



FUELING FUN, FOSTERING SUSTAINABILITY



**FUNSKOOL INDIA LTD.
SUSTAINABILITY REPORT
2023-24**



Fueling Fun, Fostering Sustainability

At Funskool, we are dedicated to inspiring, engaging, and entertaining every child, aiding their holistic growth and development, while ensuring a sustainable future. As India's leading toy manufacturer, we understand the profound impact our products and operations can have on the environment and society and therefore, have seamlessly integrated environmental stewardship, social responsibility, and ethical governance into the fabric of our operations.

This sustainability report showcases our unwavering commitment to fueling fun while fostering sustainability. We believe that creating joyful play experiences for children should not come at the cost of compromising our planet's well-being. Instead, we are dedicated to integrating sustainable practices throughout our business, from product design and manufacturing to community engagement and corporate governance to minimize our ecological footprint, empower our communities, and cultivate a greener tomorrow for the children we serve.

Through this report, we aim to provide a transparent and comprehensive overview of our sustainability journey. We celebrate our achievements, acknowledge challenges, and outline our future goals, underscoring our determination to be a catalyst for positive change.

From investing in renewable energy to embracing eco-friendly materials, our sustainability efforts are rooted in a deep respect for the environment. Moreover, we recognize that our responsibilities extend beyond environmental stewardship. While actively promoting diversity, equity, and inclusion, we empower our workforce and collaborate with local communities to foster meaningful progress and inclusivity.

As we navigate the challenges and opportunities ahead, we remain steadfast in upholding the highest standards of corporate governance and responsible decision-making. Transparency, accountability, and continuous improvement are the guiding principles that shape our sustainability journey.

Join us as we fuel fun while fostering sustainability, creating a world where play and environmental responsibility go hand in hand. Together, we can build a vibrant, healthy, and sustainable future for the children of today and generations to come.



About the Report

Funskool is delighted to present its first Sustainability Report, covering the financial year 2023-24. This comprehensive document offers an in-depth overview of our Environmental, Social, and Governance (ESG) goals and the progress we have achieved in these areas.

Reporting Scope and Timeline

This report focuses on Funskool's non-financial performance and activities from April 1, 2023, to March 31, 2024. The report primarily focuses on the non-financial information and data specific to our operations, with a particular emphasis on our state-of-the-art manufacturing facilities located in Corlim, Goa, and Ranipet, near Chennai in Tamil Nadu, India.

Funskool's sustainability report has been developed in accordance with the comprehensive Global Reporting Initiative (GRI) Standards 2021. The disclosures in this report are aligned with various national and global frameworks, including:

- United Nations Environment Programme (UNEP) & Global Compact (UNGC) Principles
- International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability
- Sustainability Accounting Standards Board (SASB)
- United Nations Sustainable Development Goals (UN SDGs)

While this report provides a comprehensive overview of Funskool's sustainability initiatives and progress, the information presented is primarily concentrated on our manufacturing operations, unless stated otherwise. The financial information included in this report pertains to the company-wide financial performance during the same period.

Materiality Assessment: Identifying Key Priorities

In FY 24, Funskool conducted a thorough materiality assessment to identify and prioritize the most critical sustainability topics for our business and stakeholders. This process involved engaging with key stakeholders, analyzing industry trends and peer benchmarking, and seeking input from our senior management.

Commitment to Transparency and Accountability

Funskool's Board of Directors and senior leadership have meticulously reviewed and approved this Sustainability Report. Their endorsement serves as a testament to the presence of all relevant information and accurate data, along with essential disclosures.

We are dedicated to maintaining the highest standards of transparency and welcome feedback from our stakeholders on the content and quality of this report. Please feel free to reach out to us at ho@funskool.com to share your insights and suggestions.

Leadership Message

From the desk of the CEO



Dear Stakeholders,

At Funskool, sustainability is at the heart of our purpose- to delight every child while nurturing their holistic growth. This inaugural Sustainability Report reflects our steadfast commitment to environmental stewardship, social responsibility, and ethical governance.

Over the years, we have evolved into a leading Indian toy manufacturer, renowned for our unwavering dedication to quality, safety, and customer delight. Importantly, our journey has been guided by the integration of sustainable practices into the core of our operations.

We are proud to have taken significant strides in introducing eco-friendly toy lines, utilizing renewable energy sources, and promoting ethical labour practices across our manufacturing facilities. These efforts have been recognized through prestigious industry accolades, reinforcing our position as a responsible corporate citizen, prioritizing the well-being of our planet and its people.

As we embark on this sustainability journey, we recognize the immense responsibility we have towards the children who embrace our toys and the world they will inherit. By embedding sustainable practices into every aspect of our operations, we strive to create a future where playtime is not just joyful, but also environmentally conscious and socially inclusive.

I am confident that this report will provide our stakeholders with a transparent and comprehensive understanding of Funskool's sustainability performance and the steps we are taking to create long-term value. We remain steadfast in our mission to inspire, engage, and entertain every child, and the child in every adult, while ensuring a sustainable and equitable future for all.

“As we embark on this sustainability journey, we recognize the immense responsibility we have towards the children who embrace our toys and the world they will inherit.”

Thank you for your continued trust and support.

Sincerely,

R Jeswant

Chief Executive Officer

About Us

Funskool's purpose is to inspire, engage, and entertain every child, and the child in every adult. As India's leading toy manufacturing and distribution company, we have been at the forefront of the industry for over three decades.

Funskool's Journey

Conceived in 1986 as a joint venture between the MRF Group and Hasbro Inc., Funskool began its commercial operations in 1988. Over the past three decades, we have grown to have a presence in over 4,819 retail stores across India with 91 distributors and our products forming a significant part of the toy portfolios of major e-commerce and modern trade brands.

Manufacturing Excellence

Funskool operates three state-of-the-art manufacturing facilities, the first of which is a sprawling 150,000 sq. ft. plant in Corlim, Goa. Our two other factories, located in Ranipet near Chennai, have a combined built-up area of 308,000 sq. ft.



Pioneering Quality and Safety

Funskool has been instrumental in pioneering the concepts of quality and safety in the Indian toy industry, setting high standards for us and the market. We have imbibed the core values of trust, quality, and customer delight from our parent company, the MRF Group, and uphold these principles through our product design, development, and operations.

Delighting Children through Innovation

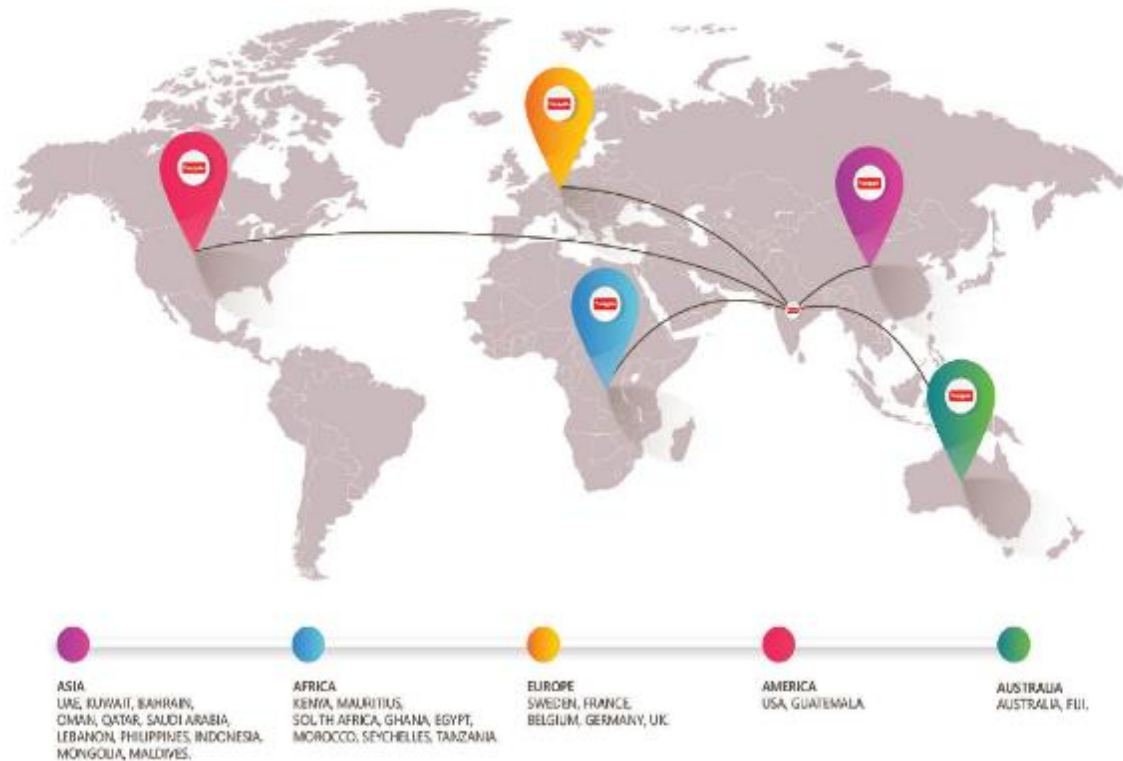
Funskool's success lies in our deep understanding of children's changing needs and preferences. We have obtained licenses from many international players to manufacture, distribute, and sell branded toys of international quality in India, ensuring that we offer an assortment to meet the needs of every parent and child.

Leading the Industry

Funskool is the market leader in the mid to premium range of the Indian toy market, having surpassed Mattel in 2014. We have expanded our portfolio by acquiring the rights to produce the board game Abalone and action figures based on the popular Chhota Bheem series.

Global Presence

Funskool's products are currently exported to various regions, including Indonesia, Mongolia, Maldives, Australia, Egypt, Morocco, Seashells, Mauritius, South Africa, Ghana, Ivory Coast, Tanzania, Kenya, UAE, Saudi Arabia, Kuwait, Bahrain, France, Germany, UK, Hungary, Russia, US and Guatemala.



Our Dedicated Team

At the heart of Funskool's success is our dedicated team of over 1,000 employees who work tirelessly to ensure that the children of our country can play hard and enjoy their childhood to the fullest.



Mission and Vision



Our Vision

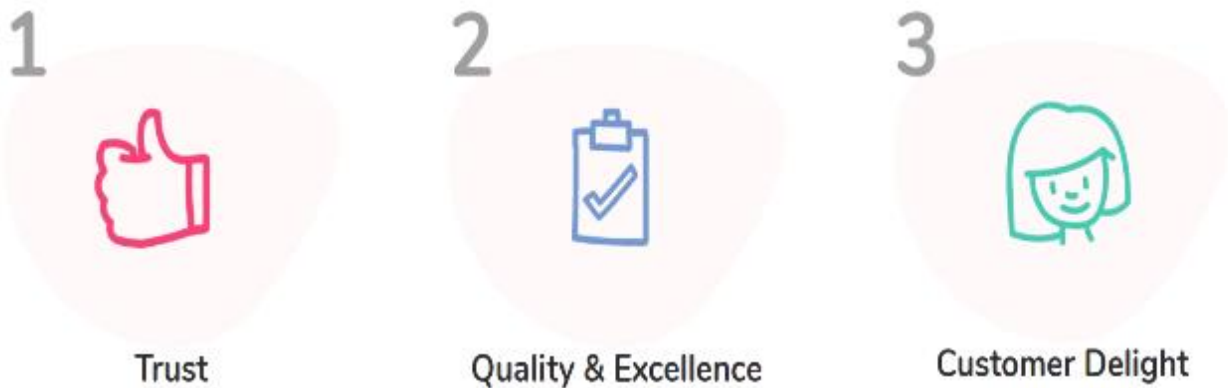
With our toys, delight every child and aid in their holistic growth.



Our Mission

- To inspire, engage and entertain every child to realize their true potential and to enhance their sensory, motor and cognitive abilities;
- To forge in them values their parents espouse;
- To be the subtle, sublime force that advances their imaginary world;
- To offer a pleasant, fulfilling diversion for an adult, keeping the child in them vibrant.

Values



The Funskool Journey: From Humble Beginnings to Industry Leader

Funskool's story is one of resilience, innovation, and a relentless pursuit of excellence in the toy industry. Founded in 1986 as a joint venture between the MRF Group and Hasbro Inc., the company has evolved into a trusted name synonymous with quality, creativity, and a deep understanding of the ever-changing preferences of children and parents alike. This comprehensive timeline chronicles Funskool's remarkable growth, from its humble beginnings in Goa to its position as a leading toy manufacturer and distributor in India and beyond.

Laying the Foundation: Early Years

Funskool's journey began in 1986 when it was conceived as a joint venture between the MRF Group and Hasbro Inc., two industry giants. In 1988, the company commenced commercial operations, inaugurating its first factory in Corlim, Goa. This factory, now spanning an impressive 150,000 square feet, set the stage for Funskool's future expansion and success.

The early 1990s marked a significant milestone for the company, as it executed its first export order in 1992, showcasing the quality and appeal of its products on the global stage. This achievement paved the way for Funskool's continued growth and established its reputation as a reliable and innovative partner in the toy industry.

Expanding Horizons: Growth and Diversification

Manufacturing Footprint

In 1999, Funskool commissioned its second factory in Ranipet, near Chennai, with a built-up area of 90,000 square feet. This expansion allowed the company to increase its production capacity and reach new markets. The company's commitment to quality and efficiency was further strengthened in 2014 when it was awarded the ISO 9001:2015 certification.

Partnerships and Exclusivities

Funskool's growth trajectory has been marked by strategic partnerships and exclusive distribution agreements. In 2003, the company launched Tomy for Infants & Pre- school in India, solidifying its position in the early childhood education market. In 2010, it became the exclusive distributor for Lego in India, helping the iconic brand reach new heights in the country.

Diversifying the Portfolio

Funskool's product portfolio has evolved to cater to the diverse needs of its customers. The company has introduced a range of beloved brands, including Beyblades, Rubik's, Dobble, Abalone, and Catan. In 2014, Funskool also launched its own brand of children's dough, FunDough, further demonstrating its commitment to innovation and quality.

Expanding the Horizons: Global Reach and Partnerships

Global Expansion



Funskool's success has not been limited to the Indian market. The company has strategically expanded its reach, forging partnerships and distribution agreements with global brands. In 2018, Funskool launched Playmobil, a renowned German toy brand, in India, further diversifying its product offerings and catering to the evolving preferences of its customers.

Strengthening Partnerships



Funskool's commitment to building strong partnerships is exemplified by its long-standing association with Siku, Asmodee, Leap. The company has been recognized as a Key Strategic Supplier by Mothercare, a testament to the trust and reliability it has built over the years.

Continuous Innovation



Funskool's dedication to innovation is a driving force behind its success. In 2020, the company introduced Wave Racers, a unique toy that allows children to move cars with a wave of their hand, showcasing its ability to adapt to the ever-changing preferences of its young consumers.

The Funkskool Advantage: Delivering Joy and Quality



Creativity

Funkskool products are designed to spark creativity and imagination in children, encouraging them to explore, experiment, and express themselves through play.



Safety

The company's commitment to safety is reflected in its rigorous quality control measures and certifications, ensuring that its toys are not only fun but also safe for children to enjoy.



Sustainability

Funkskool's focus on sustainability is evident in its eco-friendly product offerings and manufacturing processes, contributing to a greener future for generations to come.



Innovation

Funkskool's continuous pursuit of innovation enables it to stay ahead of the curve, introducing cutting-edge toys that cater to the evolving needs and preferences of children and parents alike.

Product Overview

At Funkskool, our product portfolio reflects our commitment to sustainability and innovation. We take pride in offering toys that not only captivate children's imaginations but also contribute to their holistic development while minimizing our environmental impact.



Eco-Friendly Toys

Funkskool's commitment to sustainability extends to its product offerings. We have introduced a line of eco-friendly toys made from sustainable materials, such as recycled plastic, organic cotton, and responsibly sourced wood as evidenced by the introduction of Plan Toys, a brand of high-quality, eco-friendly wooden toys. These products are designed to educate children about environmental conservation while providing endless hours of fun and learning.

Educational Toys

Our educational toys are crafted to nurture children's cognitive, motor, and problem-solving skills. By incorporating sustainable themes and eco-friendly materials, we aim to instill a love for nature and an appreciation for sustainability from an early age.

Traditional Toys with a Twist

We have reimagined traditional toys by infusing them with sustainable elements. For instance, our line of board games and puzzles are made from recycled materials, and the packaging is biodegradable, promoting responsible consumption and waste reduction.

Imaginative Play with a Purpose

Funskool's product portfolio also includes beloved brands like Sylvanian Families, which offer a delightful range of collectible dolls and playsets. These charming toys foster imaginative play and storytelling, are a crucial aspect of a child's development, appealing to children's natural curiosity and love for role-playing and our toys cater to this need while promoting sustainability. From eco-friendly dolls and action figures to sustainable building sets, our products encourage creativity while minimizing their environmental footprint.

Electronic Toys for Learning

Recognizing the importance of technology in modern play, Funskool has also expanded its offerings to include electronic toys from VTech. These educational toys blend fun and learning, providing children with engaging experiences that support their cognitive and motor skill development.



Through our product offerings, we aim to inspire a generation of environmentally conscious individuals who understand the importance of preserving our planet for the future. By combining sustainability, education, and fun, we strive to create a lasting positive impact on children and the world they will inherit.

Memberships & Associations

Funskool is an active member of several industry associations and organizations that promote sustainability, ethical business practices, and product safety standards:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	Plastic Promotion Council	National
2	Federation of Indian Export Organization (FIEO)	National
3	Sustainable Goa Plastic Collective (SGPC)	State

Certifications

Funskool's commitment to quality, safety, and sustainability is reflected in the following certifications:

<p>ISO 9001:2015 Certification for Quality Management Systems</p>	<p>IETP Certification for ICTI Ethical Toy Program</p>	<p>Disney ILS (International Labour Standards)</p>
<p>RBA (Responsible Business Alliance)</p>	<p>BSCI (Business Social Compliance Initiative)</p>	<p>FSC (Forest Stewardship Council)</p>
<p>WCA (Workplace Conditions Assessment)</p>	<p>SMETA 4 Pillar (Sedex Members Ethical Trade Audit)</p>	<p>BIS (Bureau of Indian Standards) Accreditation for Manufacturing Electronic Toys</p>

Awards & Accolades

Funskool has been recognized for its excellence in sustainability, quality, and business practices through various prestigious awards and accolades:

- 'e4m Pride of India 2023' Award, recognized as one of the Top Brands in Tamil Nadu



- Best Toy Product (Figurines) award by Warner Bros. (2023)



- **Platinum Award for Export of Toys, presented by SGEPC** (Sports Goods Export Promotion Council), under the Ministry of Commerce & Industry (2021-22 & 2020-21)



- 'Certificate of Excellence' Award for achieving 'Zero Product Failure' and 'Commitment to Quality' by BIS (Bureau of Indian Standards)



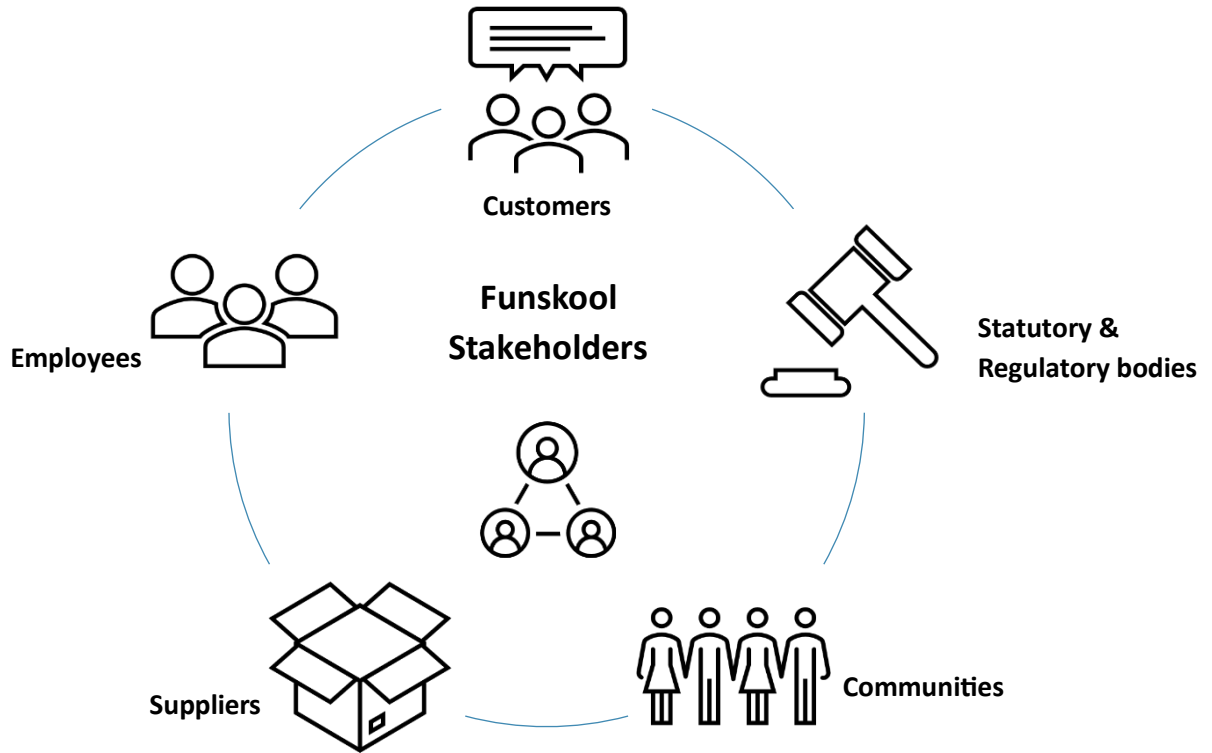
Materiality Assessment


Stakeholder Identification & Engagement Framework




At Funkskool, stakeholders include individuals, groups, and organizations that directly or indirectly engage with or are impacted by our operations. We prioritize stakeholder engagement based on the significance of stakeholders to our operations or the impact of our operations on them. Our main stakeholders are employees, customers, suppliers, investors, local communities, and regulatory authorities.




Funkskool engages with the identified stakeholders through various communication channels and methods tailored to meet the evolving needs of stakeholders. The methods of engagement may vary over time to ensure effective communication and relationship-building




Stakeholder	Significance to Funkskool	Mode of Engagement	Frequency of Engagement	Priority Areas
 Employees	Funkskool's employees are the backbone of the organization, responsible for driving innovation, quality, and sustainability across its operations	<ul style="list-style-type: none"> - Employee surveys - Digital communications (emails, intranet) - Training sessions - Town Hall meetings 	Daily/Ongoing engagement as required	<ol style="list-style-type: none"> 1. Employee welfare and development 2. Occupational health and safety 3. Inclusive work culture

Stakeholder	Significance to Funkskool	Mode of Engagement	Frequency of Engagement	Priority Areas
 Customers	<p>Customers, including parents and children, are the end-users of Funkskool's products. Their satisfaction and trust are crucial for the company's success.</p>	<ul style="list-style-type: none"> - Grievance handling & feedback mechanisms - Direct customer calls via toll free number - Electronic communication 	<p>Ongoing engagement as per customer needs and services</p>	<ol style="list-style-type: none"> 1. Product quality and safety 2. Sustainable Product offerings 3. Customer experience and satisfaction
 Suppliers	<p>Serves as indispensable partners in its value chain, ensuring timely procurement of high-quality raw materials and components crucial for its toy manufacturing operations.</p>	<p>Virtual, in-person/physical meetings for negotiations and follow-ups</p>	<p>Need basis</p>	<ol style="list-style-type: none"> 1. Responsible sourcing practices 2. Supplier sustainability assessments 3. Collaborative innovation
 Communities	<p>Funkskool's engagement with local communities around its manufacturing facilities is essential for fostering social development and building trust.</p>	<ul style="list-style-type: none"> - CSR activities - Community empowerment programs 	<p>Regular and need-based</p>	<ol style="list-style-type: none"> 1. Local employment 2. Sharing of socioeconomic benefits of development 3. Water and sanitation 4. Community development initiatives 5. Environmental protection

Stakeholder	Significance to Funkskool	Mode of Engagement	Frequency of Engagement	Priority Areas
 Statutory & Regulatory Authorities	Compliance with all applicable laws, regulations, and industry standards is critical for Funkskool to maintain its license to operate and reputation as a responsible manufacturer.	<ul style="list-style-type: none"> - Participation in conferences and seminars - Consultative sessions - Due diligence processes 	Need based, as deemed necessary by either party	<ol style="list-style-type: none"> 1. Compliance 2. Payment of revenue and taxes 3. Community Development


Identification of Material Issues

Funkskool conducted a comprehensive materiality assessment to identify the most significant environmental, social, and governance (ESG) issues relevant to our business and stakeholders and developed a list of prioritized material issues aligned with global frameworks. Key material topics include:




Environment

- GHG Emissions
- Climate change strategy
- Energy management
- Water use
- Waste management & circular economy
- Sustainable sourcing
- Sustainable packaging
- Chemical management
- Biodiversity



Social

- Diversity, Equity & Inclusion
- Human Capital Development
- Human rights
- Supply chain sustainability
- Product quality & safety
- Product design and innovation
- Community Development



Governance

- Ethical Marketing & advertising
- Data privacy and cybersecurity
- Regulatory compliance
- Corporate governance & Business Ethics

ESG Materiality Map

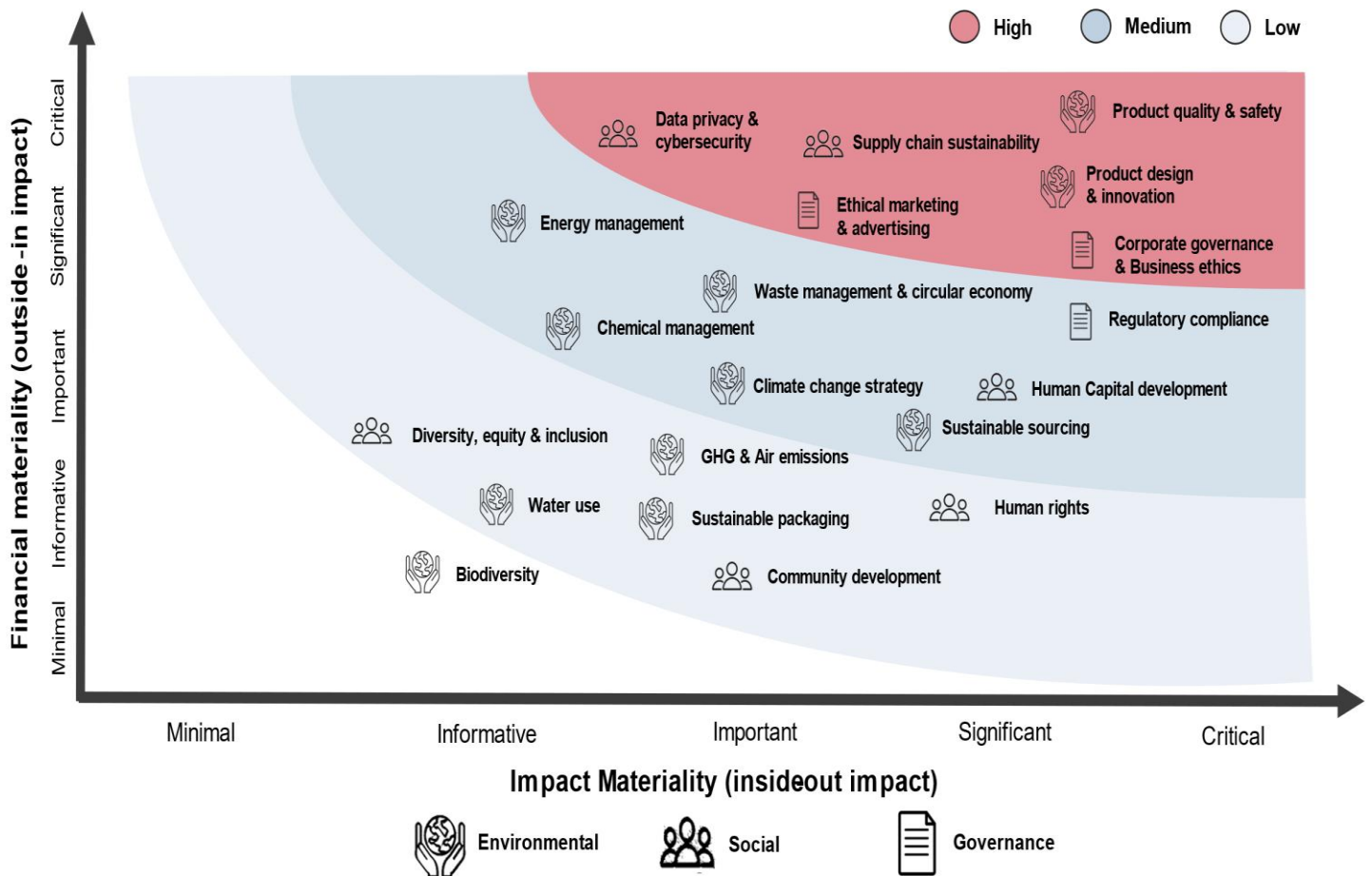
The ESG (Environmental, Social, and Governance) Materiality Map is a tool used to identify and prioritize the most significant environmental, social, and governance issues that are relevant to a company's business and stakeholders. The key aspects of the ESG Materiality Map are:

- Double Materiality Assessment:

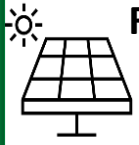
- Inside-out view: This focuses on Funkskool's impacts on people and the environment. Examples include damage to nature, resource depletion, or violations of human rights.
- Outside-in view: This focuses on how sustainability-related developments and events create risks and opportunities for Funkskool. Examples include damage due to climate disasters, introduction of new carbon taxes, etc.

- Prioritization:

The materiality assessment process helps identify and prioritize the most significant ESG issues based on their importance to the business and its stakeholders.



Key ESG Highlights



Renewable Energy Expansion

₹ 40 Lakh Investment on Solar power

ISO 14001

Certification for Goa plant



59%



Volume of primary products were made from renewable materials

66%

Volume of waste material generated was reused



0



Incidence of work-related injuries and Human Rights Complaints

9.16 Hours

Average Training and Development hours per employee



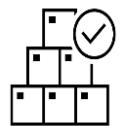
₹ 12 Lakh



invested in local communities

83%

procurement from local suppliers and 46 MSMEs as Suppliers



28.57%



female Directors on Board & Board Independence

100%

Regulatory Compliance



Environmental Performance



Environmental Policy and Commitments

Funskool is committed to minimizing our environmental footprint through responsible resource management, pollution prevention, and sustainable manufacturing practices. Our environmental policy outlines our commitment to:

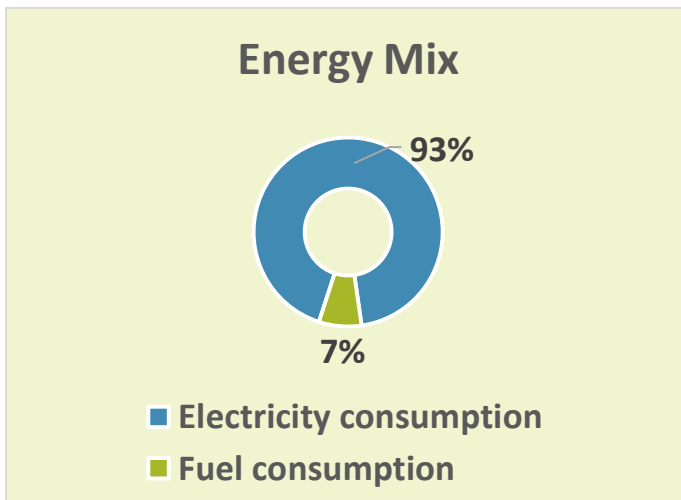
- Reduce greenhouse gas emissions
- Conserve natural resources
- Promote waste reduction and recycling
- Adopt renewable energy sources



Renewable Energy and Energy Efficiency

Funskool has undertaken several initiatives across its facilities to improve energy efficiency and increase the use of renewable energy sources.

Parameter (in Gigajoules)	FY24
Total electricity consumption (A)	23,019
Total fuel consumption (B)	1,866
Energy consumption through other sources (C)	-
Total energy consumption (A+B+C)	24,884
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ/INR Million)	9.78
Energy intensity (Total energy consumption/ Metric tonne of production) (GJ/MT)	1.405



Funskool's Goa facility is planning to install a solar power system to generate a portion of its electricity needs. The company has also implemented other energy-saving measures, such as the installation of motion sensor-controlled LED lighting and the use of natural lighting by fixing transparent sheets in the roof.

At the Ranipet 1 facility, Funskool has signed an agreement to purchase solar power from a third-party provider, starting from April 2024. The facility has also installed Variable

Frequency Drives (VFDs) in its production machines and implemented a street light timer system. Motion sensor-controlled office lighting has been introduced, and the facility has installed a timer to optimize the operation of its chiller compressors.

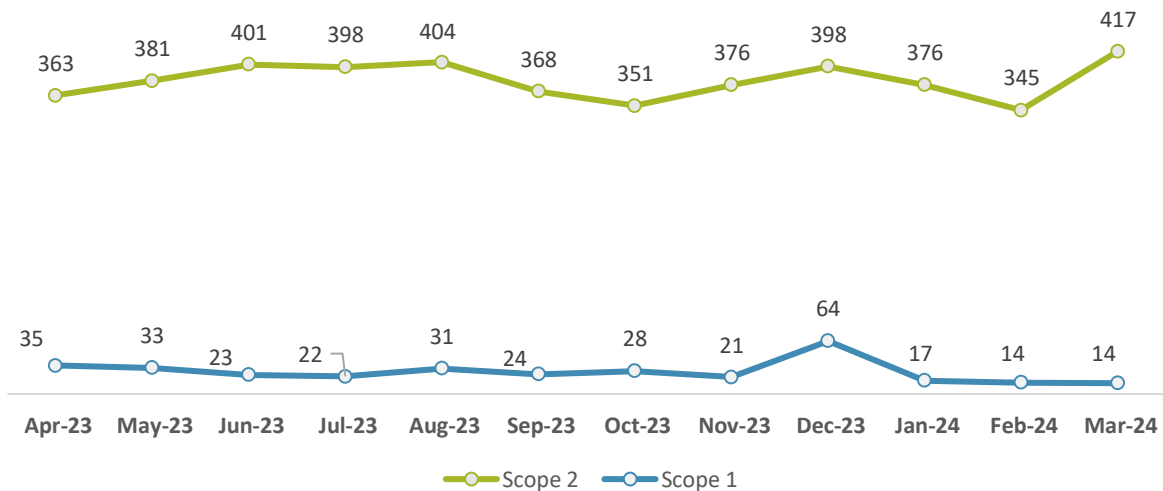
The Ranipet 2 facility has set a target to generate 800,000 units of renewable energy per year. The facility has also implemented measures to improve energy efficiency, such as the installation of BLDC (Brushless DC) fans to replace old models and the implementation of a thinner recycling machine to reduce the consumption of solvents.

Through these initiatives, Funkskool is working towards reducing its overall energy consumption and increasing the proportion of renewable energy in its energy mix. The company's efforts demonstrate its commitment to environmental sustainability and its pursuit of continuous improvement in energy management.

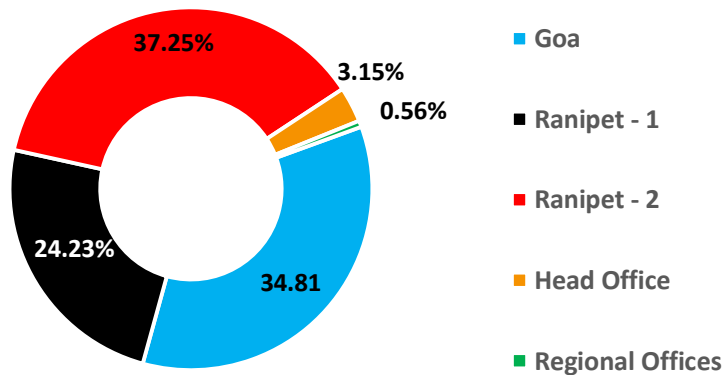


Emissions Management

Total Annual Scope 1 & Scope 2 GHG Emissions (tCO2e)



Total % of Total Annual Scope 1 + Scope 2 GHG Emissions by plant



Parameter	Unit	FY 24			
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃)	Metric tonnes of CO ₂ equivalent	327.68			
		tCO ₂	CH ₄ - tCO ₂ e	N ₂ O - tCO ₂ e	HFCs - tCO ₂ e
		134.11	0.19	0.37	193.01
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4,578.15			
		tCO ₂	CH ₄ - tCO ₂ e	N ₂ O - tCO ₂ e	HFCs - tCO ₂ e
		4758.15	-	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (tCO₂e/ ₹ Million)	tCO ₂ e/ ₹ Million	1.928			
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity* (PPP) (tCO₂e/Million \$)	tCO ₂ e/ Million \$	44.11			
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Metric tonne of production)					
Total Scope 1 and Scope 2 emission intensity	tCO ₂ e/ MT	2.77			

The majority of Funskool's greenhouse gas emissions are scope 2 emissions, which account for 93.4% of overall emissions, are indirect and result from the use of purchased grid electricity. By transitioning to renewable energy via onsite renewable energy generation & third party solar PPAs, Funskool can significantly reduce its emissions related to electricity consumption and helps decarbonize manufacturing processes and overall operations.



Eco-Friendly Manufacturing

Funskool is committed to reducing its environmental impact across its manufacturing operations. The company utilizes sustainable materials, such as recycled plastics and responsibly sourced wood, in the production of its toys. Additionally, Funskool has implemented various energy-efficient measures and waste management initiatives to minimize its carbon footprint.

59%

volume of Funskool's primary products used in production and packaging during the reporting period were made from renewable materials.



Water Stewardship

Funskool prioritizes water conservation and responsible water management practices. At the Goa facility, Funskool has installed an auto cut-off device for the overhead water tank to prevent water leakage and reduce unnecessary water consumption. The Ranipet 1 facility has also installed an auto cut-off device for the overhead water tank to address water leakage. Additionally, the facility has implemented a Sewage Treatment Plant (STP) and reuses the treated water for gardening purposes, thereby reducing the demand for freshwater. Similar to the other facilities, the Ranipet 2 facility has installed an auto cut-off device for the overhead water tank to minimize water leakage and wastage.

Parameter	FY 24
Total volume of water withdrawal (in kilolitres)	29194.045
Total volume of water discharged (in kilolitres)	18827.52
Total volume of water consumption (in kilolitres)	10366.525
Water intensity per rupee of turnover (KL/₹Million) (Total water consumption / Revenue from operations)	4.09
Water intensity per rupee of turnover adjusted for Purchasing Power Parity* (PPP) (KL/Million \$) (Total water consumption / Revenue from operations adjusted for PPP)	93.57
Water intensity in terms of physical output (Metric tonne of production)	
Water intensity (KL/ MT)	5.85

By addressing water leakage and implementing water recycling measures, the company is working towards optimizing its water usage and minimizing the impact on the shared water resources in the regions where it operates.



Waste Management and Circular Economy Initiatives

We are committed to reducing waste generation and promoting a circular economy model. Our waste management initiatives include recycling programs, waste segregation, and sustainable packaging solutions to minimize environmental impact and maximize resource efficiency.

Parameter	FY 24
Total Waste generated (in metric tonnes)	
Plastic waste	305.505
Other Non-hazardous waste generated	8.7
Total	314.205
Parameter	FY 24
Waste intensity per rupee of turnover (MT/INR Million) (Total waste generated / Revenue from operations)	0.123
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity *(PPP) (MT/ \$ Million)	2.82
Waste intensity in terms of physical output (Metric tonne of production)	
Waste intensity (MT_W/ MT_P)	0.177
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)	
Category of waste	
(i) Recycled	-
(ii) Re-used	206.92
(iii) Other recovery operations#	-
Total	206.92
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)	
Category of waste	
(i) Incineration	-
(ii) Landfilling	-
(iii) Other disposal operations	107.29
Total	107.29



Biodiversity Conservation

As part of our commitment to environmental stewardship, Funskool actively supports biodiversity conservation initiatives even though we do not have operations in ecologically sensitive areas. We engage in habitat restoration, tree planting, and wildlife conservation projects to protect ecosystems and biodiversity hotspots in our operational areas.



Environmental Targets

At Funskool, we recognize the critical need to address environmental challenges by embedding sustainability into every aspect of our operations. Our environmental targets are designed to reduce our carbon footprint, promote resource efficiency, and drive innovation in sustainable materials. By focusing on key areas such as greenhouse gas (GHG) emissions, renewable energy adoption, water conservation, and waste management, we aim to significantly reduce our environmental impact. These metrics include:

Category	KPI	Baseline (FY24)	Target Value	Target Year	Initiatives
GHG Emissions	Total Scope 1 and Scope 2 emissions Intensity (tCO ₂ e/MT)	2.77	Reduce by 25%	2027	Installation of solar power systems, energy-efficient lighting
Climate change strategy	Carbon intensity (tCO ₂ e/₹ Million)	1.928	Reduce by 25%	2027	Transition to renewable energy, energy efficiency measures
Energy management	Energy intensity (GJ/MT)	1.405	Reduce by 20%	2027	Installation of VFDs, LED lighting, solar power systems
Water use	Water intensity (KL/MT)	5.85	Reduce by 15%	2027	Auto cut-off devices, STP implementation, water recycling

Category	KPI	Baseline (FY24)	Target Value	Target Year	Initiatives
Waste management & circular economy	Waste intensity (MT/ MT of production)	0.177	Reduce by 25%	2027	Recycling programs, waste segregation
Sustainable sourcing	Procurement from local suppliers	83%	90%	2027	Supplier development programs, preferential procurement policy
Sustainable packaging	% of sustainable packaging materials	Not specified	30%	2027	Eco-friendly packaging solutions, recycled materials usage
Chemical management	Compliance with toy safety standards	100%	Maintain 100%	Ongoing	Strict adherence to BIS and international safety standards



Social Sustainability



Workforce Composition and Diversity

Funskool has a significant workforce, with a total of 281 permanent employees, 106 permanent workers and 2,240 temporary/contractual workers. 100% of the senior management personnel are hired from the local community. The company is proud that 80% of its workforce at the Ranipet factories comprises women, reflecting its commitment to female empowerment.

Location/ Office	Staff		Permanent Workmen		Contract Workmen	
	Male	Female	Male	Female	Male	Female
Goa	62	5	29	41	195	209
Ranipet 1	41	4	4	11	200	566
Ranipet 2	48	2	21	0	850	215
HO & RO	111	8	-	-	4	1
Total	262	19	54	52	1249	991



Employee Welfare and Empowerment

Funskool recognizes the invaluable contribution of its employees to the company's success. Funskool provides its employees with a safe, inclusive, and supportive work environment, offering competitive wages, performance & career development review, comprehensive benefits including sick leave, casual leave, parental leave & reserved holidays, and opportunities for professional development.

Employee category	Gender	Number of permanent employees who received a regular performance and career development review during the reporting period
Senior Management	Male	16
	Female	0
Middle Management	Male	25
	Female	3
Junior Management	Male	72
	Female	5

Funskool also has measures in place to uphold the rights of employees, such as freedom of association and collective bargaining. A Works Committee, comprising employer and employee representatives, is in place to promote harmonious relations.

	Total employees/workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)
Male	218	22	10.1%
Female	261	54	20.7%
Total	479	76	15.9%

Funskool contributed ₹ 38 lakhs towards retirement benefits for its employees during the reporting year. This represents 2% of the employees' salaries. The retirement benefits provided to employees include provident fund, gratuity, Employees' State Insurance (ESI), health insurance, and workmen's compensation insurance.



Health and Safety

Funskool is committed to providing a safe and healthy work environment for all employees, contractors, and visitors. The organization has a comprehensive Employee Occupational Health and Safety (EOHS) policy that aims to prevent accidents, injuries, and maintain a safe work environment for all its employees. Key measures include:



- Hazard identification and risk assessment processes, involving regular workplace inspections, incident analysis, and employee feedback.
- Implementation of engineering controls and provision of appropriate personal protective equipment (PPE) to employees.
- Emergency preparedness measures, such as training and mock drills for emergency evacuation.

- Promotion of worker health through access to medical and healthcare services under the ESIC scheme.



During the reporting year, there were no fatalities, high-consequence work-related injuries, or cases of work-related ill health reported for both permanent and temporary/contract employees. We adhere to strict health and safety standards, conduct regular risk assessments, and provide training to mitigate workplace hazards and ensure compliance with regulations.

Work-related injuries	UoM	Total for the reporting year	
		Permanent employees	Temporary/contractual employees
Number of fatalities as a result of work-related injury	Nos.	0	0
Number of high-consequence work-related injuries (excluding fatalities)	Nos.	0	0
Total number of recordable work-related injuries	Nos.	0	0
Cumulative number of hours worked by all permanent employees/workers	Hrs.	415940	2671311

Parameter	UoM	Total for the reporting year
a. For all employees:		
i. The number of fatalities as a result of work-related ill health	Nos.	0
ii. The number of cases of recordable work-related ill health	Nos.	0

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

i. The number of fatalities as a result of work-related ill health	Nos.	0
ii. The number of cases of recordable work-related ill health	Nos.	0

At Funkskool, we believe that the health and wellbeing of our employees are the foundation for a thriving and productive workforce. As part of our commitment to employee welfare, we have partnered with the local government hospital to provide comprehensive medical check-ups for all our staff members.



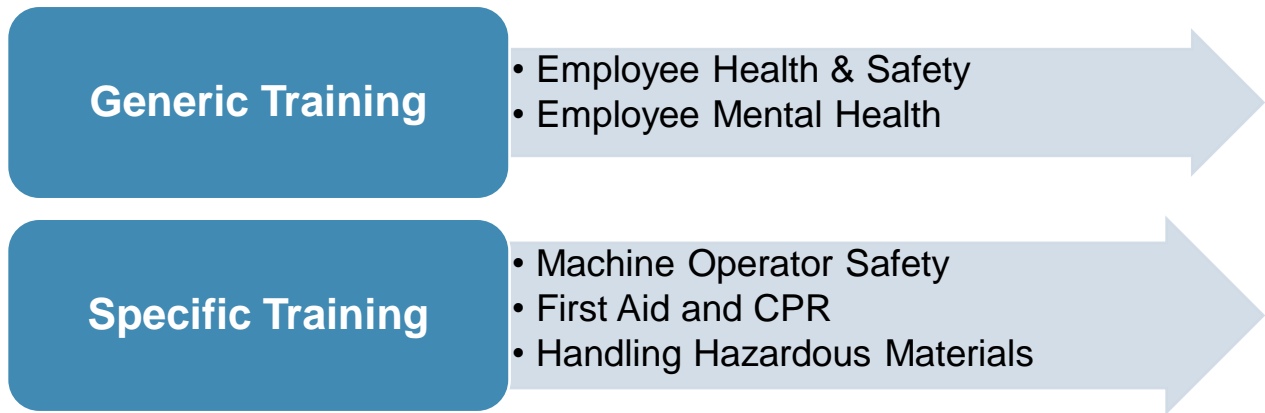
Employee Engagement

Funkskool has several mechanisms in place to ensure employee participation and consultation on occupational health and safety matters, including a Works Committee, Safety Committee, and Grievance Committee. These committees involve worker representatives and provide a platform for addressing employee concerns and evaluating OHS policies and practices.

Parameter	FY 24
Total number of grievances filed by employees during the reporting period	11
Percentage of grievances that were addressed and resolved	90.9%



Training & Development



Permanent Employees		
Senior Management	No of participants	18
	Total cumulative hours	374
Middle management	No of participants	18
	Total cumulative hours	631
Junior management	No of participants	123
	Total cumulative hours	2080
Total Training Hours		3085
Average Training Hours per Permanent Employee		7.97

Temporary/Contractual/Part time Employees		
	No of participants	1526
	Total cumulative hours	20519
Average Training Hours per Temporary/Contractual/Part time Employees		9.16

These training programs ensure that employees have the knowledge, skills, and attitudes necessary to perform their jobs safely and protect their health. Generic training covers general safety principles, while specific training focuses on hazards and risks associated with specific tasks or work environments.



Human Rights

Funkskool is committed to upholding human rights and ensuring a fair and equitable workplace. No incidents of discrimination were reported during the reporting period, and the organization has a zero-tolerance policy for any form of discrimination.

The following details the organization's efforts in various areas:

- Compensation: The organization maintains a fair and equitable compensation system, with a ratio of basic salary/remuneration for women to men of 1:1.
- Child Labour: The organization strictly prohibits child labour and has implemented measures to manage this risk. The minimum age of employment is 18 years or above, and the organization monitors its supply chain to ensure compliance.
- Forced Labour: The organization prohibits all forms of forced or compulsory labour. To manage this risk, the organization conducts vendor screening to eliminate forced labor suppliers, prohibits the confiscation of employee documents, and ensures free movement of employees within the facility.
- Security Personnel: Security personnel receive formal training on the organization's human rights policies and procedures. Of the 30 security personnel, 14 have completed this training.
- Indigenous Peoples: No incidents of violations involving the rights of indigenous peoples were identified during the reporting period.



Stakeholder Collaboration

We maintain open and transparent communication with stakeholders and actively seek stakeholder feedback, collaborate on sustainability initiatives, and foster mutually beneficial relationships



to create shared value. We employ a variety of engagement strategies and communication channels to interact with stakeholders effectively. These include stakeholder consultations, surveys, town hall meetings, social media platforms, sustainability reports, and dedicated communication channels on our website.

By fostering transparent and meaningful dialogue, Funskool builds trust, fosters collaboration, and enhances stakeholder relationships. We use this feedback to inform decision-making, improve performance, and address stakeholder concerns promptly and transparently. By demonstrating responsiveness and accountability, we strengthen stakeholder trust and engagement



Supply Chain Sustainability

In our commitment to ethical and sustainable sourcing, we screened 4 new suppliers against social criteria, representing half of the total new suppliers onboarded for the reporting year. Additionally, we are dedicated to supporting local businesses, and 92.92 INR Crore of our procurement spend was directed to suppliers within the same geographic location, accounting for 83.07% of our total procurement spend of 111.86 INR Crore.



Community Engagement, CSR & Social Impact

Funskool's commitment to corporate social responsibility & sustainable development extends beyond its direct business operations, as the company actively engages with local communities to create positive social and environmental impact and is exemplified through its project worth ₹ 12 lakhs to construct a bore well & 10,000-liter overhead water storage tank for a nearby village and handed over to local panchayat. This strategic infrastructure development initiative has the potential to drive meaningful and lasting impact within the local community.

Access to clean and reliable water is a fundamental need that is crucial for the health, hygiene, and overall well-being of communities. By providing this essential resource, Funskool's water tank project directly addresses a pressing challenge faced by the villagers, improving their quality of life, and promoting sustainable development.

Beyond the tangible asset, the project also fosters a sense of partnership and collaboration between Funskool and the local community. By actively engaging with the village stakeholders to identify their needs and deliver a tailored solution, the company demonstrates its responsiveness and commitment to being a responsible corporate citizen.

The community water project is likely to generate far-reaching social impacts, including:



Improved Health and Sanitation: Reliable access to clean water enables better hygiene practices, reduces the risk of waterborne diseases, and enhances the overall health outcomes for the villagers.

Time and Labour Savings: Reducing the burden of water collection, particularly for women and children, frees up time and energy that can be channeled into other productive activities, such as education, income generation, and community development.

Women's Empowerment: The availability of clean water within proximity can empower women and girls by alleviating the disproportionate responsibility for water procurement, allowing them to pursue other opportunities.

Enhanced Community Resilience: The water infrastructure strengthens the village's ability to withstand environmental challenges, such as droughts, thereby contributing to its long-term resilience and adaptive capacity.

By leveraging its resources and expertise to address a critical community need, Funskool demonstrates its commitment to sustainable development and inclusive growth. This water project serves as a tangible example of the company's efforts to create shared value and positively impact the lives of the communities it operates within.



Social targets

Funskool is deeply committed to creating a positive social impact, both within our workforce and in the communities we serve. Our social targets emphasize the importance of diversity, equity, and inclusion, employee development, and community engagement.

Category	KPI	Baseline (FY24)	Target Value	Target Year	Initiatives
Diversity, Equity & Inclusion	% of women in workforce	40.42%	Maintain or increase	Ongoing	Inclusive hiring practices, diversity training
Human Capital Development	Average training hours per employee	9.16	16 hours	2027	Expanded training programs, skill development initiatives
Human rights	Human rights violations	0	Maintain 0	Ongoing	Human rights policy implementation, regular audits

Category	KPI	Baseline (FY24)	Target Value	Target Year	Initiatives
Supply chain sustainability	Suppliers screened for ESG criteria	50% of new suppliers	75% of all suppliers	2027	Supplier ESG assessments, capacity building programs
Product quality & safety	Product safety incidents	0	Maintain 0	Ongoing	Rigorous quality control, safety testing procedures
Community Development	CSR spending	₹12 lakhs	>2% of average net profit in the last 3 years	Ongoing	Infrastructure development, education initiatives

Oversight of ESG Issues

Funskool's sustainability efforts are governed by a dedicated CSR committee, comprising senior executives and functional leaders. The committee provides strategic guidance, oversight, and accountability for sustainability initiatives, ensuring alignment with corporate values and objectives.



Corporate Policies

Funskool's robust governance framework reflects its steadfast commitment to ethical, transparent, and sustainable business practices.

Code of Conduct and Workplace Ethics Policy



The Code of Conduct and Workplace Ethics Policy outlines the company's expectations of its employees, emphasizing the highest standards of professionalism, integrity, and responsible conduct when engaging with stakeholders both within and outside the organization. The policy establishes clear guidelines on matters such as conflicts of interest, anti-corruption, and workplace harassment, fostering a culture of trust and accountability.

Parameter	Category	Total for the reporting year
Total number of governance body members trained/communicated on organization’s anti-corruption policies and procedures		86
Total number of employees trained/communicated on organization’s anti-corruption policies and procedures	Senior management	0
	Middle management	16
	Junior management	62
Total number of business partners communicated on organization’s anti-corruption policies and procedure		8

Cybersecurity and Data Privacy Policy

Funskool's Cybersecurity and Data Privacy Policy demonstrates the organization's dedication to safeguarding the confidentiality, integrity, and availability of sensitive information. The policy delineates comprehensive procedures for the secure handling of data, including personal information, financial records, and intellectual property, aligning with relevant regulations and international standards. By implementing robust IT security measures and clear roles and responsibilities, Funskool ensures the protection of its employees, customers, and other stakeholders.

Environmental, Occupational Health and Safety (EOHS) Policy

Funskool's commitment to environmental stewardship and occupational health and safety is reflected in its Environmental, Occupational Health and Safety (EOHS) Policy. This policy outlines the company's vision of minimizing its environmental impact and ensuring the well-being of its employees, suppliers, and the communities in which it operates. The policy emphasizes compliance with applicable laws and regulations, as well as the continuous improvement of the EOHS management system through the setting of measurable targets and the implementation of proactive risk mitigation strategies.

Environmental Management System

To further strengthen its environmental management practices, Funskool has developed a comprehensive Environmental Management System (EMS) aligned with the ISO 14001:2015 standard. The EMS manual delineates the company's approach to addressing environmental risks, setting objectives, allocating resources, and driving continuous improvement across its operations, from design and production to waste management and emergency preparedness.



Stakeholder Engagement Policy

Funskool's Stakeholder Engagement Policy demonstrates the company's commitment to fostering meaningful and collaborative relationships with its diverse stakeholders, including employees, customers, suppliers, communities, and regulatory bodies. The policy outlines a framework for establishing effective communication channels that promote trust, transparency, and mutual value creation. By emphasizing the accountability of management in managing stakeholder relationships, Funskool ensures that stakeholder concerns are integrated into its business strategies and decision-making processes.

Stakeholder Grievance Redressal Policy

Reflecting Funskool's dedication to accountability and responsiveness, the Stakeholder Grievance Redressal Policy establishes a transparent and efficient system for stakeholders, including employees, customers, suppliers, communities, and regulatory bodies, to address and resolve grievances related to the company's operations, products, and services. This policy ensures that all complaints are documented, investigated, and resolved promptly, with clear escalation and appeal processes.

Human Rights Policy

Articulating the company's commitment to upholding and promoting human rights within its operations and supply chain, Funskool's Human Rights Policy focuses on ensuring non-discrimination and equal opportunity in employment, promoting diversity, equity, and inclusion in the workplace, maintaining a harassment-free work environment, prohibiting the use of child labour and forced labour, and safeguarding the data privacy of all stakeholders. Guided by national and international standards, including the Constitution of India, Indian Labour Laws, and the Universal Declaration of Human Rights, the policy



also details the communication and grievance redressal mechanisms, as well as the periodic review process to align with evolving human rights standards.

Equal Opportunity Policy for Persons with Disabilities

Funskool's Equal Opportunity Policy for Persons with Disabilities aligns with the provisions of the Rights of Persons with Disabilities Act, 2016, demonstrating the company's commitment to fostering an inclusive

work environment. The policy aims to eradicate all forms of discrimination against individuals with disabilities, provide reasonable accommodations and accessibility standards, ensure non-discriminatory recruitment, and career development practices, and maintain the confidentiality of employees' disability-related information. The policy also outlines the role of a designated Liaison Officer to support the implementation of the policy and a grievance redressal mechanism to address any employment-related issues.

Preferential Procurement Policy

Funskool's Preferential Procurement Policy reflects the company's efforts to advance socio-economic development within its supply chain. The policy establishes a comprehensive framework to support and uphold preferential procurement practices, prioritizing the engagement of enterprises owned or operated by underrepresented groups, such as women, individuals with disabilities, LGBTQ+ individuals, and Scheduled Castes/Scheduled Tribes individuals. Additionally, the policy emphasizes the importance of supporting micro, small, and medium enterprises (MSMEs) and local suppliers, contributing to the strengthening of local economies.

Sustainable Sourcing Policy



The Sustainable Sourcing Policy outlines Funskool's approach to promoting fair dealing, ensuring health and safety, and managing environmental impact within the supply chain. The policy sets forth guiding principles around business ethics, quality focus, environmental sustainability, and social sustainability, emphasizing the importance of working with suppliers who share the company's vision of conducting business in a sustainable and ethical manner. Funskool reinforces its commitment by requiring suppliers to implement internal policies and processes aligned with the Sustainable Sourcing Policy, while reserving the right to conduct periodic audits to ensure compliance.

Through these comprehensive governance policies, Funskool demonstrates its commitment to ethical business practices, employee welfare, environmental stewardship, and respect for human rights across its operations and value chain, positioning the company as a responsible corporate citizen.

Risk Management and Resilience

Funskool has an established risk management framework, which includes both internal and external audits, as well as third-party audits on behalf of its customers. This multi-layered approach to risk assessment and mitigation demonstrates the company's commitment to proactively identifying and addressing potential issues across its operations.





Quality and Safety Standards



Ensuring the safety and quality of its products is of paramount importance to Funskool. Funskool pioneered the concepts of quality and safety in toys and has been instrumental in raising the standards of toys in India. The company's manufacturing facilities are certified to international standards, such as ISO 9001:2015 (Goa and Ranipet 1), ICTI Ethical Toy Program, and Disney ILS, demonstrating its commitment to delivering toys that meet or exceed safety and quality requirements. Funskool's Goa and Ranipet factories have also obtained BIS (Bureau of Indian Standards) accreditation for manufacturing electronic toys.

Tax Governance

Funskool's tax strategy is designed to ensure compliance, transparency, ethics, and compliance with all applicable laws. Our commitment to tax compliance and transparency is essential to maintaining trust and credibility with our stakeholders, and to ensuring the long-term success of our business.

<p>Compliance</p> 	<p>At Funkskool, we are committed to complying with all applicable tax laws and regulations. We believe that tax compliance is essential to maintaining a positive reputation and avoiding any legal or financial consequences. To ensure compliance, our tax team is committed to strict adherence to tax regulations, deadlines, and risk management strategies.</p>
<p>Transparency</p> 	<p>Funkskool is committed to transparency in our tax dealings. We prioritize openness and collaboration with stakeholders, including tax authorities, to ensure compliance with tax laws and regulations</p>
<p>Ethics</p> 	<p>At Funkskool, we believe that ethical behavior is essential in all aspects of our business, including tax. We are committed to conducting our tax affairs in an ethical and responsible manner, and to avoiding any practices that could harm our reputation or lead to legal or financial consequences. To achieve this, we have implemented a conflicts of interest provision that ensures that our tax affairs are free from any conflicts of interest & by adhering to anti-bribery and anti-corruption laws and regulations.</p>
<p>Legal framework</p> 	<p>Funkskool is committed to complying with all applicable tax laws and regulations. We believe that it is essential to understand and comply with the laws that govern our tax affairs, and our tax team stays up to date with the latest tax laws and regulations, including Income Tax, TDS, GST, and other relevant legislation.</p>

Governance targets

Strong governance practices are essential to Funkskool’s sustainability strategy, ensuring transparency, accountability, and ethical decision-making across all levels of the company. Our governance targets focus on enhancing board diversity, strengthening regulatory compliance, and maintaining the highest standards of business ethics.

Category	KPI	Baseline (FY24)	Target Value	Target Year	Initiatives
Ethical Marketing & advertising	Marketing code violations	0	Maintain 0	Ongoing	Ethical marketing training, compliance monitoring
Data privacy and cybersecurity	Data breaches	0	Maintain 0	Ongoing	Cybersecurity measures, employee training
Regulatory compliance	Compliance violations	0	Maintain 0	Ongoing	Regular compliance audits, employee training
Corporate governance & Business Ethics	Board independence	28.57%	33%	2027	Board diversity initiatives, governance best practices

Integration of Sustainable Development Goals (SDGs)

SDGs	Alignment	Contribution
<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Funskool contributes to employee health and safety by providing a safe working environment and promoting well-being initiatives.</p>	<p>Through health and wellness programs, we ensure our employees have access to necessary health resources, fostering a culture of well-being at work.</p>
<p>4 QUALITY EDUCATION</p>	<p>Funskool contributes to quality education by promoting learning through play and providing educational toys that aid in children's cognitive and sensory development.</p>	<p>Through our educational toys and programs, we contribute to providing quality education and promoting lifelong learning opportunities for children.</p>
<p>5 GENDER EQUALITY</p>	<p>Funskool is dedicated to promoting gender equality and empowering women in the workplace.</p>	<p>We implement initiatives aimed at enhancing women's participation in leadership roles and fostering an inclusive work environment.</p>
<p>6 CLEAN WATER AND SANITATION</p>	<p>Funskool promotes responsible water management and sanitation practices in its operations and communities.</p>	<p>We invest in water stewardship projects that support clean water access and improve sanitation facilities for our employees and local communities.</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Funskool contributes to quality education by promoting learning through play and providing educational toys that aid in children's cognitive and sensory development.</p>	<p>By adhering to fair labour practices and fostering a safe and inclusive workplace, we support the goal of promoting inclusive and sustainable economic growth, employment, and decent work for all.</p>
<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Funskool promotes innovation in toy design, manufacturing processes, and sustainable packaging solutions, contributing to the advancement of industry, innovation, and infrastructure.</p>	<p>Our focus on innovation in toy design and manufacturing processes contributes to building resilient infrastructure, promoting sustainable industrialization, and fostering innovation.</p>

	<p>Funskool contributes to the development of sustainable communities through various CSR initiatives.</p>	<p>By engaging in community development projects, we aim to enhance the quality of life for communities while promoting sustainable practices.</p>
	<p>Funskool is committed to responsible consumption and production by minimizing waste, promoting recycling, and implementing sustainable sourcing practices throughout its value chain.</p>	<p>Funskool's commitment to sustainable consumption and production practices helps reduce waste generation, minimize environmental impact, and promote sustainable lifestyles.</p>
	<p>Funskool takes action on climate change by reducing greenhouse gas emissions, implementing energy-efficient technologies, and investing in renewable energy sources to mitigate its environmental impact.</p>	<p>We actively address climate change by reducing our carbon footprint, conserving resources, and promoting environmental sustainability across our operations and supply chain.</p>
	<p>Funskool is committed to protecting aquatic ecosystems through responsible production and water management practices.</p>	<p>We aim to minimize our operational impact on aquatic environments by reducing waste and preventing pollution in nearby water bodies.</p>
	<p>Funskool promotes biodiversity and sustainable land use practices in its operations.</p>	<p>Our initiatives focus on conserving natural habitats and fostering sustainable land management practices to protect local ecosystems.</p>



Sustainability Outlook

Key Achievements

In FY 24, Funskool made significant strides in advancing sustainability across its operations, supply chain, and stakeholder engagement. Highlights include:

- Enhancing energy efficiency and initiating renewable energy usage.
- Implementing sustainable product design and lifecycle management practices.
- Strengthening community engagement and social impact initiatives.
- Upholding high standards of governance, ethics, and compliance.

Persistent Challenges

Funskool acknowledges the challenges and lessons learned in its sustainability journey. These include:

- Plastic waste and its disposal: As a manufacturer and distributor of toys and other products, the company likely generates a significant amount of plastic waste, which, if not managed responsibly, can have direct and indirect impacts on the environment and local communities.
- Integrating sustainability into supply chain operations and supplier relationships.
- Addressing emerging sustainability risks and opportunities.
- Balancing environmental, social, and economic priorities to create shared value.

Future Goals & Commitments

Looking ahead, Funskool is committed to furthering its sustainability agenda and driving positive impact in the following areas:

- Advancing environmental stewardship and climate resilience.
- Enhancing social responsibility and community engagement.
- Strengthening governance, ethics, and risk management practices.
- Fostering innovation, collaboration, and continuous improvement.

By aligning sustainability with business strategy and stakeholder expectations, Funskool aims to create lasting value for society, the environment, and future generations.