

The background of the cover features a geometric design with large, overlapping triangles in shades of red and grey. A thick red horizontal bar is positioned near the top, and another is near the bottom. The text is centered and uses a clean, sans-serif font.

RADIO FLYER

**COMMUNICATION
OF PROGRESS**

UN GLOBAL COMPACT

2018

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STATEMENT OF SUPPORT

JULY 5TH 2018



I am pleased to confirm that Radio Flyer reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption. To create a truly sustainable company, our operations, materials, business relationships and employee and community support must all meet the highest standards of environmental and social performance. In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

Sincerely,

Robert Pasin, Chief Wagon Officer

HUMAN RIGHTS



Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2:

Make sure they are not complicit in human rights abuses.

ASSESSMENT, POLICY AND GOALS

At Radio Flyer our mission is to bring smiles and warm memories to families all over the world, including in our offices and neighborhoods. Adhering to the principles of human rights is central to our core value and belief system. We strive to respect and support all human rights in accordance with the UN guiding principles. Radio Flyer is in compliance with all applicable laws and respect the internationally recognized human rights everywhere we do business. We also strive to enhance the lives of our employees outside of the office. We provide our employees with access to basic healthcare, as well as financial support to encourage employees to develop healthy habits that drive physical health and wellness. We also provide employees with access to a free support program that provides counseling and support resources for personal issues.

MEASUREMENT OF OUTCOMES

Radio Flyer is an award winning workplace due to training programs, engaged employees, and our commitment to maintaining a safe and inclusive work environment. In 2017, Radio Flyer has been ranked as a the #1 best place to work in Illinois by The Daily Herald, the #3 great place to work in Chicago by Fortune, and the #2 best place to work for minorities in Chicago by Crain's. Additionally, Radio Flyer scored a 96% satisfaction rate with employees. To avoid any infringements on human rights Radio Flyer has a suggestions and an ethics box available for all employees to report their concerns and suggestions confidentially. All concerns are handled directly by the head of human resources and the CEO.



LABOR PRINCIPLES

3

Uphold the freedom of association and the effective recognition of the right to collective bargaining

4

The elimination of all forms of forced and compulsory labor

5

The effective abolition of child labor

6

The elimination of discrimination in respect of employment and occupation

Assessment Policy and Goals

Radio Flyer Inc. fully supports equal employment opportunity and is committed to compliance with all applicable federal and state laws, executive orders, and administrative regulations regarding the same. Radio Flyer Inc. makes all employment decisions without regard to age, race, color, disability, religion, national origin, sex, marital status, pregnancy, sexual orientation, veteran status, status with regard to public assistance, or other legally protected categories, characteristics or conduct. Radio Flyer is also committed to complying fully with all applicable federal, state, and local laws that are designed to promote equal opportunity employment for qualified persons within disabilities. It is Radio Flyer's intention to adhere to both the letter and the spirit of the laws and regulations to further the principle of equal employment opportunity.

Our goal at Radio Flyer Inc. is to provide a workplace where every employee feels respected, valued and comfortable. To preserve this atmosphere, Radio Flyer Inc. has a no tolerance policy for harassment, discrimination, or abusive conduct by anyone – including employees and non-employees, such as vendors and customers of the Company – who harasses, disrupts, or interferes with another person's work performance or creates an intimidating, offensive or hostile working environment.



LABOR PRINCIPLES

Measurement of Outcomes

The health, safety, and fair treatment of the workers in the manufacturing plants where our suppliers make our products are critical aspects of our commitment to responsibly made products. Our products are manufactured in the United States and overseas. 99.9% of our overseas volume comes from suppliers who have received the “ICP Seal of Compliance” and we are working toward our goal of 100%. This seal means that the facilities have been audited and met the standards of the International Council of Toy Industries (ICTI) ethical manufacturing program, called the ICTI CARE Process (ICP). The Seal of Compliance ensures that these facilities have responsible practices in the areas of health and safety, child and forced labor, working hours and wages, discrimination and disciplinary practices, and social benefits. At Radio Flyer we value diversity and equal opportunities for all. Currently women hold 42% of management positions in our US office and 56% of management positions in our international office.





Environmental Principles

PRINCIPLE 8

Businesses should support a precautionary approach to environmental challenges

PRINCIPLE 9

Undertake initiatives to promote greater environmental responsibility

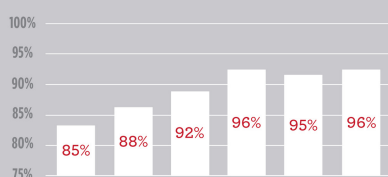
PRINCIPLE 10

encourage the development and diffusion of environmentally friendly technologies



RECYCLING AT RADIO FLYER HQ

2012 2013 2014 2015 2016 2017



ASSESSMENT, POLICY AND GOALS

Prompted by our concern about climate change, we have taken on several initiatives to minimize our carbon footprint. Some of these include converting our headquarters to a LEED certified building that uses geothermal energy. Increasing recycling and composting efforts so that headquarters can reach our goal of becoming a zero waste facility. Tracking our energy use and GHG emissions and setting reduction goals. We also work with our manufacturers to motivate and assist them in reducing their emissions. In effort to find more sustainable materials for our products we engaged our suppliers through an intensive chemical foot-printing effort to increase transparency for all intentionally added chemicals in our products. This has allowed us to identify areas for improvement and drive change towards safer materials.

MEASUREMENT OF OUTCOMES

To help us reach our sustainability goals we have engaged in partnerships with foundations whose commitment to sustainable development align with ours. In efforts to preserve our environment for future generations we partnered with the Arbor Foundation to plant trees for product purchased. We have planted over 125,000 trees since 2013.

To benchmark our sustainability program against industry best practices, Radio Flyer reports annually to the Chemical Footprint Project, the Walmart Sustainability Index, and the Carbon Disclosure Project. These partnerships continue to inspire, motivate, and educate us on how we can become more sustainable.

Sustainability is ingrained in the companies mission. Our Eco Flyer teams helps identify ways in which our employees can reduce their carbon footprint both at home and at work. With help and diligence from all our employees, currently 95% of waste from headquarters is recycled and we continue to aspire towards 100%. Additionally, as we continue our work towards finding safer chemical alternatives for our products we have removed 150,000 lbs of PVC from our product line from 2014-2016. As of 2016 we are now 97.8% PVC Free.



ANTI-CORRUPTION



PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery.

ASSESSMENT, POLICY AND GOALS

At Radio Flyer Inc. we stand firmly against corruption and bribery in all its forms. Radio Flyer's Global Code of Business Conduct requires compliance with the laws wherever we do business. Radio Flyer requires all of our employees and non-employees such as, contractors, consultants and others to know and follow the Global Code of Business Conduct. It is Radio Flyer's policy to never conceal defective work or material, falsify records or make false certifications or claims regarding its products. It is against Radio Flyer policy for any employee to accept any type of gift or gratuity of any monetary value from a Radio Flyer supplier, customer or vendor. Additionally, all employees are trained on the code of conduct and undue influence.

MEASUREMENT OF OUTCOMES

Each Radio Flyer employee has an individual responsibility to deal ethically with customers, suppliers, and fellow employees. All employees are expected to do more than merely avoid unethical conduct. It is the obligation of all Radio Flyer employees to raise ethical concerns and report any actual or suspected ethical misconduct. Radio Flyer's business integrity is reflected in a concrete way in its books and records. At Radio Flyer living with integrity is one of our core values.