



Report on

Responsible Business Conduct 2021

for Granqvist Sportartiklar AB

lillSport[®]



SUSTAINABLE DEVELOPMENT GOALS



To Readers Of The Report

Business has a major impact on people, society and the environment. It can make positive contributions to development but can also have negative impacts and cause harm. Companies therefore play a key role in achieving the UN's Sustainable Development Goals (SDGs). The Norwegian government expects all companies, regardless of size, to map, prevent, limit and communicate on how they handle risks for negative impact, as well as remediation mechanisms in cases of harm on people, societies or the environment. This is known as due diligence and applies to the private and public sector as well as organizations. As a consequence of the recently passed Transparency Act (åpenhetsloven), all larger corporations are obliged by law to conduct due diligence and show transparency in this work from 1 July 2022.

Members of Ethical Trade Norway have committed themselves to work with mandatory due diligence for responsible business practice. The foundation for this work is Ethical Trade Norway's Declaration of Principles (code of conduct) which covers the areas decent work, human rights, environment/climate, anti-corruption and animal welfare.

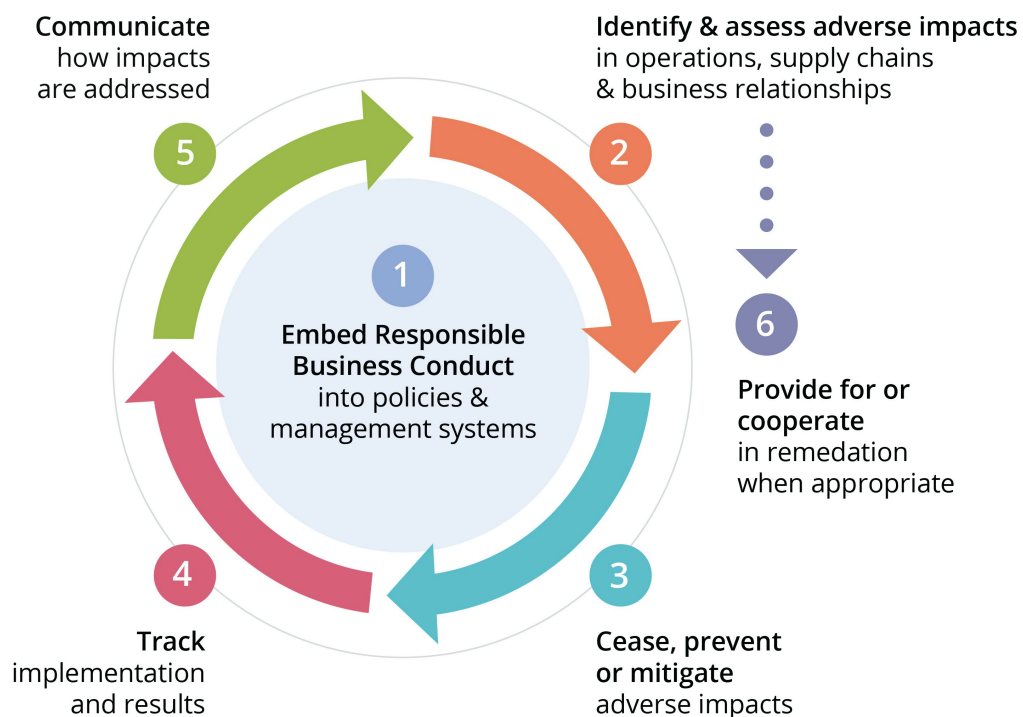
The reporting template is designed for the company to show transparency in their work on responsible and sustainable business practice, as described in the UN Guiding Principles (UNGP) and the OECD Guidelines for Multinational enterprises. The report should show how the company works with due diligence, and describe what challenges the company faces, which measures are being implemented to handle these challenges, as well as progress and results. All member reports are publicly available on Ethical Trade Norway's website.

Heidi Furustøl
Executive Director
Ethical Trade Norway

Due diligence

This report is based on the UN Guiding Principles on Business and Human Rights and the OECD model for Due Diligence for Responsible Business Conduct.

The model has six steps that describe how companies can work for more responsible and sustainable business practice. However, being good at due diligence does not mean no negative impact on people, planet and the society. It means that the company is open and honest about challenges faced and shows how this is managed in the best possible way in collaboration with its stakeholders. This report is divided in chapters following the OECD model.



Preface From CEO

I could never sell my used bike in my youth- I was too afraid of hidden failure.

Also I consider myself as a lousy sales man- I can't convince people to buy things I don't truly believe in myself.

From spending a decade as a professional XC-skier I have learnt how a glove should fit for maximal use. That knowledge has been used to build up the product, production and company from scratch.

The company GSAB is only built on products and production we run ourselves in order to have full insight in the process.

Of course we have sub supplier of raw material –we are not “spinning the yarn.”

We are proud that we are quite unique to own and control our own manufacturing unit in Europe, Poland. We are one of the biggest employers in the city of Zlotow and it is of highest importance that our staff is happy and want to stay with us.

As a part of Granqvists sustainability work, a glove manufacturing unit has been built also in Ethiopia. The unit has been established through a cooperation between Granqvists, a local tannery that is our biggest supplier and Development Finance Institution of the Swedish state, Swedfund. There is now about 80 operators but there is a vision to grow considerably with a new factory, with the capacity of 200 operators, now under construction.

Thanks to partnership with Ethical trade Norway we have received a tool to describe functions of existing routines in our manufacturing units and where something is missing, act to corrugate.

In relations to sub supplier of raw material we have, thanks to the tools available in Ethical trade Norway, started the journey to the source of everything used in our gloves and with that the hunt of not wanted materials ,chemical substance or unethical working conditions.

" Production is the heart of our company "

Lasse Granqvist
Founder and CEO

Company information and business context

Key company information

Company name

Granqvist Sportartiklar AB

Head office address

Hynboholm 342, 65591 Karlstad, Sweden

Main brands, products and services offered by the company

LillSport- Gloves for Cross-Country skiing. Granqvists- Gloves for military, police and firefighting.

Description of company structure

Granqvist Sportartiklar AB (GSAB) is the name of the company and we mainly develop and sell gloves. In our fully owned daughter company in Poland, Granqvists manufacturing, we are producing close to all our gloves. GSAB have full insight i everything from production, purchasing, supplier contacts etc and we are controlling all important decision in our daughter company in Poland. In the production in Poland we also sew to other companies.

The production in Poland have today over 300 employes with focus on special gloves (Military 50%, Firefighting 20%, XC-skiing 20%, Police 10%). Over the last decades we have covered approximately 80% of the military gloves for FLO (Norway), FMV (Sweden) and Puolustusvoimien logistiikkalaitos (Finland) with production from this unit.

GSAB, together with the Swedish government (Swedfund), have had a project to help our supplier of leather to build up a glove factory in Ethiopia. This is to help to export a finished product, not only the raw material. We have contributed with education of Sewing ladies and with our knowledges to run a glove factory. This project as been ongoing from 2010 and finished fall 2019. We still have good cooperation and help each other when needed.

Turnover in reporting year (NOK)

99 610 043

Number of employees

320

Major changes to the company since last reporting period

There have not been any major changes to the company this year.

Contact person for the report (name and title)

Malin Skystedt CSR responsible and administrator and Linnéa Granqvist CSR responsible and member of the board

Email for contact person for the report

malin@granqvists.se

Supply chain information

General description of the supply chain and the company's sourcing model

GSAB have a good insight in purchasing and we are handling it from our production unit in Poland. Most of our raw material supplier is within Europe because we then have better chance to have more insight. We also make important purchasing in Ethiopia and that is because of the outstanding quality of leather. We have had most of the suppliers for a long time and that have resulted in better relations and collaborations.

Our special focus on technical gloves (firefighting, military and police) requires that we ensure quality of materials and how they are handled, both in terms of risks of workers but also from a sustainable perspective.

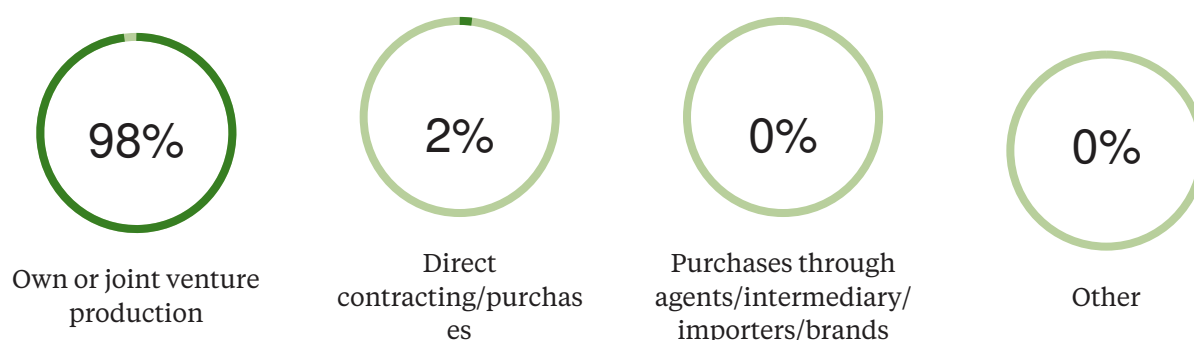
Number of suppliers with which the company had commercial relations in the reporting year

46

Comments

This is all about raw material suppliers. About 40 of them is important/big for us and them we have frequently contact with. 5% of them are outside Europe.

Approximate ratio by sourcing options



This 2 % we buy from Blue Nile Glove factory in Ethiopia, a production unit that we have helped to build up with help from Swedish government (Swedfund). If we buy something direct from other producer we always do the finish, control and pack it in our own production unit in Poland.

List of first tier suppliers (producers) by country

Poland :	1
Ethiopia :	1

We have our own product unit in Poland. We also buy gloves from Blue Nile Glove factory in Ethiopia, that is a production unit that we helped to build up with help from the Swedish government (Swedfund).

State the number of workers at first tier producers that the company has an overview of, and the number of suppliers this overview is based on:

Number of workers

380

Number of suppliers this overview is based on

2

Numbers of workers per supplier (calculated average)

190

Comments to number of workers

300 in our own production unit in Poland. 80 in the production unit in Ethiopia.

Key inputs/raw materials and associated geographies

Leather	Ethiopia Poland
Technical textile	Germany Poland
Insert technical membrane (fire)	China United Kingdom

Is the company a supplier to the public sector?

Yes

Goals and progress

Goals and progress for the reporting year

1

Goal: Continue to work with sustainable business practice in Poland

Status: We have now representative group meetings in Poland to enable open dialogue between workers and leading group.

2

Goal: The goal is to start the same representative group in Ethiopia as we have in Poland

Status:

Goal for coming years

1

Work to reduce our environmental footprint



1

Governance and commitment to responsible business conduct

Embedding responsible business conduct means that the company should have strategies and plan, as well as relevant policies* and guidelines for due diligence which are adopted by management. These should comprise the enterprise's own operations, its supply chain and other business relationships. Effective management systems for implementation are key to succeeding, and due diligence should be an integrated element in company operations. Clear expectations from senior management are crucial, as well as clearly assigned responsibilities within the company, for the implementation of the steps in the due diligence process. Those involved need to know how to proceed.



1.A Policy* for own business

1.A.1 Link to publicly available policy for own business

<https://granqvists.se/corporate-social-responsibility/>

1.A.2 What does the company say publicly about its commitment to respect people, society and the environment?

Granqvist AB use to say that our production is our heart in the company and it is extremely important that the workers are feeling well, safe and are treated in the best way. Our goal is to make as little impact as possible on the environment and we work actively to find solutions to reduce negative impact. We want to work for a sustainable development and we try to do so.

See more information on our webbsite:

<https://granqvists.se/corporate-social-responsibility/>

<https://granqvists.se/about-us/>

(We will aslo add this information at our new Lillsport website we are working on right now)

1.A.3 How has the policy/commitment been developed and how is it anchored in the company?

Working with Ethical Trade is a wish from the board. It is the board that leads the work with ethical trade and has developed the policy together with Ethical Trade Norway. We work to communicate the work with a sustainable development to everyone in the organization but also externally to the stakeholders

1.B Organisation and internal communication

1.B.1 How is the due diligence work organised within the company, and why?

We are from 2021 two persons working with the ethical trade work. Linnéa Granqvist is both on the board of the company and conducts the work all the way up the organization. Linnéa has the most contact with the suppliers and also the purchaser in Poland. We also keep a close contact with the HR responsible in Poland and with the responsible communicator with Ethiopia. Newly hired 2021 is Malin Skystedt who is now a part of the daily work with ethical trade and has an education containing a lot of CSR-work with her.

1.B.2 How is the significance of the company's due diligence work defined and clarified for the employees through their job description, work tasks and incentive structures?

We have dialogues and regular meetings. For new employees in the Swedish office, the work and expectations are carefully explained so that everyone has common goals with the work towards more sustainability. Everyone should know the work related to ethical trade. New employees who, as mentioned, will become aware of the work and expectations.

1.B.3 How does the company make sure employees have adequate competence to work on due diligence for responsible business conduct?

We make sure to educate not only the persons that work with the task of ethical trade but also that everyone has knowledge of the work. We have contact with our adviser in Ethical Trade Norway and attending courses in their regime to make sure to be updated and learn more.

1.C. Plans and resources

1.C.1 How are the company's commitments to respect people, society and the environment rooted in strategies and action plans?

We are passionate about working for improvement and challenging ourselves with how we can work more sustainably. By permeating the entire organization from the board, it creates a natural work ethic in the workplace. We want to continue to work with developing better work conditions and freedom associations in both Poland and Ethiopia. We also aiming to improve our environmental footprints, both to reduce pollutions and chemicals.

1.C.2 How is the company's strategies and action plans to work towards being responsible and sustainable followed up by senior management and in the board?

It is a standing point on the agenda every board meeting and we also have organisation meeting with the employees in Sweden every month where ethical trade is one of the points on the agenda. Since we are more people working with it now the more we can have discussions and keep evolving the work. We have realized which working methods that work's best for us in order to be able to get the most out of the work as possible. That includes the open communication of the work and how we can bounce ideas about improvements and things to work more with.

On the board meetings we are discussing the most important things at the time. In some cases, it may involve individual risks or in some cases the work in general.

1.D Partnerships and collaboration with business associates, such as suppliers

1.D.1 How does the company emphasise the importance of responsible and sustainable business conduct in its business relationships, particularly in the supply chain?

We have like last year sent out a SAQ to our suppliers. The chosen once for this year were new suppliers, some that didn't answer last year and the ones we think we need to have some more knowledge of.

Just like before we have as a routine when starting up a collaboration with a new supplier to read and sign our Policy responsible business conduct.

We have also been mapping our suppliers to evaluate if there are any risks we can see.

We will continue to aim for close relationships with the suppliers as much as possible because we believe that it contributes to better collaborations and longer relationships.

Since we invest in maintaining relationships with our suppliers for a longer period, we try to have as close a contact as is needed to make it work. SAQ will be a first step but it is our intention to continue contact so it can result in longer and more sustainable relationships. We also visit and them visiting us to improve relationships and nurture them.

1.E Lessons learned and changes in the reporting period

1.E.1 What lessons has the company learned during the reporting period concerning responsible business conduct, and what has changed as a result of this?

We have always have had this questions on agenda from the start of our company but after being member of Ethical Trade Norway we have even more focus on ethical trade both in our daily work, in our work with organization and in our policy documents.

We are today very happy that we have mainly our suppliers within Europe, we have had a good flow with fabric even though it has been a pandemic in the world.

Of course, the pandemic has affected us to the extent that we have been adopted to more digital solutions.

However, it has been shown that we can benefit from this when we talk, for example, with the employees in Poland in a more natural way via teams.

2

Defining the focus for reporting

Identify and assess the company's impact on people, society and environment

“Identify and assess” is about identifying the company's risk for, and actual negative impact on, people, society and the environment, including in the supply chain and through business relations. As a first step the company should get an overall risk picture, before subsequently prioritising measures where the risk of negative impact is the greatest, i.e. salient issues. How the company is involved in the negative impact is central to determine the right actions to take. Involvement of stakeholders, especially those affected, is central when assessing risks. It is also important to consult with stakeholders when implementing measures to manage the negative impact.

2.A Mapping and prioritising

STATEMENT ON SALIENT ISSUES

Prioritising one or more risk areas on the basis of severity does not mean that some risks are more important than others, or that the company should not take action on other risks, but that risks with the greatest negative impact are prioritised first. Mapping and prioritisation are a continuous process.

2.A.1 List the company's prioritised risk of negative impact on people, society and environment.

Salient issue	Related topic	Geography
PFOS/PFOA impregnations	Occupational Health and safety Environment	China South Korea Poland
Low wage	Forced labour Child labour Wages Working hours	Ethiopia
Chemicals in leather	Occupational Health and safety Environment	Ethiopia Poland
Freedom of association and collective bargaining	Freedom of association and collective bargaining	Ethiopia Poland
Reduce transport pollution	Environment Emission	Ethiopia Poland
Waste disposal	Environment Energy Waste	Ethiopia Poland

DETERMINATION OF SALIENT ISSUES

2.A.2 Describe in short the company's routines for mapping and identifying risk and show how the negative impact was identified and prioritised in this period. Describe how information was gathered, what sources were used, and which stakeholders have been involved/consulted. Further, describe whether you have identified areas where information is lacking in order to get an overview, and how you are planning to proceed to collect more information/handle this.

When assessing risks and mapping them, we primarily start from Ethical Trade's own risk tool "Risiko". That is the starting point and gives us an overall picture of risk factors.

The risk in our branch is very high. Many of the risks are "classic" in factories. For example, the management of chemicals and waste and emissions management. The most important action we have done is to build a more direct sourcing model and own our production in Europe. This give us better control and possibilities to influence. This means that we can focus more on our risk in raw materials. We have done a general analysis of our branch and the countries we are located in.

Employee and the CEO regular visit our production in Poland every month. Our responsible for contact to Ethiopia is visiting the tannery and glove factory every quarter. However, it has been difficult this year, which has also been a pandemic-year and unrest in the country.

We have been supported by SwedFund –a part of SIDA (Swedish International Development Agency) to build up the glove factory and organization out from the ethical directives in Ethiopia. In this project there is a very well documented analyses of all risks in all respects –ethical, human, environmental, economic.

Fully Documentation can be found under Swedfund project 1-16-25 (in Swedish).

When visiting Ethiopia, we always have a checklist of what to look for and which subject to run forward.

Regarding Ethiopia we have talked to other tanneries that is own by people in UK how they do with collective bargaining and got information from them how to proceed. We have also looked on internet sources like Difi where you can search of products that has high risks. One of them i leather industry because of chemicals. We have also uses different internet sources to identify risks by countries.

<https://www.anskaffelser.no/samfunnsansvar/sosialt-ansvar/hoyrisikoproduktlisten/tekstiler-arbeidsklaer-og-fottoy>

<https://www.state.gov/reports-bureau-of-democracy-human-rights-and-labor/country-reports-on-human-rights-practices/>

<https://www.ituc-csi.org/ituc-global-rights-index-2018?lang=en>

<https://2009-2017.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm#wrapper>

ADDITIONAL SEVERE IMPACTS

2.A.3 Describe any other severe impacts on people, society and the environment that were identified in the mapping of the business, supply chain or other business relationships during the reporting period and how these have been handled.

Just like everyone else during Covid-19, we have had to adapt to the situation. This has resulted in us offering our seamstresses in Poland to work at home. Therefore, we have offered them removable sewing machines to take with them home, if they of various reasons have not been able to get to work. In this way, we have tried to contribute to reduced spread of infection in production and simplified the work for several of our employees.

A woman in a blue surgical cap and gown is shown in profile, looking down. She is in a hospital operating room, with other staff in similar attire visible in the background. The lighting is bright and clinical.

3

Management of salient issues

Cease, prevent or mitigate negative impacts

“Cease, prevent and mitigate” is about managing findings from the risk assessment in a good way. The most salient negative impact on people, society and the environment should be prioritised first. This does not mean that other risks are insignificant or that they are not handled. The way the company is involved in the negative impact is key to taking the appropriate action. Negative impact that the company causes or contributes to must cease, be prevented and be reduced. To address negative impact directly linked to the company, e.g. in the supply chain, the business must use its leverage to influence the entity causing the negative impact to cease, prevent or mitigate it. This involves developing and implementing plans and routines to manage risk and may require changes to the company's own policy documents and management systems. Effective management of the negative impact on people, society and the environment is a major contribution to the achievement of the Sustainable Development Goals (SDGs).

3. A Cease, prevent or mitigate

3.A.1 For each salient risk, add a goal, progress status and describe the measures you have implemented to handle the company's prioritized negative impact on people, society and the environment

Salient issue	PFOS/PFOA impregnations
Goal :	Have all our products free from flour carbon impregnations.
Status :	In Q4 2021-Q1 2022 identify the products containing it
Objectives in reporting year :	Reduce PFOS/PFOA in our products

Actions :

This is a work in progress and it will remain until we no longer have it in our products. We try to reduce the content of flour carbon in our products constantly. We are going to contact our supplier with flour carbon textile and see what they can offer us instead or maby look for other supplier. Collect more information and knowledge of what to use instead of flour carbon. During this year we will take contact with the suppliers it concerns and start the conversation to developing other options.

Salient issue	Low wage
Goal :	Every employed in our supply chain shall earn so much money so they can provide themselves and also be a part of providing the family.
Status :	We make sure that we pay minimum wage or more.
Objectives in reporting year :	We will still work for higher wages both in the Glove factory and in the tannery in Ethiopia. We also we want to make sure that we are as attractive as a workplace as possible and meet the needs of our employees. This year that has meant ensuring work and wages despite the fact that the country has been subjected to unrest. This is important for increasing confidence and stability in the region and among our employees.

Actions :

We work continuously to develop the factory and above all develop the knowledge of the workers. We want to show appreciation and maintain continuous communication even in difficult circumstances that this year has offered. It has been both in the form of COVID-19 and the country's unrest. For us, it is important to show appreciation of the work they do and that we can continue to offer them a workplace where they can continue to develop.

Salient issue	Chemicals in leather
Goal :	We want to have a raw material that have as few chemicals as possible, both for people working with it but also for our costumers health and safety.
Status :	We have leather free from Chrome 6 and with PH minimum 3,5 and maximum 9,5. All leather is according to EU regulations.
Objectives in reporting year :	Investigate the chemicals and search for what is preferable and what we can do to minimize the use of chemicals.

Actions :

This year has put the supply of various raw materials to its peak. This has contributed to even greater communication with suppliers about alternative materials and approaches. It have resulted to greater transparency in the search for new materials.

Salient issue	Freedom of association and collective bargaining
Goal :	To have collective bargaining in glove manufacturing in Ethiopia.
Status :	In Ethiopia they have work international council but not in our factory yet.
Objectives in reporting year :	To have collective bargaining in glove manufacturing in Ethiopia.

Actions :

Take contact with Ethiopia embassy and also contact the tannery that is owned by people from UK to get their expertise. Find a solution that fits both us and our partner in Ethiopia and the culture. The goal focuses primarily on Ethiopia, but of course there is work to work for also in Poland. We have progressed further by having a representative group that can be involved in influencing. This group is replaced and gives more opportunities to participate and influence.

Salient issue	Reduce transport pollution
Goal :	Continue to reduce transport pollution
Status :	We are now only deliver full shipments
Objectives in reporting year :	Keep working with more sustainable transports ways

Actions :

We strive to only deliver full shipments so that we maximize the transport that goes. We are also working more on shipping transport to choose a better alternative to aviation for longer shipment.

Salient issue	Waste disposal
Goal :	Minimise waste disposal
Status :	We have highlighted that it is a problem and worked out a plan with leftover material
Objectives in reporting year :	Develop our waste disposal and sell left over material

Actions :

By highlighting the problem of waste disposal we place more emphasis on helping to plan material availability and more reliably count on expected sales to avoid having to stand with too much material that is at risk of becoming in abundance and not being used.

OTHER ACTIONS RELATED TO MANAGEMENT OF NEGATIVE IMPACTS

Describe cross-cutting actions to cease, prevent or mitigate negative impacts, including in your supply chain

3.B.1 Reduction of environmental and climate footprint

Last year we installed solar cells in Ethiopia and this year we did the same on the factory in Poland. Development towards renewable electricity and energy felt like a matter of course and we want to try to reduce our environmental footprint to the extent that we can

3.B.2 Adapting own purchasing practices (sourcing)

Since joining Ethical trade Norway, we have included our guidelines to always have an ethical approach on the agenda at the start of a collaboration with a new supplier. They should sign our Policy Responsible Business Conduct or at least send us theirs so we can see that they cooperate in the same guidelines as we do. We also look for suppliers that can offer us environmentally friendly alternative.

3.B.3 Choice of product design and raw materials

Our own production in Poland have both ISO 14001 and ISO 9001.
Tannery in Ethiopia have ISO 14001 and ISO 9001.
We have OEKOTEK of textile fabrics and thread.
Leather must be free from chrome 6 and Ph minimum 3,5 and maximum 9,5.

3.B.4 Actively support free trade union organisation and collective bargaining, or where the law does not allow it, actively support other forms of democratically elected worker representation.

In our production unit in Poland we have our group of representative. We have this box with suggestions that workers can put in anonymously or with name.
We are starting the work in the same way in Ethiopia to try to implement the same representative group as we currently have in Poland.

3.B.5 Contribution to development, capacity building and training internally and of suppliers and workers in the supply chain

As written above we have, together with Swedish government (Swedfund), invested and helped our supplier of leather to build a glove factory. We educate the sewing staff in Ethiopia and we try help and give our knowledge of running a glove factory. Here we also try to influence by point out the importance of ethical trade. Together with customers, we have also developed and gained knowledge and working methods to jointly develop our supply chain.

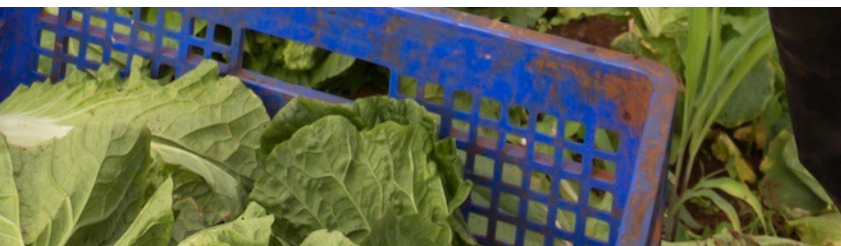
3.B.6 Other relevant information concerning the company's work to cease, reduce and handle negative impact on people, society and environment



4

Track implementation and results

Tracking implementation of actions and results relates to measuring the effects of the systematic approach and own work in each step of the due diligence process, showing whether the company conducts sound due diligence work. The company needs to have procedures and routines in place in order to uncover and critically assess own conclusions, prioritizations and measures that have been made as part of the due diligence process. For example, is mapping and prioritisation of salient issues done in a scientifically sound and credible way? Does it reflect the actual conditions in the supply chain? Do measures aimed at ceasing, preventing and reducing the company's negative impact work as intended? Is negative impact remediated where relevant? This may apply to measures taken by the company alone or carried out in collaboration with others. The company's experiences from working on due diligence should be used to improve procedures and routines in the future.



4.A. Track and assess

4.A.1 Describe the assignment of responsibility for tracking the effect of measures implemented to cease/prevent/mitigate salient risks of negative impact on people, society and the environment, as well as how the tracking is done in practice

We believe that the SAQ gives us a tool to identify risks. When we receive the answers we evaluate the eventual risk. If we believe that the answers to the SAQ are a bit concerning and can be a chance of risk we will take it further and try to see what we can do. Employee in our company that visit our suppliers also have on agenda to discuss this.

4.A.2 Describe how the company ensures that measures taken to identify, prevent and reduce negative impact actually work

To report to Ethical Trade Norway, attend courses and post our annual report on our websites, we do to increase both our own and our stakeholders' knowledge and show transparency.

Regarding Ethiopia we have good insights in what's working and what is not working but with our other raw material suppliers we work with new routines to get better insight. Many of our suppliers we have worked with in a long time and know each other well.

Due to Covid-19 it has not been any fairs or other natural meeting points this year. Otherwise we use to meet our suppliers on different exhibitions during the year. Travel restriction have also led to less meetings with suppliers. During 2021 we have had email conversations and phone conversations with our suppliers in different matters instead. Some we have meet in the production unit in Poland as well. But mostly the communication have been over Teams this year as well.



5

Communicate how impacts are addressed

A prerequisite for good external communication on due diligence for responsible business conduct is that it builds on concrete activities and results. Companies should make relevant documents concerning due diligence publicly available, i.e. policies, codes of conduct, guidelines, processes and activities related to identifying and handling the company's actual and potential negative impacts on people, society and environment. Communication should include information about how the risks have been identified and handled, as well as the effect of the measures/activities. The Transparency Act (Åpenhetsloven) §5 requires companies to publicly account for their human rights due diligence on an annual basis.

5.A External communication

5.A.1 Describe how the company communicates with affected stakeholders when managing negative impact

In our production unit in Poland we have our group of representative that we communicate with if we need to inform all our workers. We also work close with the management in our production unit if it is some salient issue that need to be worked out. We have this box with suggestions that workers can put in anonymously or with name. We also have close contact to the people managing the glove production in Ethiopia.

We are trying to work as concrete and direct as possible to both customers and suppliers. If there are a problem in some how we try to get to talk with them at once and discuss the matter with those involved. Since we are communicating on the website with document of our work it gives the stakeholders a way of reading and find contact information for us.

5.A.2 Describe how the company communicates publicly about its own work on identifying and managing salient risks

We describe our work on our website. We do also publish our Policy responsible business conduct together with this report from Ethical Trade Norway.

We also send this report together with other information to public tenders.

<https://granqvists.se/corporate-social-responsibility/>

<https://granqvists.se/about-us/>

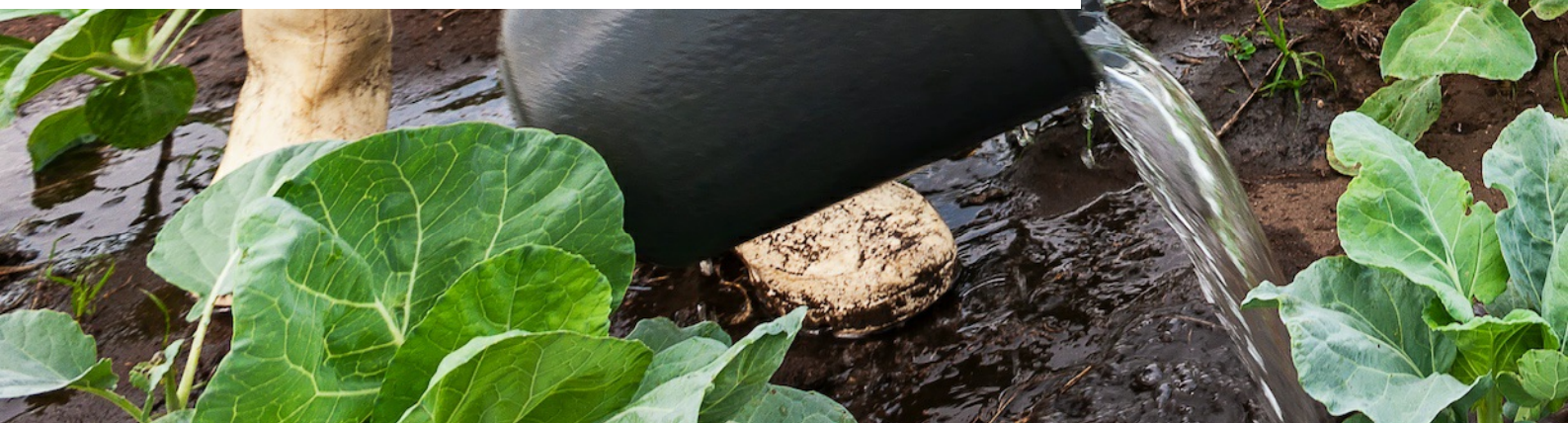
In addition to Granqvist's website, we will renew our Lillsport website and then the same information will also be available on this page for stakeholders.



6

Provide for or cooperate to ensure remediation when appropriate

Once a company has identified that it has caused or contributed to negative impact on people, society or the environment, the company must provide for, or cooperate in, remediation. Remediation may involve financial compensation, a public apology or other ways to remediate the negative impact. Another aspect is that companies should provide for, or cooperate with legitimate complaint mechanisms, to ensure that workers and/or local communities can raise complaints and be heard.



6.A Remediation

6.A.1 Describe the company's policy for remediation of negative impacts on people, society and the environment

In the event of a breach of the Policy responsible business conduct, GSAB and the supplier will jointly prepare a contingency plan for remedying the breach. Remediation shall take place within a reasonable period of time, as mutually agreed. The business relationship will only be terminated if the supplier shows unwillingness to remedy the breach following repeated enquiries.

The supplier shall have an effective management system for handling complaints relating to human rights, workers' rights, environmental issues and corruption. The supplier shall ensure that both workers and external parties, such as local communities and civil society organisations, are able to submit complaints.

6.A.2 If relevant, describe cases of remediation in the reporting year

An example we have done: When the new glove factory in Ethiopia was ready they did not connect running water into the building. We brought it up with our contact several times and put a deadline for them to fix it. Next time when our CEO were in Ethiopia we arranged a meeting with our contact and the water department to solve this problem.

6.B. Ensure access to grievance mechanisms mechanisms

6.B.1 Describe what the company does to ensure that workers and local communities have access to effective grievance mechanisms when this is appropriate

We have our representative group that meets every week to discuss matters from the employee in the production unit in Poland. We also have a anonymous box that the employees can put notes in that they wish to discuss or highlight. In Ethiopia we have on our agenda to arrange remediation mechanisms in the glove factory as we have in Poland.

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