

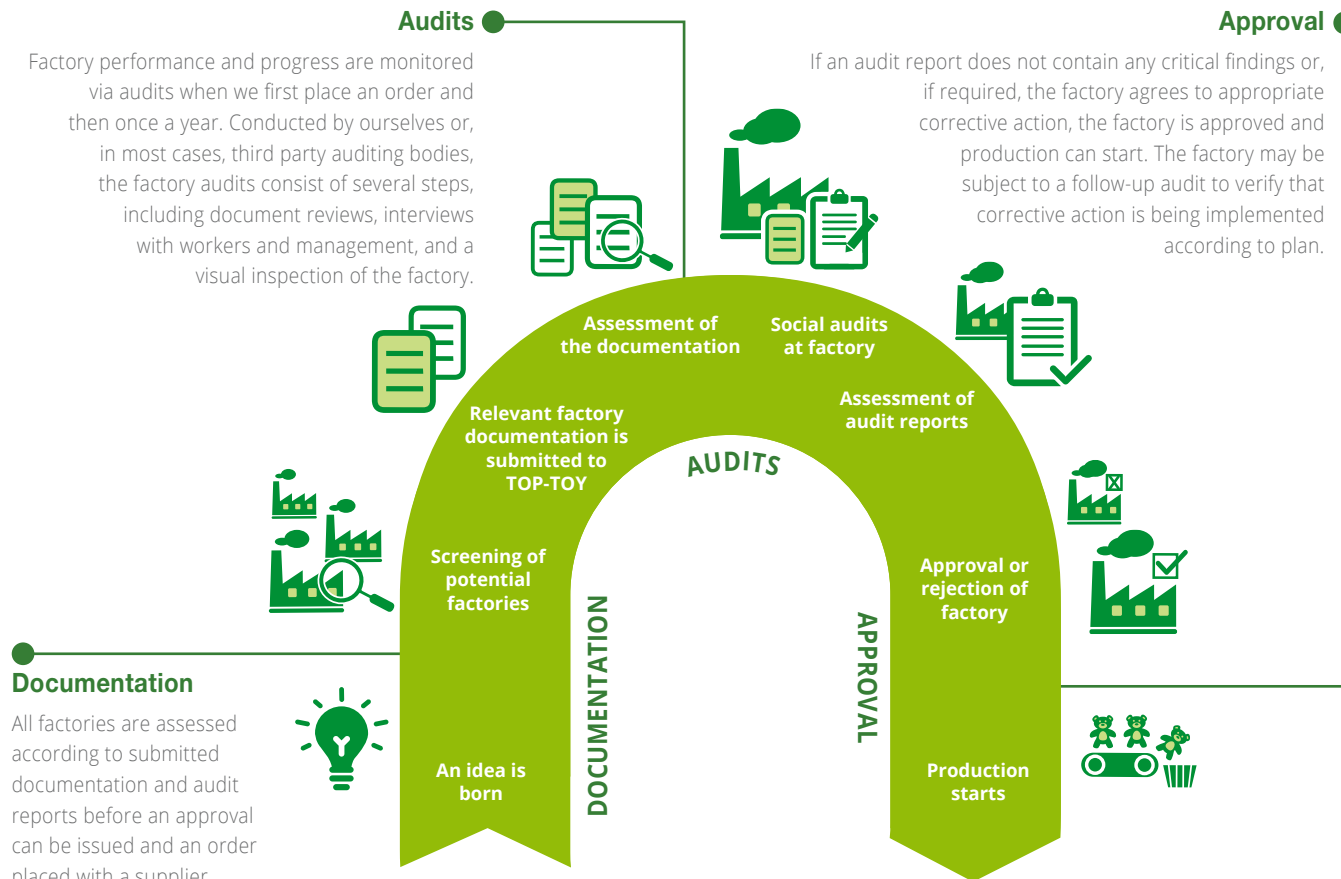
SAFE AND RESPONSIBLE WORKING CONDITIONS

We take our responsibility to respect human and labour rights seriously. Through our social compliance programme, we work continuously to ensure our products are made under responsible conditions with respect for international human rights and labour standards. Our products are only produced by factories that have been audited in accordance with our social compliance standards.

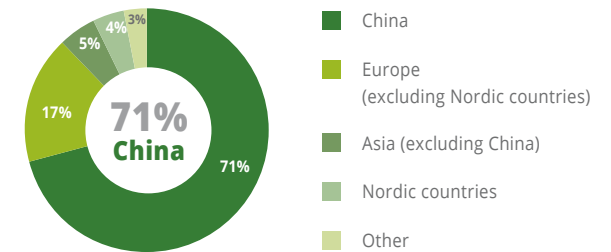
We do not own any factories ourselves but collaborate with our suppliers to make sure the people, who make our toys, have safe, humane and healthy working conditions, where their rights are respected.

We monitor our suppliers' performance via social audits. We screen the working conditions of all supplier factories through a step-wise approval process, and an order cannot be placed before the factory is approved. In 2015/16 we screened 836 factories.

In 2015, we initiated a dialogue with the Centre for Children's Rights and Corporate Social Responsibility (CCR CSR) to assess our human rights impact in our supply chain, with special focus on young and migrant workers. We are now assessing the best way to include the learnings from this cooperation in our social compliance programme.



Geographical distribution of factories 2015/16



Factory certification and audits 2015/16

