable development. We aim for financial sustainability by maintaining a profitable business model compatible with our sustainability goals.



## Policies

Granberg's guidelines and policies exist to ensure appropriate and efficient operations that align with our strategic goals and vision. Not all governing documents are included in this sustainability report. Nevertheless, we would like to include some relevant extracts from policies that touch on the themes in this report.

### From our quality policy

Our mission is to offer the correct hand protection through customer proximity, responsiveness, knowledge, and technological innovation.

**Our vision is to be the first choice in hand protection and the leading provider of hand protection in our market.**

For our customers, we want to always offer the best quality and expertise in our product areas and disciplines. Granberg will deliver products and services meeting a high standard that are also reliable.

Our strategy is to establish such a good collaboration with our customers that it results in long-term relationships.

Through the quality policy, Granberg wants to convey the organization's vision and values

### From our environmental policy

Granberg will take the environmental challenge and impact seriously and work purposefully on several levels to reduce its and our stakeholders' ecological impact.

The company undertakes to be environmentally conscious in all activities and operate by statutory requirements that we impose on our environmental aspects.

We will manage the business in a way that provides the most efficient use of energy and raw materials, including product development and our impact on our suppliers.

At the same time, we will work systematically to reduce emissions to air, water, and soil.

We must have a functioning environmental management system and be certified according to ISO 14001: 2015.

We commit ourselves to help reach the UN sustainability goals we've identified.

Through information, attitude-creating work, and inclusion, we will contribute to strengthening environmental awareness among our employees, including thinking preventively.

### From our HSE policy

In all its activities, Granberg shall follow applicable laws and regulations and work systematically to meet the requirements set by the public sector and others to maintain a good and safe working environment.

In addition, Granberg shall act in an ethical, sustainable, and socially responsible manner to prevent damage to people and the environment.

The goal is an HSE standard that gives employees the best physical and psychological work environment.

We must have a functioning environmental management system and be certified according to ISO 14001: 2015.

We commit ourselves to helping reach the UN sustainability goals we've identified.

Through information, attitude-creating work, and inclusion, we will contribute to strengthening environmental awareness among our employees, including thinking preventively.

Through systematic HSE work, we will ensure a good and safe workplace, reduce work-related sickness absence, and minimize the risk of accidents and injuries to the external environment.

Granberg shall prepare its HSE policy with the active participation of the employees through continuous improvement work, deviation registration, and annual revisions of procedures.



## ROLES IN SUSTAINABILITY

Our company diverges from the traditional approach of having a board of directors. Instead, our highest governance body comprises the management team, including the CEO. The selection and nomination of management team members take into account their qualifications, experience, and alignment with the company's values and mission. This process involves reviewing qualifications, conducting interviews, and checking references to ensure our governance body is effective and aligned with our company's objectives.

As the head of the highest governance body, the CEO oversees the management of sustainability impacts within our company. Our QHSE manager handles our sustainability efforts and reporting, ensuring that our operations adhere to our sustainability commitments. Reporting directly to the CEO, the QHSE manager regularly updates our company's sustainability performance.

The QHSE manager is responsible for managing sustainability impacts for the Granberg Group. This includes identifying, assessing, and managing our sustainability impacts across all business operations. The QHSE manager also supports the development and implementation of policies, procedures, and programs to mitigate our impacts on the environment, society, and the economy. The CEO

and other management team members guide the QHSE manager, ensuring our sustainability performance remains aligned with our values and objectives.

We prioritize sustainability and have established specific roles to integrate it into our operations. The CEO plays a pivotal role in shaping Granberg's sustainability strategy, setting goals, and ensuring their alignment with our overall business strategy. The QHSE manager oversees the implementation of our sustainability initiatives, ensuring they are effectively incorporated into our operations and communicated to our employees, customers, and stakeholders. We also have sustainability roles at our other locations, ensuring that every part of the company is involved. We depend on all employees to collaborate in pursuit of our shared sustainability goals.

Besides the CEO and QHSE manager, we have a CSR coordinator who monitors our supply chain, ensuring our suppliers meet our sustainability requirements and work to reduce their environmental impact. We recognize that sustainability is a joint effort, and every department is responsible for quality, health, safety, and sustainability. Through our established roles and commitment to sustainability at all levels, we are working towards achieving our sustainability objectives and positively impacting the environment and society.

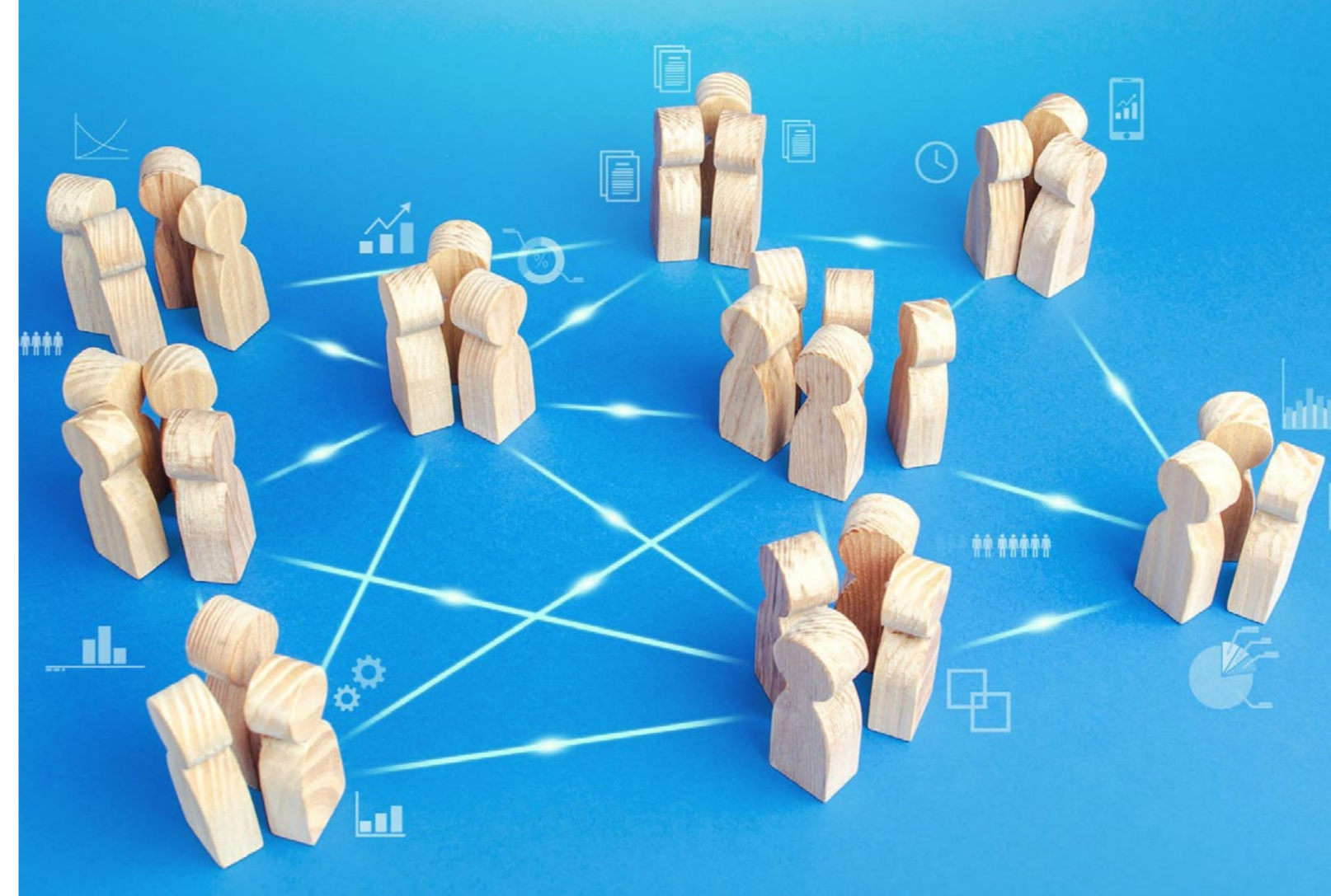
# MATERIAL TOPICS

Material topics, or aspects, are areas that reflect an organization's most significant impacts on the economy, environment, and society, including human rights. These topics are critical because they influence the organization's ability to create long-term value and affect stakeholders' decisions. Identifying and addressing these material topics ensures that the organization focuses on the issues that matter most to its stakeholders and its overall sustainability performance. By prioritizing these areas, the organization can effectively manage risks, seize opportunities, and enhance its positive contributions to sustainable development.

We have identified several material aspects essential to our operations. Our sustainability initiatives must be closely integrated with our product quality and safety measures to ensure our processes are effective, environmentally friendly, and socially responsible.

To identify and prioritize our material topics, we conducted an assessment process involving both internal and external stakeholders. Through this process, we analyzed the environmental, social, and governance (ESG) issues pertinent to our business operations and assessed their potential impact on our company and stakeholders. This approach allows us to identify the most significant topics, enabling us to allocate our resources effectively and address them proactively.

We will adjust our material topics as we learn more and get a better overview of the organization's impacts and emissions. This is relevant for us as we are changing and updating many of our processes to make better use of the available information. The more we learn about our organization and where we can make the most significant changes, the greater our ability to make a difference in how we act.



## Waste management

One of our key material aspects is waste management, which includes recycling and reduction to minimize the amount of waste generated. We recognize that improper waste management can have a significant environmental impact, causing damage to nature and increasing waste.

## Transport

We consider transporting goods, including imports and dispatches, one of our most important environmental aspects. Through our ongoing mapping of greenhouse gas emissions, we have identified transport as a significant source of emissions within our operations.

Transport emissions of CO<sub>2</sub>, NO<sub>x</sub>, and other pollutants contribute to global warming and can cause harm to both people and nature. Since our last sustainability report, transport has risen in our internal assessments due to the improved knowledge we have gained about its emissions. Recognizing this, we are committed to finding more sustainable transport solutions to minimize our environmental footprint.

## R&D / Purchase

We take into account the purchase of goods and their composition. We aim to choose products that do not have environmentally harmful production processes or contain harmful substances. Failing to consider these factors can result in environmental damage in several areas.

Additionally, our Research and Development (R&D) efforts play a crucial role in positively influencing the emissions of our products and related processes. By investing in R&D, we can innovate and improve our product designs and manufacturing methods to further reduce environmental impacts.

## Sustainability

We prioritize sustainability as a material aspect, encompassing a wide range of topics including ethical and social issues related to work. Our Corporate Social Responsibility (CSR) initiatives are central to this commitment, focusing on ensuring fair labor practices, promoting diversity and inclusion, and upholding human rights throughout our supply chain. We also work to reduce our carbon footprint, minimize waste, and choose sustainable materials to decrease our environmental impact. By prioritizing sustainability and CSR, we aim to create a better future for both the environment and the people impacted by our operations. Our efforts in these areas help us build trust with our stakeholders, enhance our corporate reputation, and contribute positively to the communities in which we operate.

## Product Quality

We recognize that product quality and safety are crucial material aspects for any company, perhaps even more so for a company that sells, among other things, personal protection products. We ensure that our products meet the highest standards and are rigorously tested to guarantee their effectiveness and safety. By prioritizing product quality and safety, we can build trust with our customers and contribute to their safety in the workplace.

We understand the importance of these material aspects and are committed to continuously improving our operations to serve our stakeholders better. By prioritizing sustainability, waste management, transport, purchase of goods, product quality, and safety, we aim to effectively target our main areas for reducing our carbon footprint. Our continuous efforts to track and influence our real-world emissions will help us aim to utilize our resources better in the future.

### EMISSIONS (DELIVERIES TO CUSTOMERS FROM OUR WAREHOUSE, TTW)

#### NORWAY



57.44 tons CO<sub>2</sub>e

CO<sub>2</sub>e General Cargo



4.48 tons CO<sub>2</sub>e

CO<sub>2</sub>e Packages

NO<sub>x</sub> Total Kg 206.44 Kg NO<sub>x</sub>

#### SWEDEN



6.04 tons CO<sub>2</sub>e

CO<sub>2</sub>e General Cargo



1.64 tons CO<sub>2</sub>e

CO<sub>2</sub>e Packages

NO<sub>x</sub> Total Kg 47.56 Kg NO<sub>x</sub>



## CO<sub>2</sub>e emissions

This sustainability report provides an overview of emission figures for Granberg AS in Norway and Granberg Sverige AB in Sweden for 2023. The figures highlight areas of progress and opportunities for further improvement in both locations efforts to manage their carbon footprints.

In Norway, there was an increase in emissions from 2022 to 2023. Direct emissions (Scope 1) nearly doubled, from 31,192.7 kg CO<sub>2</sub>-equivalents in 2022 to 59,848.78 kg CO<sub>2</sub>-equivalents in 2023. This increase is primarily due to the significant rise in activity in 2023 compared to 2022. The beginning of 2022 was still impacted by COVID-19 restrictions, resulting in fewer customer visits and reduced fuel consumption. In 2023, however, activity rebounded, leading to an increase in both customer visits and fuel consumption for sales vehicles.

Indirect emissions (Scope 2) also saw an increase, from 5,397.17 kg CO<sub>2</sub>-equivalents in 2022 to 6,210.78 kg CO<sub>2</sub>-equivalents in 2023, which is in line with higher electricity consumption due to increased activity. Notably, the use of electric cars by our sales staff has contributed to this rise. However, excluding electric cars from our measurements shows a decrease in total electricity consumption per square meter and per employee, reflecting improved energy efficiency.

## OUR FOOTPRINT

Climate change is one of the most significant global challenges of our time, and we are committed to doing our part in mitigating its impact. As part of our commitment, we have focused on mapping our greenhouse gas (GHG) emissions for Scope 1 and Scope 2, which we have the most control over.

Scope 1 emissions are direct emissions resulting from sources that our company owns or controls, such as fuel combustion in vehicles. Scope 2 emissions are indirect emissions resulting from, for instance, the consumption of purchased electricity. Although we are still working on measuring Scope 3 emissions, which are the indirect emissions resulting from activities outside our company's control, we recognize its importance. We will continue our efforts to measure this in the future.

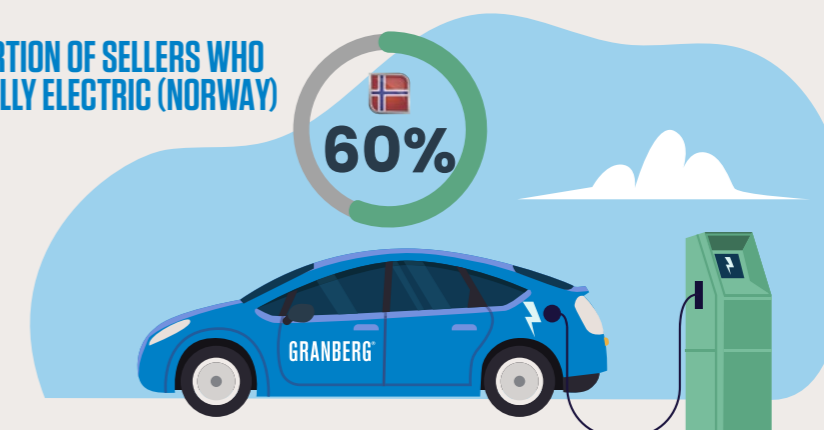
Significant changes in legislation and regulations have occurred across various areas, with more major changes on the horizon for our industry. These changes are welcomed by us as we hope they will contribute to a more uniform method of calculating carbon footprints and encourage more entities to engage in environmental efforts.

Measuring and reporting our greenhouse gas emissions is essential in identifying areas where we can reduce emissions and improve our environmental performance. By measuring our emissions, we can understand their origin

and prioritize our efforts to reduce them. This allows us to make informed decisions about where to invest resources and implement changes that will have the most significant impact on our carbon footprint.

However, measuring emissions is a complex process, and it is vital to ensure that the data we collect is accurate and reliable. We are continuously expanding our measurements and enhancing our reporting processes to achieve this. One step in this process has been to collaborate with an external party specializing in GHG calculations, which also helps us to standardize our reporting to improve the comparability of our data over time. This enables us to track our progress more effectively and gives us greater confidence in our emissions reduction strategies and monitoring our progress toward our goals more effectively. By adapting to these regulatory changes and continuing to refine our measurement processes, we are better positioned to contribute to global sustainability efforts and demonstrate our commitment to reducing our environmental impact.

PROPORTION OF SELLERS WHO DRIVE FULLY ELECTRIC (NORWAY)



*\*Scope 3 includes only business travel, waste, and downstream transport figures.*

*\*\*We have excluded CO<sub>2</sub> emissions from business travel by ferry, as we currently do not have enough information to estimate these emissions reliably. Ferry travel is, however, a minor factor in overall emissions for the Granberg group.*

Regarding other indirect emissions (Scope 3), there were some interesting variations. While transport-related emissions remained relatively stable, travel-related emissions saw an increase from 15,517.95 kg CO<sub>2</sub>-equivalents in 2022 to 29,227.34 kg CO<sub>2</sub>-equivalents in 2023. This increase is due to more frequent travel to supplier production sites and attendance at meetings and conferences following the lifting of COVID-19 restrictions. Additionally, changes in the use of disposed buildings have influenced the amount of waste produced. Conversion of areas for better utilization creates waste in the process, but is something that enables more efficient use of areas and contributes to a long-term plan for a better environmental impact.

Overall, Norway's total emissions increased from 121,722.59 kg CO<sub>2</sub>-equivalents in 2022 to 160,593.97 kg CO<sub>2</sub>-equivalents in 2023. This data is very relevant for determining future measures. The increase of 38,871.38 kg CO<sub>2</sub>-equivalents underscores the importance of focusing on emission reduction strategies as activity levels return to normal.

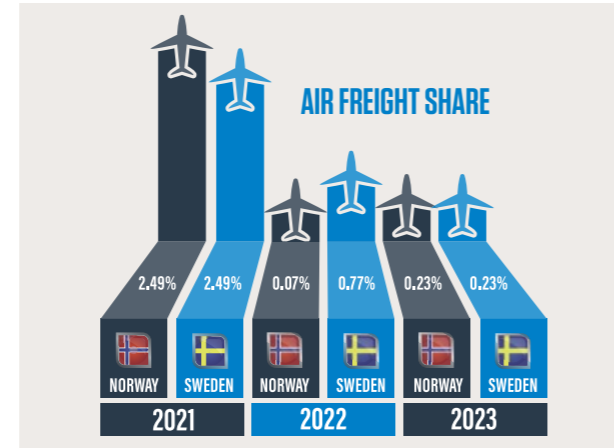
Our Sweden office and warehouse demonstrated positive progress in emission management. Direct emissions increased slightly, from 18,387.93 kg CO<sub>2</sub>-equivalents in 2022 to 19,582.1 kg CO<sub>2</sub>-equivalents in 2023, but this rise was relatively modest, and well within the limits of where we want to be in a year without operating restrictions that we have previously had. Indirect emissions also increased moderately, from 3,620.2 kg CO<sub>2</sub>-equivalents in 2022 to 4,003.98 kg CO<sub>2</sub>-equivalents in 2023.

A significant achievement in Sweden was the reduction in transport-related emissions (Scope 3), which fell sharply from 21,300 kg CO<sub>2</sub>-equivalents in 2022 to 7,707.93 kg CO<sub>2</sub>-equivalents in 2023. This reduction can be attributed to a shift towards more consolidated shipping methods, significantly reducing downstream emissions. It is important to note that the change from Well-To-Wheel (WTW) to Tank-To-Wheel (TTW) measurements accounts for an estimated 25% of this decrease. Additionally, travel-related emissions increased from 1,157.34 kg CO<sub>2</sub>-equivalents in 2022 to 2,190.36 kg CO<sub>2</sub>-equivalents in 2023, but this rise is much smaller compared to Norway.

Overall, Sweden successfully reduced its total emissions from 48,089.03 kg CO<sub>2</sub>-equivalents in 2022 to 37,479.41 kg CO<sub>2</sub>-equivalents in 2023, a reduction of 10,609.62 kg CO<sub>2</sub>-equivalents.

In summary, the data shows that both locations face different challenges and opportunities in their efforts to reduce carbon emissions. The differences between Norway and Sweden can partly be explained by how they have handled their respective activities and emissions. Norway is focusing on reducing direct emissions and

travel-related emissions, while Sweden continues to build on its successes in transport efficiency and seeks further opportunities for emissions reduction in other sectors. To achieve ambitious climate goals, it is critical that both locations continue to develop and adapt strategies to effectively reduce carbon emissions.



The utilization of airfreight is stable, and we were aligned with our expected proportion of products being shipped via airfreight.

SCOPE	Norway 2022	Norway 2023	Sweden 2022	Sweden 2023
SCOPE 1 (Direct)	31.192,7 kg	59.848,78 kg	18.387,93 kg	19.582,1 kg
SCOPE 2 (Indirect)	5.397,17 kg	6.210,78 kg	3.620,2 kg	4.003,98 kg
SCOPE 3 (Transport)	64.630 kg	61.920 kg	21.300 kg	7.707,93 kg
SCOPE 3 (Waste)	4.984,77 kg	3.387,07 kg	3.623,56 kg	3.995,04 kg
SCOPE 3 (Travel**)	15.517,95 kg	29.227,34 kg	1.157,34 kg	2.190,36 kg
Total (Scope 1&2)	36.589,87 kg	66.059,56 kg	22.008,13 kg	23.586,08 kg
Total Scope 3*	85.132,73 kg	94.534,41 kg	26.080,9 kg	37.479,41 kg
<b>Total Emissions</b>	<b>121.722,59 kg</b>	<b>160.593,97 kg</b>	<b>48.089,03 kg</b>	<b>31.192,7 kg</b>

SCOPE	2022 Combined	2023 Combined
SCOPE 1 (Direct)	49.580,63 kg CO <sub>2</sub> eq	79.430,88 kg CO <sub>2</sub> eq
SCOPE 2 (Indirect)	9.017,37 kg CO <sub>2</sub> eq	10.214,76 kg CO <sub>2</sub> eq
SCOPE 3 (Transport**, Waste, Travel)*	111.213,63 kg CO <sub>2</sub> eq	108.427,73 kg CO <sub>2</sub> eq
<b>Total Emissions</b>	<b>169.811,63 kg CO<sub>2</sub> eq</b>	<b>198.073,37 kg CO<sub>2</sub> eq</b>

\* Scope 3 includes only business travel, waste and downstream transport figures.

## Transport

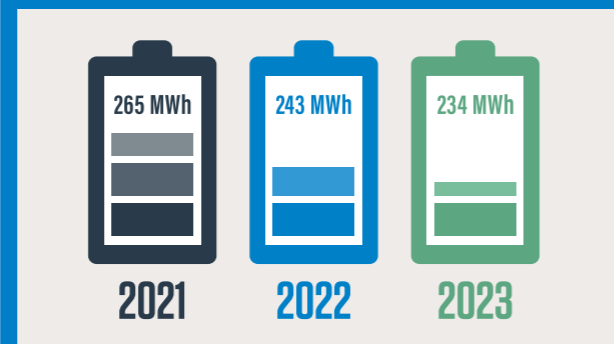


Overall, we are encouraged by the progress reflected in our emissions data for 2023. While there has been an increase in some areas, such as travel, we have seen positive developments, particularly in Sweden, where transport-related emissions have been significantly reduced. Additionally, we have successfully improved our energy efficiency, achieving lower electricity consumption per square meter and per employee. These are important achievements, but we acknowledge that there is still much work to be done. We will continue to implement best practices and seek effective ways to minimize our environmental impact. We are optimistic that our ongoing efforts will result in further reductions in emissions in the future.

## Energy

In 2023 our energy consumption was 166,5 MWh for our head office in Norway and 67,4 MWh for our Sweden office and warehouse. This reduction of 3,7% is better than expected, given that more employees are favoring working from the office rather than from home. Our solar panels are fully operational, and this is accounting for an increasingly larger part of our energy source. Producing 38% of the amount used, some of the excess power generated from solar power in peak periods were directed back to the grid. Other sources of energy for our Norwegian-based operations are from water, and for our location in Sweden a combination of water, sun, wind, and bioenergy.

### Energy Consumption



## Water

Total water usage for 2023 is 491.5 m<sup>3</sup>. This is a significant reduction of 22% from the year before. We see this as a small but positive contribution to reducing water use. We have improved our accuracy for water use measurements since our last report, which gives us an even better overview. We use water from sources that have a low carbon emission impact, and our wastewater from our main office is treated on-site to reduce any impact on the environment.

## Waste

With a more consistent amount of shipping through our warehouse, restructuring building use, and more employees working from the head office rather than from the home office, we expected more of an increase in generated waste. Our efforts to minimize the negative effects of these changes are visible in the numbers for 2023, showing a stable amount of generated waste. The decrease in recycled waste is partly due to the repurposing of buildings, which generates more non-recyclable waste than usual. This is to be prepared as best as possible for future operations.

In 2023, Norway saw a slight increase in non-recyclable waste from 5,430 kg to 5,440 kg, while recyclable waste decreased from 3,710 kg to 3,183 kg. In Sweden, non-recyclable waste rose significantly from 3,710 kg to 4,900 kg, and recyclable waste dropped from 2,233 kg to 1,910 kg. These changes are partly due to the repurposing of buildings and an increased focus on recycling packaging internally, which affects the recyclable waste figures negatively even though it is a positive initiative. Moving forward, we will begin tracking these measures separately to better reflect our recycling efforts.

In our waste management practices, almost all of our waste is directed towards either energy recovery or material recycling, ensuring that very little remains in landfills for extended periods. Energy recovery involves the incineration of waste to produce district heating, electricity, and industrial steam, which reduces the reliance on fossil fuels and eliminates hazardous substances. This efficient approach ensures the maximum utilization of waste materials, minimizing the need for landfill disposal and further reducing our environmental impact.

We have identified waste as an aspect of our material topics and will continue to focus on this area. We aim to find better solutions to reduce our waste's negative environmental impact.

Waste	2022	2023
NORWAY	5430 kg Non-recyclable	5440 kg Non-recyclable
	3710 kg Recyclable	3183 kg Recyclable
SWEDEN	3710 kg Non-recyclable	4900 kg Non-recyclable
	2233 kg Recyclable	1910 kg Recyclable



## INNOVATION

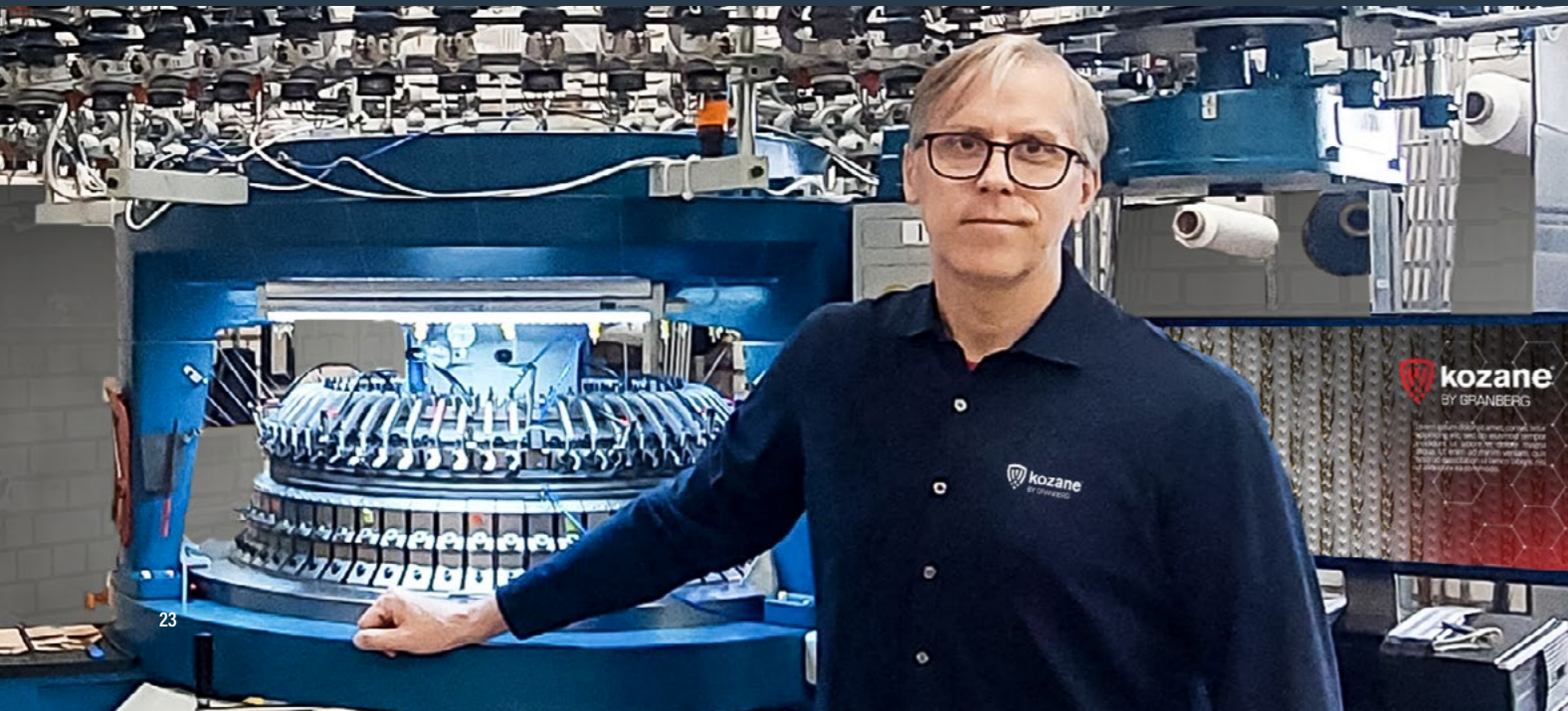
Our range of brands encompasses a broad spectrum of applications. We cater to various markets and heavy and light industries - including oil and gas, construction, fishing, food processing, and healthcare. Our protective gloves offer unbeatable hand protection for any job, ensuring people can work fearlessly and safely.

We are more dedicated than ever to developing new and innovative glove products. We continually explore the latest hand safety and protection solutions without compromising comfort and functionality. Our R&D team is outstanding and highly devoted, equipped with specialized facilities and a laboratory to develop new and improved functions for our gloves, refine designs, and tailor-fit them to customer demands, market requirements, and ever-changing needs.

An example of world-class innovation is our High-Performance Cut-Resistant Fabric Kozane®. Kozane® is a range of high-performance and cut-resistant fabrics

that offer industry-leading protection and is a technical textile with the latest materials and technology to deliver flexible, lightweight, and breathable protection that truly performs. Their unique composition and outstanding performance make them suitable for a wide variety of applications, including PPE for the military, security and law enforcement, industry, health and social care, special education, extreme sports, and more.

Innovation is the driving force behind our sustainability initiatives, playing a crucial role in improving both our products and the way we conduct business. However, it is equally important for us to understand and minimize our overall environmental impact. From production to transportation, we have identified key areas where substantial improvements can be made to reduce our ecological footprint.



## OUR PRODUCTS

We take great pride in our commitment to customer satisfaction and product innovation. Our highly skilled product development team is dedicated to designing innovative and sustainable solutions for every new product. We have a diverse range of products, with gloves designed for industrial, food & cleaning, healthcare, tactical, and sports & leisure segments, making up around 95% of our product line. We also offer medical facemasks and single-use clothing to meet specific customer needs.

We have an EN 388 lab and engineers with extensive knowledge of polymers, textiles, and materials technology to support our product development team. This expertise and technology give us a unique advantage in developing sustainable products using materials and production methods that align with our environmental objectives. Our commitment to sustainability and the environment is reflected in our Oeko-Tex Certificates 21.HNO.59941 and 2020OK0876 for applicable products, which certify that our products meet strict environmental and human health standards.

Our world-class innovation in hand safety has earned several Red Dot awards for product design. Equally important to us are sustainability and environmental responsibility. We meticulously screen all our suppliers, both new and existing, using stringent environmental criteria, including their environmental management systems and performance. We maintain rigorous quality control processes and are committed to providing transparent and accurate information about our products. In 2023, the proportion of credit notes issued due to product quality was 0.17%

Overall, our unwavering promise to deliver customer satisfaction and dedication to sustainable innovation have been critical factors in the success of our product development endeavors and current portfolio. We will continue to drive our success through our relentless pursuit of innovation and commitment to inspiring our customers and stakeholders.



### Use and re-use

Our products are more than just the gloves we deliver to end users. They are composed of different materials, produced using different processes, transported from various places worldwide, and packed in different packaging. We strive to find ways to reduce our negative environmental impact in all these areas.

One of the ways we have done this is by reusing cardboard boxes. This applies to boxes we receive from our suppliers, the boxes we receive our office supplies in, packages we receive in the post, and more. Every box we can reuse means one less box produced or thrown away.

The boxes that can be reused get a new life with us. And there is a good chance that if you have ordered goods from us, then these goods have been packed and sent to you in reused boxes. This is a simple but effective way of reducing waste and costs while also being good for the environment — a win-win situation for everyone.

We are also members of Grønt Punkt Norge for the packaging we cannot reuse. Recycling ensures that even our damaged boxes and other resources are used several times. All our packaging can be recycled.



# WORLD MARKETPLACE

As a global company, we understand the weight of responsibility that comes with our presence worldwide. It is about ensuring our company and employees' well-being, as well as remaining accountable to our stakeholders, communities, and the environment. Granberg takes this responsibility very seriously.

We have a duty to operate our business sustainably and responsibly that contributes positively to the world. This means going beyond compliance with regulations and adopting practices that have a lasting positive impact on society and the environment.

To achieve this, we invest in following up thoroughly and responsibly on our operations and supply chains. We regularly evaluate our policies and practices to ensure they align with our values and commitments to CSR. We strive to be transparent in our actions and openly communicate with our stakeholders, including customers, partners, and suppliers.

Sustainability is not only about reducing our environmental impact but also about ensuring that our business practices are ethical, safe, and responsible. In addition to safeguarding health, safety, and ethical guidelines within our organization, we must be mindful of the risks associated with operating a global supply chain.



## OUR RESPONSIBILITY

At Granberg, we are committed to upholding our values of health and safety, environmental responsibility, ethical trading, and corporate social responsibility (CSR) in all aspects of our business. We recognize the importance of these values for creating a sustainable future and take this responsibility seriously. With the help of our employees, customers, sub-contractors, and partners, we strive to achieve our sustainability goals.

One critical area of our sustainability focus is health, safety, and environment (HSE) in the workplace. HSE is essential for ensuring a sustainable working life for current and future generations. As an employer, we recognize our responsibility to provide a safe and healthy working environment and are dedicated to promoting systematic HSE work in the workplace.

In 2023, a total of 281 incidents and improvement proposals were registered in the Granberg group through our internal reporting tool. Of these recorded incidents, 236 were closed, while 45 cases are still being processed or checked for effectiveness before closure. We had no serious incidents or near misses in Norway or Sweden. External parties conducted two audits for quality, environmental management, and medical products. Internal audits and safety rounds did not reveal any major errors or deficiencies for HSE.

	NORWAY 🇳🇴	SWEDEN 🇸🇪
Registered	151	119
Serious incidents/injuries	0	0
Near misses	0	0



	NORWAY 🇳🇴	SWEDEN 🇸🇪
<b>SICK LEAVE</b>	<b>5.6%</b>	<b>1.3%</b>



A healthy, safe working environment promotes productivity and economic growth. Investing in HSE increases our company's competitiveness and productivity. Our dedication to HSE helps to motivate our employees, creating a positive and sustainable working culture.

**"I firmly believe that HSE work is crucial not only for the well-being and safety of employees but also for the success and sustainability of a company. I take pride in being part of an organization that recognizes its impact on society and the environment and tries to make it a positive one."**

**-QHSE Manager, Granberg**



## RISKS

We have a diverse supply chain across several countries, including China, Malaysia, Pakistan, Sri Lanka, Thailand, Vietnam, South Korea, and Bangladesh, as well as some production in USA and Europe, specifically in France, Hungary, Lithuania, Poland, Croatia, and Finland. This global presence presents challenges and risks, particularly regarding maintaining ethical guidelines in production.

To mitigate these risks, we have set stringent requirements for all stakeholders in our supply chain to adhere to. Our guidelines align with the OECD's policies emphasizing caution in crucial areas, including human rights, labor rights, the environment, anti-corruption, and transparency. We are committed to upholding ethical standards in all aspects of our operations, and we take responsibility for ensuring compliance throughout our supply chain.

At Granberg, we are committed to ensuring that our suppliers comply with our Code of Conduct, which includes strict standards for protecting human and labor rights, ensuring high levels of health and safety for all workers, and preventing human rights abuses. We consistently communicate these requirements and expectations to all our suppliers to ensure they know our values and commitment to responsible business practices.

We conduct regular assessments to identify and address any risks associated with breaches of ethical guidelines and non-conformances in our supply chain. To achieve this, we follow a comprehensive due diligence process involving close collaboration with suppliers and third-party auditors. We have built strong long-term relationships with our suppliers and regularly visit production sites to ensure they meet our standards. We also use self-assessment questionnaires and third-party audit reports from accredited auditors and perform our own supplier check-ups to identify areas that require improvement. We follow up on all audit findings, and facilitate the implementation of ethical guidelines for all our suppliers. All relevant certifications are checked and verified.

- Strong long-term relationships with our suppliers and regular visits to production sites
- Self-assessment questionnaires
- Third-party audit reports by accredited third-party auditors
- Regular follow-up meetings with subcontractors
- Performing supplier checks using our own CSR Checklists
- Establishing anonymous whistleblower channels

Prior to our Sedex membership in 2021, the company's internal platform ensured responsible purchasing and provided an overview and control of suppliers. Our Sedex membership has improved our responsible purchasing through collaboration and sharing of information with our suppliers. This has contributed to transparency in the supply chain and the protection of people, the environment, and the business by proactively identifying and managing the risks of policy breaches.

If ethical guidelines are breached or non-conformities occur, we collaborate with our suppliers to address and rectify the situation. If improvements are necessary, we work with our suppliers to create a plan to address deficiencies and follow up throughout the improvement process. We also require our suppliers to pass on and follow up on our guidelines with their subcontractors. If the supplier is willing to rectify the situation, we can continue our partnership.

<b>Number of suppliers and production sites</b>	<b>92</b>
Production countries	15
On-site third-party audits performed	37
Complete SAQs	54
On-site checks	13

## CODE OF CONDUCT

Granberg strongly promotes fair working conditions and sustainable environmental practices in our supply chains. To achieve this goal, we work closely with our suppliers and business partners and have established a code of conduct that clearly outlines our expectations in areas such as human rights, workers' rights, the environment, and corruption. Our code of conduct serves as a guideline for our suppliers and business partners to ensure that they meet our standards. We focus on continual improvements on our policies and practices to support suppliers and partners in complying with our code of conduct.

## PRINCIPLES

All goods and services produced for Granberg must adhere to our code of conduct. Furthermore, our suppliers must effectively communicate the code of conduct to their sub-suppliers and monitor its implementation.

At our request, all suppliers must provide documented evidence of their compliance with the code of conduct. Documentation includes self-declarations, follow-up meetings, and/or inspections of production site working conditions. The supplier is also obligated to name and provide information on any sub-supplier that Granberg wishes to inspect.

If there is a code of conduct violation, we will work with the supplier to create a plan to rectify the issue. The supplier must implement the remediation plan within a reasonable timeframe. The contract will be terminated if the supplier fails to comply with repeated inquiries to resolve the breach.

We prioritize selecting new suppliers who adhere to social and environmental standards. We never engage in or accept illegal or unlawful monetary gifts or other forms of remuneration to gain business-related or personal benefits for ourselves, our customers, agents, or suppliers. Granberg and our suppliers avoid partnering with entities operating in countries subject to international boycotts by the United Nations and Norwegian Authorities.

## REQUIREMENTS FOR SUPPLY CHAIN CONDITIONS

**Granberg's Ethical Trade Principles are founded on fundamental UN and International Labor Organization conventions and documents. National laws shall be respected, and where the provisions of law and our ethical trade principles address the same subject, the most stringent applies.**

## FORCED AND COMPULSORY LABOUR

**There shall be no forced, bonded, or involuntary prison labor anywhere in our supply chain. No one shall be required to hand over a deposit or identity papers to their employer, and workers shall be free to leave their employer after reasonable notice.**

## FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

**Workers shall have the right to join or form trade unions and to bargain collectively without employer interference. Worker representatives shall not be discriminated against and have access to their representative functions in the workplace.**

## CHILD LABOUR

**The minimum age for workers shall not be less than 15 years and comply with the national minimum age for employment or the age of completion of compulsory education, whichever of these is higher (exceptions under ILO Convention 138). No person under the age of 18 shall be engaged in labor hazardous to their health, safety, or morals, including night work.**

## DISCRIMINATION

**There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination, or retirement based on ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership, or political affiliation. Measures shall be established to protect workers from sexually intrusive, threatening, insulting, or exploitative behavior, and from discrimination or termination of employment on unjustifiable grounds.**

## HARSH OR INHUMANE TREATMENT

Physical abuse or punishment, threats of physical abuse, sexual or other harassment, verbal abuse, and other forms of intimidation are prohibited.

## HEALTH AND SAFETY

The working environment shall be safe and hygienic. Hazardous chemicals and other substances shall be carefully managed. Adequate steps shall be taken to prevent accidents and injury. Workers shall receive health and safety training. Access to clean toilet facilities, potable water, and sanitary facilities for food storage shall be provided. Accommodation shall be clean, safe, and adequately ventilated, and shall have access to clean toilet facilities and potable water.

## WAGES

Wages and benefits paid for a standard working week shall, at minimum, meet national legal or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs, including some discretionary income. All workers shall have a written contract outlining their wage conditions before entering employment.

## WORKING HOURS

Working hours shall comply with national laws, benchmark industry standards, and not more than prevailing international standards. Workers shall be provided at least one day off every seven days, and overtime shall be paid, limited, and voluntary. Exceptions to working hours are accepted when regulated by a collective bargaining agreement.

## REGULAR EMPLOYMENT

Employee obligations shall not be avoided through short-term contracting, sub-contractors, or other labor relationships. All workers are entitled to a contract of employment in a language they understand. The duration and content of apprenticeship programs shall be clearly defined.

## CORRUPTION

Corruption in any form is not accepted, including bribery, extortion, kickbacks, and improper private or professional benefits to customers, agents, contractors, suppliers, or employees of any such party or government officials.

## MARGINALISED POPULATION

Production and the use of natural resources shall not contribute to the destruction and or degradation of the resources and income base for marginalized populations, such as in claiming large land areas, use of water, or other natural resources on which these populations depend.

## ENVIRONMENT

Measures to minimize adverse impacts on human health and the environment shall be taken throughout the value chain. This includes minimizing pollution, promoting efficient and sustainable use of resources, including energy and water, and minimizing greenhouse gas emissions in production and transport. National and international environmental legislation and regulations shall be respected, and relevant discharge permits obtained.

## ANIMAL WELFARE

Leather products are only to be made from utility animals such as pigs, sheep, and cattle, where the animal was initially slaughtered for meat production.

## MANAGEMENT SYSTEMS OF SUPPLIERS

The management system is crucial to the implementation of the code of conduct. Granberg emphasizes the importance of suppliers having systems that support such implementation.

# TRANSPARENCY FOR ALL

According to the Transparency Act in Norway, larger enterprises must publish a report on their CSR work by June 30 each year. This report must detail how the enterprise addresses adverse impacts on fundamental human rights and decent working conditions concerning producing goods and providing services. The report includes a general description of Granberg's structure and operations, guidelines and procedures for handling adverse impacts, information regarding actual negative impacts and

significant risks of the adverse effects and measures we have implemented or plan to implement to mitigate adverse impacts.

While some of this information has already been included in this sustainability report, our due diligence report will provide more specific information about our supply chain. The report is easily accessible on our website.

## ANTI-CORRUPTION AND BRIBERY

At the Granberg group, we understand the destructive nature of corruption, which can damage society and harm economic growth. According to the OECD, corruption impedes economic development, distorts competition, and reduces foreign investments. Therefore, we take a zero-tolerance approach toward corruption across all aspects of our business. We acknowledge that sales and purchasing are susceptible to bribery, so we have implemented stringent measures to prevent such activities. In 2023, we recorded no corruption cases, indicating our prevention methods' effectiveness.

As part of our commitment to preventing corruption, we require all employees who hold decision-making positions or engage with customers and suppliers to complete an anti-corruption course. This course covers international and local legislation and guidelines for appropriate behavior. It also offers practical training on handling various scenarios that employees may encounter.

Additionally, we have a comprehensive anti-corruption and bribery policy that clearly outlines our ethical standards globally. The policy establishes clear accountability for the management to ensure adherence to the anti-corruption policy. The Anti-Bribery and Corruption Policy applies to all individuals representing the Granberg group.







## SEE SOMETHING - SAY SOMETHING

When we published our first sustainability report in 2022, we implemented our new tool that allows anyone to report negative experiences they may have had related to our operations or supply chain. The reporting form is available to everyone via a link on our website, and individuals can choose to remain anonymous when they submit their reports. By providing a safe and accessible way for people to communicate with us, we get greater transparency and accountability throughout our supply chain.

We are committed to addressing any concerns that are brought to our attention. We take each report seriously and investigate any potential issues thoroughly. Doing so creates a more ethical and transparent supply chain that benefits everyone involved.

This service is a part of our ongoing commitment to corporate social responsibility. Our customers expect us to operate ethically and sustainably, and we take that responsibility seriously. We will continue to work hard to ensure our practices align with our values.



<https://forms.office.com/e/YKtm58xPmQ>

## OUR CUSTOMERS

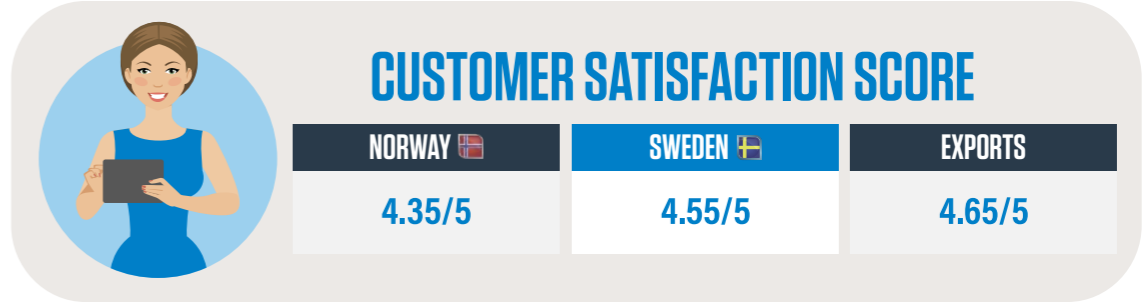
Our sustainability efforts rely on the involvement of our customers, who play a crucial role in helping us positively impact various areas. As we witness a growing emphasis on sustainability in society, reflected in our customers' expectations, we view this as a positive development and a solid incentive to continuously improve and explore innovative solutions.

Our customers are a driving force toward our commitment to sustainability. As their expectations evolve, so are our efforts to reduce our environmental impact and promote social responsibility.

Due to an ever growing focus on sustainability, our customers are challenging us to think beyond the status quo and explore new ways to operate sustainably. They expect us to prioritize using eco-friendly materials, reduce waste, and minimize our carbon footprint. We are also being challenged to promote even better, more fair labor practices, diversity and inclusion, and support local communities.

At the same time, our customer's expectations are a powerful motivator for innovation. We are encouraged to develop new and innovative solutions that align with our shared sustainability goals by listening to our customers. Our customers' challenges inspire us to be more sustainable in everything we do, and we are committed to meeting and exceeding their expectations.

Granberg is well-equipped to deliver consistent quality and customer satisfaction. This track record of experience is a valuable asset that benefits our customers.



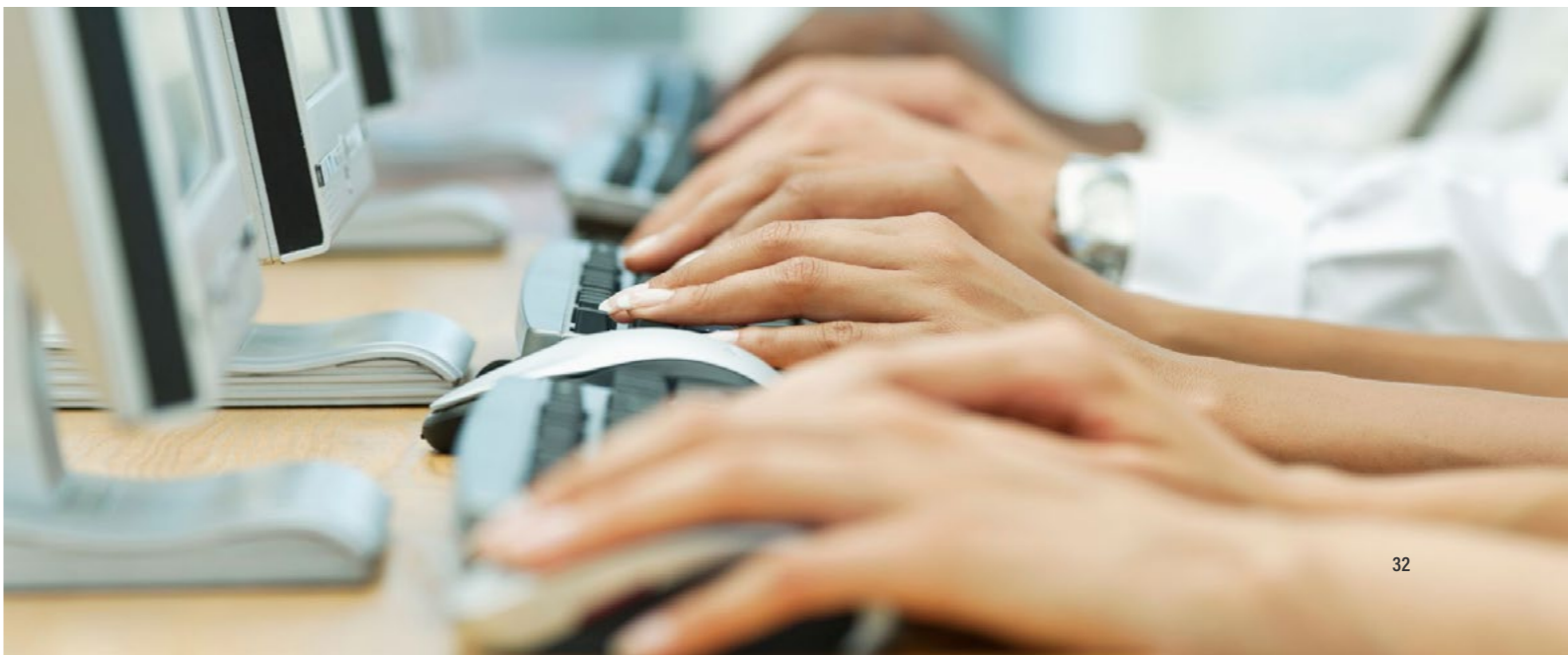
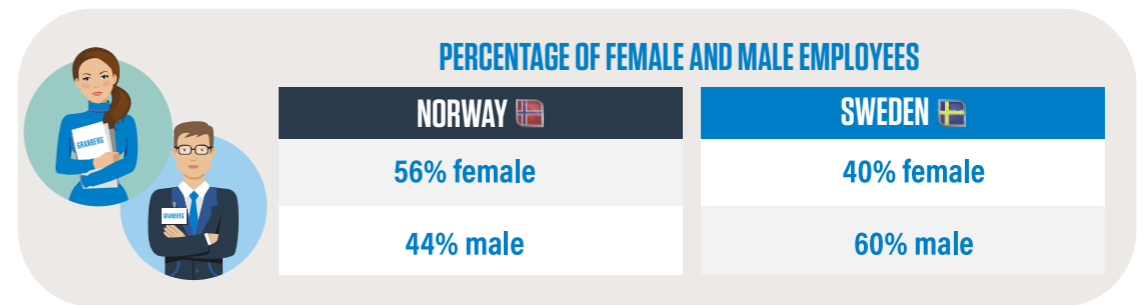
## EQUALITY

Ensuring a thriving and growing organization requires a deep commitment to creating a diverse and inclusive work environment. Gender equality is a fundamental human right, and a necessary foundation for a peaceful, prosperous and sustainable world, according to the UN. At Granberg, we are dedicated to promoting gender equality both domestically and internationally, and we take pride in maintaining a workplace where gender equality is highly valued.

With employees from diverse cultural backgrounds and countries, we view our multicultural workplace as a significant strength. Promoting and understanding cultural diversity fosters greater peace, stability, and human development. There have been no reported incidents of discrimination, harassment, or unfair treatment in the organization in 2023.

Creating sustainable working conditions is crucial for any business. Granberg's employees are our most valuable resource. Unfortunately, roughly half of the world's population earns wages too low to support their basic needs, a significant challenge for countries worldwide. We are committed to addressing this issue by offering our workers decent pay, permanent employment opportunities, and full-time positions whenever possible. Ultimately, we aim to create a workplace where our employees can personally and professionally thrive.

Equality is not a privilege; it is a right. We must strive to create a world where everyone is treated with dignity and respect, regardless of gender, race, or background.



# FINANCE

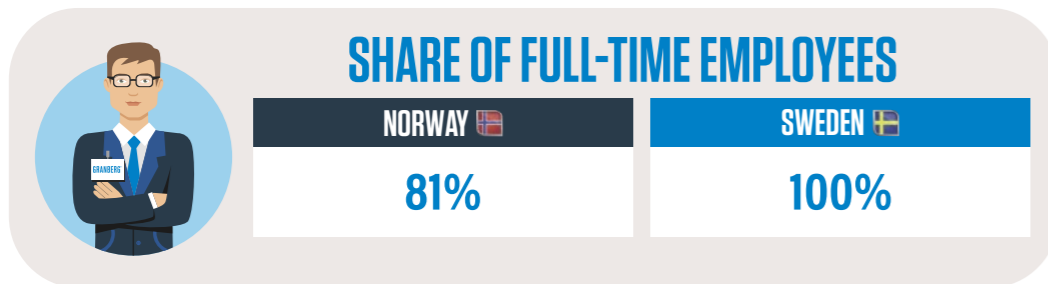
The Granberg Group maintains a fair remuneration practice that aligns with our values and business objectives. This covers all aspects of remuneration, including base salary, bonuses, and benefits, and is regularly reviewed to ensure its effectiveness. Fair and equitable compensation is essential to attracting and retaining top talent and promoting employee engagement and satisfaction.

We recognize the importance of promoting diversity and inclusion in our workplace. While we do not have a specific ratio for female to male salaries due to the unique requirements of each role at our company, we are committed to ensuring that all employees are fairly compensated for their contributions. Each year, we engage in internal salary negotiations with all employees. Our CEO-to-median pay ratio for our head company in Norway was 1.8 for 2023, below the industry average, demonstrating our commitment to maintaining equitable compensation practices. We evaluate compensation based on factors such as job responsibilities, experience, and performance, and we are continually reviewing and refining our practices to ensure they align with our values and promote a diverse and inclusive work environment.

Granberg did not contribute to political causes during the reporting period, and we managed our finances responsibly and transparently. However, the organization took advantage of the available electricity subsidies offered in both Norway and Sweden. These subsidies are financial aids provided by the government to help reduce the cost of electricity for businesses and households, ensuring more affordable energy during periods of high prices.

Our finance department manages our tax governance, control, and risk management and undergoes several annual external party audits to ensure compliance with local regulations.

Furthermore, we are committed to ensuring our business practices remain ethical and transparent. We take our obligations to comply with all relevant laws and regulations seriously. While we do not disclose all financial information in this sustainability report, financial information, such as revenue and profit, is publicly available.



# UN SUSTAINABILITY DEVELOPMENT GOALS

Our sustainability plan aligns with our mission, vision, and core values, reflecting our commitment to driving sustainable development with the participation of employees, customers, and partners.

In this context, we have identified six United Nations (UN) sustainability development goals (SDGs) where we have an opportunity to contribute to on a global level. The United Nations Sustainable Development Goals are 17 interconnected goals to address the most pressing economic, social, and environmental challenges facing our planet. They provide a roadmap for global sustainable development, and are designed to guide policies and actions that promote economic growth, social inclusion, and environmental sustainability. We can achieve a more sustainable future for all by working together toward these goals.



**Goal 2: Zero Hunger**  
This goal aims to end hunger and malnutrition by promoting sustainable agriculture and improving food security. It calls for increasing agricultural productivity and incomes of small-scale farmers, ensuring access to safe, nutritious, and sufficient food for all, and ending all forms of malnutrition.



**Goal 8: Decent Work and Economic Growth**  
This goal promotes inclusive and sustainable economic growth, full and productive employment, and decent work for all. It calls for promoting entrepreneurship, increasing productivity, and reducing informal employment, child labor, and human trafficking.



**Goal 3: Good Health and Well-being**  
This goal promotes physical and mental health, reduces preventable deaths, and improves overall well-being. It calls for improving access to quality healthcare, reducing the incidence of communicable and non-communicable diseases, promoting mental health, and reducing substance abuse.



**Goal 12: Responsible Consumption and Production**  
This goal aims to promote sustainable consumption and production patterns. It calls for reducing waste generation, promoting sustainable resource use, and increasing the use of renewable energy and sustainable practices in production and consumption.



**Goal 4: Quality Education**  
This goal aims to ensure inclusive and equitable quality education for all. It calls for increasing access to education, improving the quality of education, and promoting lifelong learning opportunities.



**Goal 13: Climate Action**  
This goal focuses on combating climate change and its impacts. It calls for reducing greenhouse gas emissions, increasing climate resilience and adaptation, and promoting sustainable practices that help mitigate climate change.





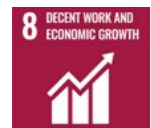
# SUSTAINABLE FUTURE

## THE GRANBERG WAY

In order to contribute in achieving the selected SDGs, we have implemented several programs and measures throughout the organization.



**Goal 3:** We have implemented several initiatives to promote employee health, safety, and environmental awareness, including physical workout programs, team-building activities, ergonomic workspaces, and HSE training. We also cover the membership cost for gyms, swimming, or other activities. We also prioritize HSE in our employee programs to ensure a safe and healthy work environment.



**Goal 8:** As part of our commitment to social responsibility, we require all suppliers to sign agreements prohibiting slavery, trafficking, and child labor. We prioritize protecting labor rights, promoting safe working environments for all our employees and our suppliers, and promoting diversity, equity, and inclusion in the workplace.



**Goal 12:** We focus on responsible material selection and sustainable solutions in our product department and R&D process to promote internal and external sustainability. We encourage our suppliers to choose sustainable solutions and promote responsible material sourcing. We also aim to reduce waste generation, promote recycling, limit waste production, reduce greenhouse gas emissions, and find more sustainable alternatives to our current practices.



**Goal 13:** To support climate change measures, we integrate them into our practices, choosing alternatives with the lowest climate footprint whenever possible, conducting greenhouse gas mapping to understand our emissions better, reducing our greenhouse gas emissions, investing in renewable energy, and reducing our energy consumption. We also work to increase our employees' competency in sustainability and acquire technical solutions to reduce greenhouse gas emissions.

## PROJECTS WE SUPPORT

We recognize that we need help to accomplish all of our sustainability objectives. Thus, we take pride in sponsoring numerous external initiatives. These efforts are implemented worldwide and may differ from year to year. Nonetheless, they must align with our principles and advance significant concerns that surpass our abilities.



### Goals 2 & 4

We endorse various projects and wholeheartedly support these organizations' efforts. Although we do not disclose all the projects we support in this report, we would like to highlight some examples.



### MAF

We continue supporting Mission Aviation Fellowship (MAF). We strongly believe in this project and are very proud to support it.

MAF is an international organization that aims to bring help, hope, and healing through providing aviation services for people living in isolation and poverty. Every year, more than 5,000 ambulance flights are conducted by MAF. The bush planes rescue sick, pregnant, and war-injured people from isolated areas who might have to travel for days to get help. MAF also flies more than 1,500 organizations and churches that contribute to the development of communities. The Bush planes enable humanitarian workers, health workers, teachers, and missionaries to work in almost impassable places.

### Kenya project

Troens Ord continued its charity project in Kenya, making significant strides in giving children a secure, safe environment and educational opportunities. The organization has kept children safe through initiatives and robust measures, such as electric fences to safeguard against wild animals. Their efforts have led to establishing an orphanage, a school, a food station, and a guest center, collectively generating a sustainable income for the entire setup.

In 2023, we will continue to support the good work they do in Kenya with NOK 300,000. This contributes to the purchase of medical equipment for an Norwegian-run health clinic for the locals.





## WHAT GETS MEASURED – GETS DONE

We prioritize sustainability as we grow our business, recognizing the importance of continually improving our goals, initiatives, and progress monitoring.

Despite the strides we have made in our sustainability reporting, there is still much to measure, and we continuously work to expand our data collection. We have made significant progress in measuring our greenhouse gas emissions and are now actively mapping emissions from our supply chain. Results must be collected, and measurements must be carried out as we aim to improve. Therefore, we plan to add new measurement areas annually as we advance our sustainability efforts.

We already have several areas planned for inclusion in our future reports. Since our last report, we have included more data, such as our CO<sub>2</sub> emissions for Scope 1 and Scope 2, which we began measuring fully in 2021. We also plan to include more information from our subsidiaries and other locations as we obtain better measurements for these areas. By expanding our measurement capabilities and incorporating more comprehensive data, we can make informed decisions and demonstrate our commitment to sustainability more effectively.

## THE NUMBERS

Initially, we focused on the significant and accessible figures. Gradually this expanded to include much more. We have already made significant progress in our efforts to map sustainability throughout the organization.

Our Norway and Sweden locations form the core of our organization. We have excluded results from smaller locations such as Lithuania in this report since the site adheres to the same guidelines as those in Norway and Sweden. Emissions from this site are negligible due to the size of the operation. Reports in the future will also include measurements that contain the emissions from smaller locations or specify the proportion of emissions that are now included in the calculations for Norway.

## OUR DATA

As a company committed to sustainability, we understand the importance of accurately reporting our environmental impact. We collect data from various sources, including our own measurements, accounting systems, external parties, and service providers, to ensure a comprehensive view of our operations. Some data reported will always require estimations and calculations based on the most accurate data available at the time of reporting.

For example, we source our energy usage data from our electricity supplier and estimate the indirect greenhouse gas emissions associated with this consumption using an external party specializing in CO<sub>2</sub>e emissions calculation. Similarly, we estimate our emissions from company-leased cars by utilizing fuel consumption data from the manufacturer and our accounting systems, along with relevant vehicle mileage and other data.

To ensure the accuracy of our estimations and calculations, we work closely with an external party, leveraging their expertise and software tools for emissions calculations. Their software utilizes widely recognized databases like eco-invent to convert various types of data, such as energy and water use, into CO<sub>2</sub>e values for our reporting.

While we do not have a third-party validation of this report, our internal checks and balances in collaboration with the external party, ensure we provide reliable and accurate data for our sustainability reporting. We continuously review and improve our data collection and reporting processes to ensure that we report our impact transparently and accurately.

We want to provide the most accurate and reliable sustainability data possible, although achieving 100% accuracy is nearly impossible. The scope and definition of our measurements and the methodologies and assumptions used can affect the accuracy of the data reported. Nonetheless, we take great care to provide an honest and accurate picture of our company's environmental impact. We aim for best practices and industry standards for data collection and reporting and try to offer transparent explanations of our methodologies and assumptions.

This report provides valuable insights into our sustainability performance and progress toward our goals. We encourage readers to review the information with an understanding of the limitations and complexities of sustainability reporting and to contact us if they have any questions or concerns.



## PAST REPORTS AND CHANGES

Over the past year, we have continued to expand our measurement capabilities and provide more precise data. We remain committed to advancing our sustainability efforts and will carry this momentum forward in the coming years.

The 2023 measurements have been less impacted by the instability caused by COVID-19 compared to our first report, allowing us to return to a more stable market situation. However, new challenges have emerged on the global stage, including geopolitical tensions that have introduced uncertainty around shipping and supply chains. These disruptions and evolving regulatory frameworks are expected to affect many companies, including ours, moving forward.

In 2023, we reorganized our operations to strengthen our Corporate Social Responsibility (CSR) efforts and improve our monitoring and collaboration with our suppliers. We have also aligned ourselves even further with the new Transparency Act and OECD guidelines, reinforcing our commitment to transparency and sustainability. In addition, tightening production and import regulations across specific markets, including those we operate in, has introduced stricter requirements. While these changes demand more from businesses, we see value in the greater accountability they encourage and will continue to adapt to meet these expectations.

## CONCLUSION

Granberg Group has made significant strides in its sustainability efforts in 2023, but we recognize that there is still room for improvement and new opportunities to explore. Our journey toward a more sustainable future is far from complete, and we remain committed to continuing this work with the same energy and determination. With an increased focus on reducing carbon emissions, driving innovation in product development, and ensuring ethical accountability, we will continue to be a leading player in our industry and a model for sustainable business practices.

We acknowledge that our actions have both local and global impacts, and we will continue to work closely with our employees, customers, suppliers, and partners to create positive change. Moving forward, we will strengthen our metrics, expand our efforts to reduce emissions across the supply chain, and invest in research and development to find even better solutions.

Thanks to the dedication of all our employees and partners, we are confident that Granberg Group will remain a company that leads the way in sustainable development. We look forward to sharing our future successes with you. Together, we can continue to make lasting and meaningful changes for both people and the planet.

We invite all our stakeholders to join us on this journey towards a greener, safer, and more sustainable future.

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