

# Communication on Progress.

Gran Living ApS

# 2020







## We believe in continuous progress.

The past 12 months have been really exciting here at Gran Living ApS. Celebrating our 15th anniversary reminded us on the many achievements we accomplished in the last years and made us think about where we are heading in the future. One thing is certain, we want to continue our CSR journey.

Over the last years we have noticed that the sustainability agenda in a global context has changed and is more and more shaped by the Sustainable Development Goals. These goals not only steer sustainability efforts in the same direction, they also influence communication & recognition in the society. The Sustainable Development Goals call for action from governments, the private sector and society alike and we at Gran Living want to express our contribution to the Agenda 2030 in this report.

In order to achieve the goals, we have set ourselves we rely on help from our supplier, employees and third-party business partners. Therefore, supply chain management and collaboration with certification bodies are of utmost importance for us and we spend a lot of resources on selecting our suppliers and developing a strong and close relationship with our partners to increase our influence for a sustainable development.

Since joining the UN Global Compact initiative in 2013 Gran Living continually supported the ten principles on human right, labor right, environment and anti-corruption and we continue doing so in the next year.

In this Communication of Progress report, we share our achievements from 2019 and outline what we strive to accomplish in the year to come.

Finally, I also want to make a few comments in regards to Covid-19 and the impact we all feel. This Coronavirus outbreak has forced us to work in new ways – business as usual is no longer enough. For instance, we have all been forced to find out new ways of meeting since travelling and meetings with customer and suppliers are not possible right now thus, we have all taken virtual meetings to our hearts which from an environmental point of view is a positive thing. We have also started to look for partners and suppliers a little bit “closer to home” maybe we don’t always need to cross the river for water. Point being that in the middle of this tragic Corona pandemic we also need to remember the bright spots.

*Kind regards,*

**Per Gran Hartvigsen**

CEO



## Our story.

Gran Living was founded in 2004 by Per and Kathrine Gran Hartvigsen, with the ambition to design, sell and import quality home accessories. To this day Gran Living delivers a broad range of private label design products to medium and high-end chain stores in Northern Europe. In 2015 we launched the AYTM brand. Today AYTM products can be found in more than 65 countries all over the world.

Based on more than 15 years of experience and knowledge within trend spotting, design and marked trends we challenge our customers with unique designs. We focus on design and quality for both the private label brands as well as for AYTM.

Read more about GRAN LIVING & AYTM at:

[granliving.dk](http://granliving.dk)  
[aytm.dk](http://aytm.dk)







## What we planned for in 2019.

### Human rights & labour rights

In 2019, plans changed and the following points were not fulfilled — for good reasons.

- Conduct five third party CSR audits
- Make second assessment of supplier base
- Conduct follow-up measurements with all suppliers

We decided to terminate our collaboration with Green Network in favor of BSCI. This we did for several reasons that we will share with you here.

One of our valued private label customers required from 2019 that all suppliers used to produce their products were BSCI audited. We always strive to meet the requirements from our customers, especially in cases that makes so much sense – because BSCI is also a valuable tool for Gran Living. The idea of standardized and well-known requirements for each supplier, shared by each customer is ideal for both customers and suppliers. Furthermore, we share the work and the responsibility of supply chain management, reducing the workload for all of us. Read more on page 16.

### Environment

The main topic for 2019 was the launch of new sustainable packaging for AYTМ and we are proud to inform that we succeeded. You can read more about our journey on page 23. Another target for 2019 was to find a textile supplier who can provide certified fabrics. Although we are not completely there yet, we initiated a development process with a new supplier who might be able to provide Oeko-tex certified fabrics within 2020. We can also announce that we increased the number of vegetarian days from one to two days. Read more on page 24.

Finally yet importantly, we completed the testing of our AYTМ candles and oils in order to confirm that these do not contain harmful palm oil. The result showed no indication of palm oil in our products.

### Anti-corruption

In 2019, the goal was to make a guide to our employees, guiding in appropriate behavior in order to avoid corruption and bribery. To this point, we have not finished the guide. The main reason is reorganization, which has been resolved by hiring our new CSR coordinator who will dedicate her full time in the area of CSR and compliance. In the chapter “What we strive for in the year 2020”, you can read more on how we plan to implement these guidelines in 2020.

## What we strive for in 2020.

Even though Gran Living, as most companies, are highly affected by the Corona crisis, we do not intend to lower our ambitions of what we can achieve in the year 2020.

### **Human rights & labour rights**

At Gran Living, we hold a huge responsibility to secure decent working conditions for everyone involved in producing our products, which is why we will continue to improve working conditions via BSCI auditing of our suppliers. Read more on page 16.

### **Environment**

Within 2020, we plan to achieve the FSC certificate, allowing us to produce and market FSC certified wooden products and packaging materials to our customers. Read more on page 19.

Speaking of Corona, the crisis has forced us to change our habits. By this we mean new ways of doing business; new ways, which will benefit both our economy and the environment. Corona forced us to explore new ways of having meetings with external business partners without travelling and we have learned that we can be very much efficient via online platforms like Skype, Zoom and Teams – without neglecting the value of face-to-face meetings, which are still very important for building close relationships.

### **Anti-corruption and bribery**

Having the main part of our production in high-risk areas, requires a high effort in order to avoid corruption and bribery in our supply chain. That is why we have decided to finish the employee-guide, originally planned for 2019, this year. To ensure the optimum implementation of our anti-corruption initiative, we will arrange internal sessions to inform and instruct our employees in both Denmark and China.







## Our responsibility.

At Gran Living, we design, buy and distribute all our products, and we are aware of the impact this has, both on our planet and on the people involved with our business. At the same time, we feel a great sense of social responsibility towards our fellow human beings and we consider it as a primary responsibility to minimize this impact through actions that benefit the society.

We acknowledge our responsibility to contribute to a better world within our scope of influence. In order to show our respect for the people and the planet, we voluntarily take action to protect the workers and the environment in the areas in which we operate and we continuously seek to improve the conditions for the employees and the surroundings. While we try to apply the same standards to both our business streams we have a more direct influence on our own brand AYTМ when it comes to acquiring new production methods or certificates.

For us, working with corporate social responsibility is an ongoing process of improvements, that requires close collaboration and good communication with all our business partners. Working with many different producers from around the world, it is important for us that all of them fulfill the minimum standards laid out in our Code of Conduct. To better manage our supply chain, we decided to become members of the amfori Business Social Compliance Initiative (BSCI) and take advantage of the collective management system to ensure our suppliers are audited on a regular basis.

By committing to the UN Global Compact (UNGC) we are obligated to actively work towards complying with the Compact's 10 principles on human rights, labor rights, environmental rights, and anti-corruption. Additionally, we also committed to the 2030 Agenda for sustainable development and actively strive to take action on the Sustainable Development Goals (SDGs) on which we have an impact through our business operations.

*'We wish to leave the planet in good condition for future generations & we want to ensure that all living beings are treated with respect and kindness'*

**Frederike Molt**  
CSR coordinator

# The Sustainable Development Goals.

At Gran Living we care for the people and the planet and constantly strive to reduce our negative impact while increasing our positive impact therefore it is important for us to support the SDGs wherever we can. Though we have an impact on several of the 17 goals, we decided for now to put our main focus on three of the SDGs, which are directly related to how we work and the production of our products.

## Decent work and economic growth

We chose **Goal 8** because it addresses a topic that is close to our hearts. For us decent work conditions, inducing a fair wage, a safe working environment, and complying with human and labor rights are a prerequisite for any business relation. This means we do not accept any kind of modern slavery through forced labor or child labor and through our work we actively want to support youth employment, education, and training.

In our own offices we want to lead by good example and strive to give young professionals a chance to develop their career. We offer internships to help young people develop their professional skills and several of our former interns are now working fulltime at Gran Living.

## Responsible consumption and production

We chose **Goal 12** because we are concerned about the rapidly growing resource depletion and want to contribute to improve resource and energy efficiency in production and consumption, which we believe is also a necessity for sustainable economic growth and thus goes hand in hand with Goal 8. For

our products we strive to source resources that are certified to be sustainably managed by a trusted third party (e.g. FSC certified wood and paper). Further we are trying to raise awareness for this topic among our business partners and want to help them build capacity for sustainable consumption and production in their own area.

In our offices we constantly try to improve on our own consumption by sourcing sustainable products (e.g. organic products, recycled products). We also implemented policies for printing and waste sorting and by that try to manage our resource consumption at the office. Last but not least we are a member of Upcycling Forum, a local network for circular economy to increase the resource efficiency of scrap and leftover materials.

## Partnerships for the Goals

We chose **Goal 17** because we think partnerships are essential to achieve the global goals by 2030. We want to do everything we can to support the SDGs but as a small company our resources and influence are limited. Thus, it is even more important for us to engage in partnerships with our business partners and industry networks. Being a member of the amfori BSCI and participating in industry associations gives us the opportunity to collaborate with other businesses and together we have a larger power to mobilize sustainable development.





## Our principles & policies.

### Human Rights

At Gran Living we care about the safety and well-being of our employees at all times and will not conduct business with any supplier engaging in or benefiting directly from human rights abuses. We expect all suppliers to support and respect the protection of internationally declared human rights stated in the International Bill of Human Rights.

### Labor

At Gran Living we support and act in compliance with internationally declared labor rights and expect our business partners to do likewise. We strongly repudiate child- and forced labor and acknowledge diversity and the rights of employees. Therefore, we will not accept any kind of discrimination or violations of rights.

### Environment

At Gran Living we care about the environment with concern for the future. We focus on the long-term consequences of our activities and strive to prevent, minimize and remedy adverse impacts our activities place on our earth, and we expect the same from all parties throughout our supply chain to secure the best possible conditions for future generations.

### Anti-corruption

At Gran Living we refrain from corruption and bribery in any form. We believe in ethical and fair business practices, and expect from both our own employees and external business partners to avoid any kind of unethical business practices.





## Amfori BSCI.

In 2019, Gran Living decided to join the amfori Business Social Compliance Initiative as a step to ensure socially responsible operations in our supply chain. By being a member of the BSCI we agreed to the BSCI Code of Conduct with 11 principles addressing labor rights, environmental rights, and anti-corruption standards — a common Code of Conduct that is shared by more than 2400 businesses worldwide.

Gran Living became a member in 2019 and we are still in the process to transition to this new supply chain monitoring system. Over the next year we want to identify our most significant suppliers and make sure that all of them are managed through the amfori BSCI system, later to be followed by the rest of our suppliers. We also want to gradually increase the amount of companies we hold responsibility for, with the aim of acquiring the responsibility for all our significant producers. We look forward to share with you in the future how our producers perform in the audits.

*Supported SDGs*

**8 / Decent work and economic growth**  
**17 / Partnerships for the Goals**





## FSC.

In order to support sustainable production and consumption we strive to ensure that all our wooden products, gift boxes, and print materials of our AYTМ brand should be FSC-certified in the future.

We are currently in discussions about the process and scope of this activity but we want to get started this year to review our suppliers and if necessary search for new suppliers and acquire the FSC certificate.

*Supported SDGs*

**12 / Responsible consumption and production**  
**17 / Partnerships for the Goals**



## Goodweave certificate.

Gran Living decided in 2016 to join GoodWeave and support their mission to end child labor and since then all rugs have been GoodWeave certified.

We are proud of this collaboration and want to continue supporting GoodWeave also in the year to come.



*Supported SDGs*

8 / Decent work and economic growth  
17 / Partnerships for the Goals





## Being more sustainable one package at a time.

In 2016 we initiated a project to update our AYTM packaging and while doing so we wanted to make it more sustainable at the same time. Over the last years we have been working hard to define our packaging requirements and find supplier that can fulfil those. We wanted our cardboard and paper to consist of sustainable produced fibers and be FSC certified.

Another change is the use of honey comb cardboard sheets and EPE foam for protection and secure fixation in the packaging, this was previously done with Styrofoam sheet, however neither did they match our requirements for design and experience nor are they easy to recycle, thus we decided to use a different material.

All in all, we wanted to reduce the amount of plastics used in our packaging to a minimum and use as much as possible recycled and recyclable materials.

In 2019 we have finished this process and can announce that our new collection in spring 2020 already uses our new packaging. Over the next coming years we gradually want to launch more and more of the new packaging as our current stocks with the old packaging get used up and new orders with the new packaging will come in.

With the new design we tried to create a better brand recognition for AYTM and reduce the packaging waste generated by our products one package at a time.

*Supported SDGs*

**12 / Responsible consumption and production**



# Responsibility & commitment in our everyday life.

At Gran Living we respect, support and take care for each other. Therefor every employee has the responsibility to contribute to a safe work environment, creating a work place that is motivating and rewarding for everyone. In the Gran Living offices, we strive to have a healthy and sustainable lifestyle and achieve a high employee satisfaction. This is why we constantly search for new areas where we can commit to sustainable development.

## Paper

For several years now, Gran Living is focused on reducing its paper consumption through printing. Despite the continuously growth and new staff coming in we managed to reduce our printing by 30% in comparison to 2015, when we started this initiative. Saving paper and resources has truly become a part of our mindset and each new employee is informed upon his/her first day about this practice to help us keep our paper usage to a minimum.

## Waste

Over the last years we have initiated several measures to reduce our waste production. Along with reducing our prints we also collect waste papers to use in our Design department for sketches and drawings and by that we avoid the use of new paper. In 2019 we have also introduced new sorting standards to increase recycling at our desks

and in our kitchen. We separate paper, glass, hard plastic, and metal, which is then picked up by company to be recycled. Additionally, our employees are encouraged to take home leftovers from our daily lunch to reduce the amount of food that has to be thrown out at the end of the day.

## Canteen

In 2018 we started to introduce vegetarian days in our main office in Aarhus. Through this measure we wanted to lower the environmental impact of our daily lunch and provide our employees with a more balanced and healthy diet. At first this meant quite a change for us and not everyone was happy about this measure, but we got used to it and through the last year we have further increased our vegetarian days to on average 2 days a week.

## Green Purchasing

In order to be healthier in our office and support environmental protection we purchase organic and environmentally friendly products whenever possible. This means that we changed all our cleaning products to some that are certified with the Nordic Swan ecolabel and that we buy as many foods and drinks with the European or Danish ecolabel. Further we also go for recycled materials when purchasing office supplies.

*Supported SDGs*

8 / Decent work and economic growth  
12 / Responsible consumption and production





# Thank you.

*Thank you for reading our Communication on Progress 2019.  
For more info, please contact:*

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