



Hasbro Ethical Sourcing Guide for Licensees



March 2019

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Our Commitment

Treating people fairly — with dignity and respect is a core value at Hasbro and we require that our licensees and licensee suppliers manufacture Hasbro-branded products (“Licensed Articles”) in accordance with the highest ethical standards and in safe, fair and legal working conditions as established in the [Hasbro Global Business Ethics Principles](#) (see [Appendix A](#)).

Licensees will be invited to participate in a Hasbro Ethical Sourcing on-boarding session to orient you to this process. This document is meant to be a helpful resource to guide you through the Hasbro Ethical Sourcing Program and supercedes all previous manuals, guides, and similar materials relating to the subject matter described herein.

Hasbro reserves the right, in its sole discretion, and at any time, to request further Ethical Sourcing related information and require licensees to adhere to additional guidelines.

All licensees are required to adhere to the Hasbro Ethical Sourcing Program

Licensees may use only Hasbro Ethical Sourcing approved factories



3 Key Elements for Ethical Sourcing Compliance

1



Licensee Responsibility

2



Factory Approval

3



Remediation and Follow-up



Licensee Responsibility

Licensees play a critical role in implementing compliance with social and environmental standards in their supply chain. By adopting a Code of Conduct and implementing policies and procedures related to factory selection, compliance monitoring and remediation, licensees can contribute greatly to improved factory social and environmental performance.

It is imperative that you have sufficient resources dedicated to social compliance and that your management team members are actively involved in the oversight of compliance.



1. COMMIT

Ensure your company Code of Conduct (CoC) is aligned with the [Hasbro Global Business Ethics Principles](#) (see [Appendix A](#)) and provide suppliers, subcontractors and agents with your CoC as early as possible for factories producing Licensed Articles.



2. ENGAGE

Include compliance as part of your factory selection and contracting process by establishing high expectations of compliance performance, monitoring identified issues and helping to implement improvements.



3. MONITOR

Monitor supplier compliance through review of previous customer social compliance audit reports, licensee and agent direct audits and training of suppliers to implement effective management systems.

Helpful Resource:

[BSR Good Practices for Complying with Licensors' Social and Environmental Requirements](#)





Factory Approval



Licensees must use **only Hasbro-approved factories** for the final assembly of Licensed Articles. Before beginning production at any final assembly facilities, the licensee must work with the Hasbro Product Development Team to seek approval of each factory via Hasbro's online Licensing Approval System (LAS).

In LAS, licensees must disclose factories that they will be producing in, submit factory social compliance audit reports and obtain Hasbro's approval prior to beginning production, ([see Appendix B](#)).

STEP 1 DISCLOSE FACTORY



Disclose **factory name and address** from a Hasbro Permitted Sourcing Country ([see Appendix C](#)) in LAS. Please also see [Appendix D](#) for further information on *Manufacturing Country Guidance*. Promptly notify your Hasbro Ethical Sourcing contact if a factory name or location changes or if you need to deactivate a factory. Upon Hasbro's request, you must also provide an updated factory list to Hasbro.

STEP 2 SUBMIT AUDIT REPORT



Factories in Permitted Countries ([see Appendix C](#)): Submit a social compliance audit report (in English only) following the below criteria:

- **Recent:** Conducted within last 12 months
- **Credible source:** Conducted by a reputable third-party or brand/retailer auditor
- **Informative:** Detailed and comprehensive information

If Hasbro rejects the report, you may be asked to send an additional audit report or conduct a Hasbro Ethical Sourcing audit using a Hasbro Auditor Resource, ([see Appendix F](#)).

Factories in low-risk countries ([see Appendix C](#)): Submit a Hasbro Factory Self-Assessment Questionnaire (SAQ), ([see Appendix I](#)). Based on Hasbro's review of the SAQ, the factory may be required to submit an acceptable social compliance audit report.

STEP 3 CONFIRM FACTORY APPROVAL



Confirm the factory is approved by checking factory status in LAS under the primary **Vendor Compliance** tab, which will appear as **Green** if the factory is approved to produce.

If Hasbro Zero Tolerance (ZT) issues ([see Appendix E](#)) are identified, the factory will not be approved for production and will be rated Red. If the factory was previously approved, the green rating will be revoked immediately and no new production orders may be placed for Licensed Articles. The licensee must wait at least 12 months before seeking re-approval of the factory.



Remediation and Follow-up

Licensees must cooperate with Hasbro to ensure that factories address any issues and concerns raised from an audit or other source of information. This includes the requirement for licensees to engage with factories on identified non-compliances and help guide factories to complete a Corrective Action Plan (CAP), specifying the remediation plan for all compliance issues.

1. CAP

A CAP should detail the factory action item for improvement, identify the root cause of the problem, specify the immediate and long-term plans for compliance as well as set a timetable for completing these actions. These documents should be retained by the licensee and submitted to Hasbro upon request.

2. Critical Issues

If Hasbro Critical issues ([see Appendix E](#)) are identified, the factory will be conditionally approved for 120 days, pending verification of remediation by submission of a new audit from the same program or audit firm. If a sufficient report is not submitted within 120 days, the factory is no longer approved for production.

3. 12-Month Approval

All factory approvals expire after 12 months and the licensee must submit a new full audit report on an annual basis for Hasbro re-review and approval.

Spot Checks

Hasbro (or its representative) has the right, with or without prior notice, to conduct spot checks of licensee factories, as noted in Principle 11 of the [Hasbro Global Business Ethics Principles](#), ([see Appendix A](#)).

1 Engage with factory on CAP/ remediation starting with Root Cause Analysis.

2 If Hasbro Critical issues identified; upload an updated audit report on LAS within 120 days.

3 Submit a new social compliance audit every 12 months to maintain Hasbro production approval.

What is Root Cause Analysis (RCA)?

Identifying the root cause of a problem and fixing it at its origin is the best way to achieve a permanent solution. A root cause analysis involves asking how and why the problem occurred so you can get to the root of the issue.

Common root causes of non-compliance include: no one responsible, no policy or procedure, no training, no enforcement and lack of knowledge or understanding. RCA tools to use include the “5 Whys” and the “Fishbone Diagram.”

For more information or assistance, please contact the Hasbro Ethical Sourcing team.

**Thank you for your
partnership
and collaboration!**



Appendices



Hasbro Global Business Ethics Principles

Hasbro, Inc., together with its subsidiaries and affiliates (“Hasbro”), strives to conduct its business in accordance with high ethical and business standards, and seeks to have its vendors, suppliers and licensees conduct themselves in the same manner. Hasbro has long recognized concerns about the quality and character of working conditions around the world, including the United States. We are continually striving to improve the working environment for those involved in the production of our toys, games and licensed consumer products.

Hasbro wants its consumers to have confidence that products manufactured by Hasbro, or its vendors, suppliers and licensees, are produced in accordance with the principles set forth herein and are not made under inhumane or exploitative conditions. Implementation of the Global Business Ethics Principles enables Hasbro to ensure that manufacturing facilities involved in the production of Hasbro products (“Facilities”) understand and adhere to Hasbro’s requirements in this area. Participation in this program and adherence to the Principles is mandatory for all Facilities.

1. Forced Labor

The use of forced, bonded, prison, indentured or compulsory labor in the production or manufacture of Hasbro products is prohibited. This includes modern forms of slavery, human trafficking, compulsory overtime or withholding personal papers, work permits, personal identification, or compensation. It is prohibited for factories to allow or require workers to pay employer or labor agent recruitment or other fees to obtain their employment. Workers shall not be subject to unreasonable restrictions of movement.

2. Child Labor

The use of child labor is prohibited. No person shall be employed in a factory that produces or manufactures any Hasbro product at an age younger than sixteen*, or younger than the age for completing compulsory education in the country of manufacture where such age is higher.

3. Wages and Benefits

Facilities must comply with all applicable national and local wage laws, including minimum and overtime wage laws, or shall be consistent with the prevailing industry wage standards, if higher. Wages should be paid in a timely manner and wage deductions shall not be used as a disciplinary measure. Employee benefits shall be provided in accordance with national and local requirements.

* Workers under sixteen may be considered on a case-by-case basis when hired in accord with International Labor Organization (ILO) Convention 138.

4. Working Hours

A workweek shall be restricted to 60 hours, including overtime, and workers shall have at least one day off every seven days, except in unusual or emergency situations. All overtime work must be voluntary.

5. Health and Safety

Facilities shall ensure that all employees have a healthy and safe environment, including in dormitories, where provided. Hasbro expects all Facilities to promote an awareness of health and safety issues to their employees including issues surrounding fire prevention, emergency evacuation, proper use of safety equipment, basic first-aid and the proper use and disposal of hazardous waste materials. Facilities must provide reasonable accommodation to pregnant/nursing women to ensure a healthy and safe environment.

6. Abuse; Discrimination

Facility employees shall be treated with dignity and respect. No employee shall be subject to abuse, cruel or unusual disciplinary practices or discrimination in employment or hiring on the grounds of race, religion, origin, political affiliation, union membership, sexual preference, age, gender or pregnancy.

7. Communication of Principles

Facilities will communicate these Principles to employees in an appropriate oral and written fashion and will undertake efforts to educate employees about these Principles on a periodic basis as well as ensure that workers have an effective mechanism to report grievances, without fear of retaliation. Factory workers can report work-related concerns anonymously and without fear of retaliation by emailing Hasbro's hotline at: EthicalSourcing@hasbro.com.

8. Acceptance of Advantages

Hasbro will not tolerate Facilities who do not conduct business in an ethical and proper manner or who use bribes, kickbacks or provide gifts, favors, or services to gain a competitive advantage with Hasbro.

9. Environmental Impact

Hasbro maintains a commitment to sound environmental programs and practices and encourages the reduction and recycling of waste. Facilities must comply with all applicable laws relating to the environment and dispose of toxic materials in a controlled and safe manner. To that end, Hasbro seeks to conduct business with Facilities who are equally dedicated to pursuing continuous efforts to improve the compatibility of its operations with the environment.

10. Freedom of Association and Collective Bargaining

Hasbro recognizes all employees' right to choose [or not] to affiliate with legally sanctioned organizations or associations and to bargain collectively without unlawful interference, discrimination, retaliation or harassment.



11. Monitoring and Right to Terminate

Hasbro shall have the right to conduct periodic on-site visits of working and living conditions, including unannounced audits of production records and practices and of wage, hour and payroll information maintained by Facilities, to review and ensure compliance with the Principles. Hasbro retains the right, in its sole discretion, to terminate its relationship with a vendor, supplier or licensee facility in violation of the Principles; however, Hasbro will endeavor to work with Facilities to promptly address any problems discovered in the course of its review or audit. Hasbro will require the implementation of an acceptable written corrective action plan for any problems found during an audit. Failure to address items in the corrective action plan may result in termination of the business relationship.

12. Certification and Prohibition of Unauthorized Subcontracting

Hasbro will require a written statement from Facilities of compliance with these Principles. Unauthorized subcontracting is strictly prohibited and grounds for termination.

13. Compliance with Applicable Laws

Facilities will comply with the national laws of the country in which they are conducting business, any local laws, regulations or standards applicable to their business and the industry standards which have been established in their location; provided, however, in the event of any conflict between the provisions of any of the preceding laws, regulations, or standards and the provisions of this document, then the provision containing the higher standards shall prevail.

Hasbro, as a member of global toy associations and the Responsible Business Alliance (RBA), strongly supports and endorses multi-industry efforts to improve factory working conditions. While Hasbro will retain the right to conduct its own audits, participation in the RBA social compliance program, including regular audits by an approved third-party auditor, will generally be sufficient.

The [RBA Code of Conduct](#) is hereby incorporated by reference; in the event of a conflict, the stricter standard applies.



Licensing Approval System Guidance

1. DISCLOSE FACTORY

A factory **must be assigned** to each individual approval record in [LAS](#). Previously disclosed and authorized manufacturers may be selected from the licensee vendor list by selecting **Add Factory Assignment** then **Select a Factory** under the primary **Vendor Compliance** tab.

If your factory does not already show up under the **Select a Factory** tab, use the **Find Existing Factories** search function. This will scan the Hasbro factory database to determine if the factory entered is already in the LAS system.

a. To Find Existing Factory

Click **Vendor Compliance > Add Factory Assignment > Find Existing Factory > Search for your factory > Fill in Factory Details section > Add factory**

If there is no match, please select **Add Unlisted Factory** and enter **all** information in the **Factory** and **Factory Details** section, including those without asterisks and mark both check-boxes. For any unknown information enter “N/A.”

b. To Add Unlisted Factory

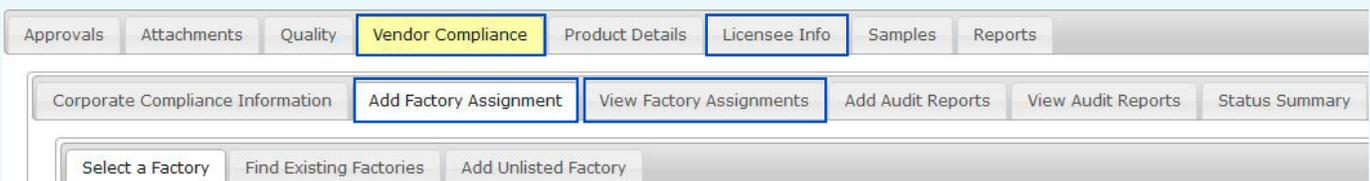
Select **Vendor Compliance > Add Factory Assignment > Add Unlisted Factory > Fill in the Factory and Factory Details section > Add Factory > Wait 48 hours**

c. View Factory Assignments

Once a factory has been assigned to a record, confirm proper submission by selecting **View Factory Assignments**.

d. Add Licensee Contacts

Click on the **Licensee Info** tab next to **Product Details** and enter contact details under **Add Contact Info**.



2. SUBMIT SOCIAL COMPLIANCE AUDIT REPORTS ON LAS

To add social compliance audit reports or Hasbro Factory Self-Assessment Questionnaire to LAS please ensure it meets the criteria mentioned in the Factory Approval section ([page 5](#)) and follow the steps below:

- a. Click on product record
- b. Go to primary **Vendor Compliance** tab
- c. Go to the **Add Audit Reports** tab
- d. Add factory and audit information
- e. Upload audit report or Hasbro self-assessment questionnaire
- f. Click **Step 2 - Finalize Submission**

Once a new audit report is uploaded to the system, it will be processed immediately, and the approval status will be communicated by way of the Vendor Compliance tab color, within **5 business days**

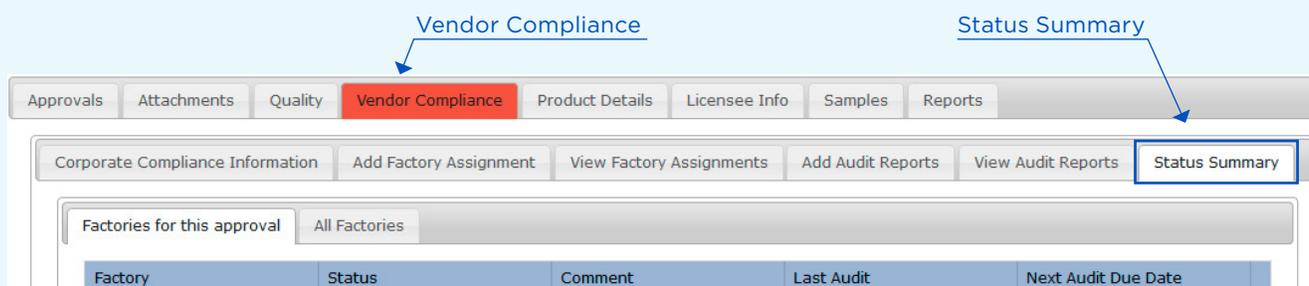
NOTE:

- Disney FAMA letters, certification documents, and CAPs are not accepted in lieu of complete and detailed audit reports.
- If an existing factory is “Not authorized to ship,” it is most likely due to an expired social compliance audit. In this case, the audit report should be uploaded in LAS under **Add Audit Reports**.
- An audit report only needs to be uploaded once in **one** record. It does not need to be uploaded into each record assigned to that factory.
- When uploading audit reports, the report and file name must be in English and have no special characters (i.e. Chinese characters).

3. CONFIRM FACTORY APPROVAL

Confirm that Hasbro Ethical Sourcing has approved the factory by checking the factory status under the primary **Vendor Compliance** tab under **Status Summary**.

- a. Authorized to Ship:** A factory has been assigned to the approval record, and the factory is authorized to ship until listed expiration date. If the factory is still active for Hasbro as of the expiration date, a new social compliance audit report must be submitted.
- b. Pending:** No factory has been assigned to the production record or a factory has been assigned but is missing information (please re-select the factory in **Add Factory Assignment**, update **Factory Details**, click both check-boxes, and **Add Factory**).
- c. Not Authorized to Ship:** A factory has been assigned to the approval record, but the factory is not authorized to ship due to an expired or unacceptable audit report or the identification of Hasbro Zero Tolerance or repeat Hasbro Critical issues. The specific reason can be found in the **Status Summary** tab.



Hasbro Permitted Countries

Albania	Brazil	Fiji	Jamaica
American Samoa*	Brunei Darussalam*	Finland*	Japan*
Andorra*	Bulgaria	France*	Jordan
Anguilla*	Burkina Faso	French Guiana*	Kazakhstan
Antigua and Barbuda*	Cambodia	Gabon	Kenya
Argentina	Canada*	Gambia	Kiribati
Armenia	Cape Verde*	Georgia	Kosovo
Aruba*	Cayman Islands*	Germany*	Kuwait
Australia*	Channel Islands*	Ghana	Latvia*
Austria*	Chile*	Greece	Lebanon
Azerbaijan	China	Greenland*	Lesotho
Bahamas*	Colombia	Grenada*	Liberia
Bahrain	Costa Rica*	Guam*	Liechtenstein*
Bangladesh	Côte d'Ivoire	Guatemala	Lithuania*
Barbados*	Croatia*	Guyana	Luxembourg*
Belarus	Cyprus*	Haiti	Macao SAR
Belgium*	Czech Republic*	Honduras	Malawi
Belize	Denmark*	Hong Kong SAR*	Malaysia
Benin	Djibouti	Hungary*	Maldives
Bermuda*	Dominica*	Iceland*	Malta*
Bhutan	Dominican Republic	India	Marshall Islands
Bolivia	Ecuador	Indonesia	Martinique*
Bosnia and Herzegovina	Egypt, Arab Rep.	Ireland*	Mauritius*
Botswana*	El Salvador	Israel*	Mexico
	Estonia*	Italy*	Micronesia, Fed. Sts

* Indicates Low-Risk Countries in which we can review a Hasbro Factory SAQ in lieu of audit reports.

Moldova	Peru	Seychelles	Tanzania
Monaco*	Philippines	Sierra Leone	Thailand
Mongolia	Poland*	Singapore*	Timor-Leste
Montenegro	Portugal*	Slovak Republic*	Tonga
Morocco	Puerto Rico*	Slovenia*	Trinidad and Tobago
Namibia	Qatar*	Solomon Islands	Tunisia
Nauru	Republic of North Macedonia*	South Africa	Turkey
Nepal	Réunion*	South Korea*	Tuvalu
Netherlands*	Romania	Spain*	Uganda
New Zealand*	Russian Federation	Sri Lanka	Ukraine
Nicaragua	Rwanda	St. Kitts and Nevis*	United Arab Emirates*
Niger	Samoa*	St. Lucia*	United Kingdom*
Norway*	San Marino*	St. Vincent and the Grenadines*	United States**
Oman	São Tomé and Príncipe	Suriname	Uruguay*
Pakistan	Saudi Arabia	Swaziland	Vanuatu
Palau	Senegal	Sweden*	Vietnam
Panama	Serbia	Switzerland*	Virgin Islands (U.S)*
Papua New Guinea		Taiwan*	West Bank and Gaza
Paraguay			Zambia

* Indicates Low-Risk Countries in which we can review a Hasbro Factory SAQ in lieu of audit reports.

** Within the United States, New York City and Los Angeles are considered High-Risk locations which require an audit report submission.



Manufacturing Country Guidance



Prohibited Countries

The following countries are prohibited from manufacturing Licensed Articles due to corruption, security, human rights issues or other risks:

- Afghanistan
- Algeria
- Angola
- Burundi
- Cameroon
- Central African Republic
- Chad
- Comoros
- Congo, Democratic Republic
- Congo, Republic
- Cuba
- Equatorial Guinea
- Eritrea
- Ethiopia
- Guinea
- Guinea Bissau
- Iran
- Iraq
- Kyrgyzstan
- Laos
- Libya
- Madagascar
- Mali
- Mauritania
- Mozambique
- Myanmar
- Nigeria
- North Korea
- South Sudan
- Sudan
- Syria
- Tajikistan
- Togo
- Turkmenistan
- Uzbekistan
- Venezuela
- Yemen
- Zimbabwe

Bangladesh Guidance

Due to the known risks of sourcing in Bangladesh, licensee factories in Bangladesh must be in good standing with either the [Bangladesh Accord on Fire and Building Safety](#) or the [Alliance for Bangladesh Worker Safety](#) and have completed more than 80 percent of all structural, electrical and fire safety remediations to verify compliance in addition to licensee sending comprehensive social compliance reports of such factories. Factories which participate in the [Better Work Bangladesh](#) program will be looked upon favorably in approval determinations by Hasbro.

Uzbekistan and Turkmenistan Cotton Ban

Hasbro is aware of reports concerning the widespread, systematic use of forced adult and child labor for the harvesting of cotton in both Uzbekistan and Turkmenistan, respectively the 3rd and 9th largest cotton producers/exporters in the world. In addition, as of May 2018, US Customs and Border Protection issued a formal ban on the importation to the US of “all Turkmenistan cotton or products produced in whole or in part with Turkmenistan cotton.” For these reasons, **Hasbro licensees are prohibited from knowingly using cotton from either country** for Licensed Articles and should have a due diligence process in place to demonstrate compliance.

Hasbro Zero Tolerance and Critical Violations

Hasbro Zero Tolerance Violations

Zero Tolerance issues are those which represent **severe impact** to individual rights, life safety and/or Hasbro's corporate reputation. For a period of 12 months following the termination of a factory for Zero Tolerance issues, licensee will be prohibited from seeking approval.

- Bribery
- Unauthorized Subcontracting
- Denial of Access
- Child Labor
- Forced Labor
- Immediate Life-Threatening Health, Safety and/or Environmental Issues

Hasbro Critical Issues

Critical issues are those which represent a **negative impact** to individual rights, life safety and/or Hasbro's corporate reputation.

They align with the Responsible Business Alliance (formally known as EICC) Code of Conduct. These issues should be immediately addressed if identified in Licensee manufacturers. Licensees shall develop a corrective action plan with the manufacturer and demonstrate effective remediation to be verified in a follow-up audit in order to maintain approval.

Forced labor

- Workers paying recruitment, hiring or other fees;
- Workers restricted from voluntary employment termination or penalized when given notice;
- No contract/conditions communicated prior to employment;
- Contract substitution for materially worse conditions;
- Personal documents are involuntarily held or access is denied when requested;

- Workers are restricted to movement with severe threat;
- Employees are fined or penalized for refusing to work overtime.

Child labor

- No process to ensure age documentation is correct;
- Young workers found doing hazardous work, night or overtime work.



Wages and Benefits

- Workers are not allowed time off for illness or maternity with valid medical certificate or do not receive legal maternity benefits;
- Workers being paid below minimum wage or delayed wage payments;
- Payment of government or regulatory deductions have not been made or paid on time;
- Incorrect legally required employer contributions paid;
- Social insurance at 100% (China: Injury, accident insurance covered at least 80%);
- Inconsistency is found in payroll/time records.

Working Hours

- Working hours are more than 60 hours/week (systemic or > 40% of workers) or more than 72 hours/week (> 15% of workers) or more than 84 hours/week (any worker);
- No rest day after every 6 consecutive days of work, between 6-12 days (systemic or > 40% of workers) or more than 12 days (> 5% of workers) or more than 24 days (any worker).

Abuse and Discrimination

- Verified inhumane treatment reported without action taken by factory management;
- Verbal or physical abuse by supervisors or management;
- Management discriminates in a structured way that causes significant harm to a protected class;
- Factory actively retaliates against worker;
- Employees selected for interviews by auditors were coached or intimidated by management;
- Migrant employees receive lower wages for the same job held by local employees;
- Employees were punished for participating in union activities;
- Employees were dismissed for participating lawfully in a labor strike.

Health, Safety, and Environment

• Occupational Safety

- Imminent risk of loss of life, or limb;
- Insufficient risk assessment and management of chemical safety;
- Appropriate PPE is not worn and there is immediate risk to workers;
- Dormitory shared with production building/warehouse, or vice versa.

• Emergency Preparedness

- Lack of, or inadequate firefighting equipment, automatic detection system, alarm or notification system;
- No risk assessment AND no emergency response plan;
- Insufficient number of required emergency exits and/or evacuation/exit signs are not installed, insufficiently powered, do not function properly, obstructed or not visible. (systemic or 3 minor issues);
- Emergency exits are blocked, not easily opened, or lacking easy access;
- No emergency evacuation drill held in last 12 months or more;
- PPE is not in good condition, sufficient, visible or easily accessible.

• Occupational Injury and Illness

- Lack of medical emergency personnel or procedures.

• Machine Safeguarding

- Worker operate machine unsafely with immediate risk of life or limb.

• Sanitation, Food, and Housing

- Dormitory/Apartment and/or Canteen/kitchen is unsafe with immediate risk of loss of facility, life or limb.

• Environmental

- Environmental conditions are evident that could cause imminent negative impact on workers or the community.

Hasbro Auditor Resources



AUDIT FIRM	SCOPE	NAME	EMAIL
Arche Advisors	Europe, Americas	David Vargas	david.vargas@arheadvisors.com
Elevate	Europe	Alessandra Fabbri	alessandra.fabbri@elevatelimited.com
	North America	Ayari Flores	aflores@elevatelimited.com
	South America	Magalli Sanchez	msanchez@elevatelimited.com
Footprints CSR	Bangladesh, China, India, Indonesia, Japan, Malaysia, Philippines, Sri Lanka, Taiwan	Saif Khan	saif.khan@footprintscsr.com
KSI Consultancy	Turkey	Atila Cilesiz	atilla.cilesiz@gmail.com
Openview	Bangladesh, Cambodia, China, Hong Kong, India, Indonesia, Macao, Pakistan, Taiwan, Thailand, Vietnam	Merry Zhang	merry.zhang@openviewservice.com
Social Compliance Service Asia (SCSA)	China, Hong Kong, Indonesia, Macao, Taiwan, Thailand, Vietnam	Samuel Wong	samuel.wong@scagroup.com
Velar	Argentina, Brazil, Chile, Colombia, Ecuador, El Salvadore, Guatemala, Mexico, Peru, USA	Oxfander Ramirez	oramirez@velar-intl.com

NOTE: Subject to change in Hasbro's sole discretion

Hasbro Ethical Sourcing Contacts

SCOPE	NAME	EMAIL
General	Hasbro Compliance Inbox	vendorcompliance@hasbro.com
Licencees based in: Africa, Europe, Middle East, North and South America	Amelia Subervi	amelia.subervi@hasbro.com
Licencees based in: Asia Pacific and India	Bryan Mak	bryan.mak@ap.hasbro.com



Frequently Asked Questions

1. Which factories need to be disclosed to Hasbro through LAS?

Only final assembly factories must be disclosed to Hasbro through LAS for Ethical Sourcing approval. This includes both owned and third-party manufacturers.

2. Our factory was recently audited, do we still need to conduct a social compliance audit for Hasbro?

To avoid duplication of efforts, Hasbro will often accept audits conducted within the twelve months prior to the intended production start date. The Hasbro Ethical Sourcing team will evaluate submitted audit reports on a case-by-case basis to determine whether the audit is acceptable for review and subsequent approval. Criteria for acceptance is based on the audit date (should be within the last 12 months), whether the audit was conducted by a reputable auditor and provides detailed and comprehensive information regarding factory working conditions in Hasbro's sole discretion.

3. How long does it take to get factories approved?

The length of time it takes for a factory to achieve approval varies. Ethical Sourcing review of a factory cannot begin until an audit report is uploaded. After a new audit report is uploaded in LAS, we strive to review and process it within 48 hours, but it may take up to five (5) business days.

It is advised to begin the approval process as soon as possible since the time period for approval can vary depending on factory's initial level of compliance. Factories new to

auditing or at a lower level of compliance may take several months to reach an acceptable level of compliance.

4. Does the audit report need to be uploaded into each record that has the factory assigned?

The audit report needs to be uploaded **only once** in one production record but will appear in every record under the tab **View Audit Reports**. For subsequent production records, the licensee needs only to select the factory previously assigned and there is no need to re-upload the audit report.

5. What happens if the factory is approved when it is initially assigned to a record, but then expires before production begins?

Licensees must monitor factory compliance year-round and submit updated social compliance audit reports in LAS once approval expires (after 12 months or 120 days following the identification of Hasbro Critical issues). The notification for factory approval expiration can be found in the **Status Summary** tab.

6. Why does my newly-assigned factory show up as "Pending"?

If the Vendor Compliance status of a newly-assigned factory is "*Pending*" for more than 2 days, it is likely due to a licensee not having entirely completed the **Factory Details** box. Please re-select the factory in **Add Factory Assignment**, update **Factory Details**, click both check-boxes, and click **Add Factory**.

Hasbro Factory Self-Assessment Questionnaire

Licensee Name:

Facility Name:

Date of Self Assessment:

Please fill out every question on this form to the best of your ability and upload to the LAS *Upload Audit Report* tab.

FACTORY-LEVEL SOCIAL RESPONSIBILITY

Factory Information & Contact

1 Company Name:

2 Factory Name (Business License Name):

3 Factory Address:

4 Factory City:

5 Factory State or Province:

6 Factory Country:

7 Factory Postal Code:

8 Please note what products are produced at this factory:

9 During the last 12 months, were there any public demonstrations, protests, or adverse media reports involving your factory's operations or business conduct?

Workforce Profile

1 How many people are employed onsite at your factory?

2 How many male workers, including both local and foreign migrant workers (please exclude supervisors/executive/management/professional) are employed at your factory?

3 How many female workers including both local and foreign migrant workers (please exclude supervisors/executive/management/professional) are employed at your factory?

Young Workers

- 1 How many male and female student, intern and apprentice workers are employed at your factory?
- 2 Does the factory employ workers younger than 15 or local legal age, if higher?
- 3 How many workers employed at your factory between the ages of 15 and 18?
- 4 Do any young workers perform night work, hazardous jobs, or are they exposed to risks from chemicals, machinery, tools or excessive cold, heat, or noise?

Contract Workers

- 1 Does your factory use third-party workforce recruiters to provide foreign or migrant workers?
- 2 Please specify how many third-party workforce recruiting agencies are used.
- 3 How many male and female indirect, contract or dispatch workers are employed at your factory (both local and foreign, persons not under a direct contract to the factory and not management level)?
- 4 How many indirect, contract, or dispatch workers are migrant workers? Which countries of origin are these workers representing?

Migrant Workers

- 1 How many female and male migrant workers are employed at your factory? Please exclude supervisors/executive/management/professional.
- 2 List the number of foreign migrant workers by nationality.
- 3 Main languages spoken by workers: (including migrant workers). Please exclude supervisors/executive/management/professional.

Forced Labor

- 1 Are workers free to resign from their employment at any time without penalty, giving reasonable notice?
- 2 Are any of the workers under bond, debt, or other obligation to the factory or to labor brokers?
- 3 Are workers free to leave the factory and related dormitories during non-working hours and at the end of their shift?
- 4 Does the factory (or labor broker) withhold worker ID cards or passports?
- 5 Are workers required to deposit money prior to or during employment?



Thank you

