



Environmental policy

Introduction

TOP-TOY aims to be a responsible company that supplies fun, safe and good quality toys and other products for children. Our core objective is to make children smile and have a positive impact on their lives and development.

We are committed to complying with national environmental laws, regulation and standards and are guided by principles 7, 8 and 9 of the UN Global Compact and principle 7 of the Children's Rights and Business Principles. In addition, our Code of Conduct 'The TOP-TOY way - Promoting a culture of responsibility' describes the principles that guide our behaviour.

Our commitment

We want to grow our business, but we care about how we do it. We strive to run our business in a way that is socially, environmentally and economically sustainable. By sustainable, we mean meeting the needs of the present generation without compromising the ability of future generations to meet their needs. In other words, we have a responsibility to care for the planet and respect the rights of children, so they can continue to grow up and play in a healthy environment.

We are committed to minimising our overall impact on the environment while striving to promote environmentally responsible behaviour among our employees, suppliers and business partners. However, we also wish to underline that we operate in a global context where we need to focus our environment-related efforts on those areas where we can make the most positive change. Since we do not own any manufacturing or production sites, our biggest direct environmental impact is in our distribution setup and retail stores.

Our priority areas

We want to improve our ability to manage risks and develop innovative and viable solutions for mitigating those risks within our priority areas.

Our priority areas are:

- **Energy and emissions**

We strive to optimise our use of energy in stores, warehouses and office premises and, through that, reduce our overall consumption and carbon footprint.

- **Product packaging**

We will ongoingly integrate environmental considerations in the packaging of our own-brand products to reduce our use of packaging materials while ensuring a perceived value for our customers and, at the same time, making sure that products are properly protected and comply with labelling regulations.



- **Waste**

We strive to improve our waste management through the implementation of a *reduce/reuse/recycling* standard in our operations.

- **Transportation**

We aim to optimise product transportation to minimise emissions while reducing costs. This will be achieved through improved planning, smarter purchasing decisions, efficient storage solutions and careful selection and use of modes of transportation.

- **Product suppliers**

We wish to promote greater environmental responsibility in the factories that produce our products. We do not own any manufacturing facilities, but our objective is to minimise our environmental footprint by including environmental considerations in our factory audits in the future.

- **Investments and purchases**

We will consider the environmental aspects of indirect procurement when evaluating supplier offers.

Raising a concern and request for further information

Every employee has the right and duty to address any environmental concerns related to our operations and products. They should do so using the escalation ladder defined in our Code of Conduct.

External parties who wish to raise a concern or complain can do so by:

- Using our customer service channels
- Sending an e-mail to com@top-toy.com

Scope

The environmental policy applies to all employees at TOP-TOY, including employees working on short-term contracts or part-time.

The Communications & Sustainability department will regularly review and update this policy as required.

Reporting and communication

We will communicate the progress of the implementation and our work with the environmental policy and priority areas in our annual performance report.