

Selected risks in the value chain of toys

- for potential and actual negative impacts on human rights, environment and climate.



GROWING AND EXTRACTION OF RAW MATERIALS

For cotton-based material - farming and processing:

- Forced labour and child labour
- Occupational health and safety and working conditions, including living wage.
- water consumption, pesticides and chemicals.

For woodbased material:

- Deforestation
- Occupational health and safety and working conditions in the forest

For plastic material:

- Climate impact



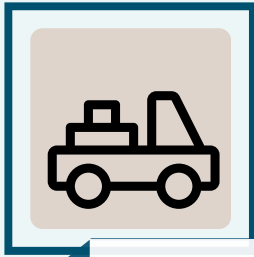
PROCESSING AND MANUFACTURING

- Lack of respect for labour rights
- Vulnerable workers - e.g. migrant and homeworkers
- Working conditions - especially living wages and working hours
- Occupational health and safety - building safety and, hazardous substances and overuse injuries.
- Sexual abuse or harassment of female workers
- Climate emissions
- Cut-off and waste material
- Forced labour and child labour
- Climate emissions
- Water consumption and pollution
- Waste material



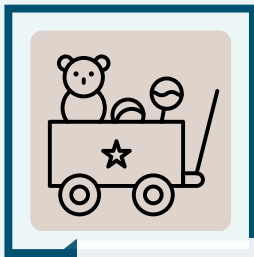
PROCUREMENT PRACTICES AND SUPPLIER DIALOGUE

- Price negotiations in relation to living wages
- Production planning in relation to overtime and stable contracts
- Material and design choices in relation to sustainability
- Supplier rewards for sustainability efforts



TRANSPORT AND WAREHOUSING

- Working conditions and living wages for drivers and warehouse workers
- Working hours and work pressure
- CO2 emissions
- Use and recycling of packaging material



CONSUMPTION AND USAGE

- Business model based on unsustainable consumption with many changing collections
- Use of water and energy for washing
- Microplastic emissions
- Design for durability
- Consumer safety



DISPOSAL

- Recyclability - can the product be disassembled and recycled?
- Environmentally safe disposal

SPECIAL RISK



ELECTRONICS AND BATTERIES

- Extraction of metals and minerals
- Forced displacement of local populations
- Forced labour, child labour and dangerous working conditions
- Environmental destruction and pollution
- Can the product be disassembled to recycle electronics and batteries?

Note: The risk overview does not show what will necessarily be the most salient risks for your business, but highlight some of the most severe risks and issues that may be overlooked.

Each company still needs to make its own assessment of salient risks.