Case Study: LEGO Child Online Safety Assessment

Founded in 1932, the LEGO Group, with a 2015 net revenue of DKK 35.8B, is one of the world's leading manufacturers of play materials including the LEGO brick. Its mission is to Inspire and develop the builders of tomorrow. It is the LEGO® philosophy that ‘good quality play’ enriches a child’s life – and lays the foundation for later adult life. The company believes that play is a key element in children’s growth and development and stimulates the imagination and the emergence of ideas and creative expression.

Child Rights Issue/Risk

Background and risk.

Whilst best known for its physical toys based on the LEGO brick, increasingly its physical products have associated digital platforms and the LEGO Group’s online presence and interactivity is growing. This creates new and increased risks for child safety.

The LEGO Group has long been active in promoting children’s rights. Its three year partnership with UNICEF is focused on ensuring businesses respect and support for children’s rights both offline and in the digital environment. Specifically it seeks to:

- Promote the Children’s Rights and Business Principles together with UNICEF
- Use the Principles to ensure that children’s rights are implemented throughout the LEGO Group’s core business.
- Increase accountability to children within the LEGO Group, e.g. by strengthening the governance of child online protection within LEGO operations.
- Share best practices at relevant global platforms and conferences to inspire others.

As part of this partnership, UNICEF has been developing a tool and guidance for businesses to assess their digital services and solutions propositions in context of children’s rights. The LEGO Group agreed to pilot and use this Child Online Safety Assessment tool (COSA) to conduct an assessment of their digital operations. The tool uses the UNICEF/International Telecommunication Union (ITU) Guidelines on Child Online Protection for Industry (COP Guidelines) and the UNICEF Children’s Rights and Business Principles as the benchmark for the
assessment. It also benefited from consultations with experts, industry associations and thought leaders and a review of different human rights impact assessment tools.

The Company Response

The LEGO Group has a Board-level executive sponsor and a dedicated Head of Digital Child Safety to lead governance, i.e. the development and implementation of strategy, policy, management, monitoring and reporting of the empowerment and protection of children online.

The Head of Digital Safety coordinated the assessment, briefed and scheduled time with relevant colleagues. This included people from across business functions and at different levels of seniority. For example, people who have accountability for a business area or an issue, as well as those with responsibility for implementing company policy and procedures and living the culture of child safety, were all involved in the multi-functional team that did the assessment.

The assessment was based on interviews with each member of the team during which time, a set of relevant criteria and indicators were considered. Working through each criterion/indicator in the tool, an assessment was made of whether the LEGO Group fully met the criterion, partially met it or did not meet it at all. Evidence was reviewed and recorded within the tool to support the assessment and to provide a record of the due diligence process. For example, the tool extract below was used in the assessment of the LEGO Group.

<table>
<thead>
<tr>
<th>Self-assessment area</th>
<th>Assessment Criteria/Indicator</th>
<th>y/n</th>
<th>Status and Evidence</th>
</tr>
</thead>
</table>
| Contract and Codes of Conduct provisions | The company has Terms and Conditions in customer contracts and Codes of Conduct that explicitly forbid CSAM and other illegal behaviour. | Yes | Child protection policy.  
In Terms of Service for users. |

The assessment criteria and indicators, split by business function, included:

- Legal – 11 indicators
- Human Rights and Corporate Social Responsibility – 15 indicators
- Human Resources – 5 indicators
- Procurement – 3 indicators
Once the initial assessment meetings were complete, the Head of Digital Child Safety completed a risk assessment for each criterion. He considered the potential for each criterion to impact on business strategy and objectives and the consequences of the business model on the nature and extent of potential child right violations. Allocating a High, Medium or Low risk for each and comparing the risk to how well each criterion was being managed and the resultant performance, he could then prioritise areas for action. The tool enabled him to allocate departments and roles responsible for these prioritised actions. The example below is shown for Contract and Codes of Conduct provisions, following the example assessment above.

<table>
<thead>
<tr>
<th>Allocate a risk level (H, M, L)</th>
<th>Allocate a priority when risk assessment complete</th>
<th>Party Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Low [because already in place]</td>
<td>Legal</td>
</tr>
</tbody>
</table>

Outcomes and learning

The LEGO Group was able to assess their performance on child online protection against a recognised international set of principles, as defined by the Child Online Protection Guidelines. Overall, the LEGO Group performed well in the assessment based on the current situation, with most of the relevant criteria met. Given the policies, procedures and practices that were in place, being developed or being updated and implemented at the time of the assessment, it was concluded that LEGO has a culture of designing out children’s rights related risks or negative impacts and effectively managing and mitigating them should they arise.

Where criteria were partially met or not met, in some cases these were down to a lack of formalising existing practice and also where current practice was not necessarily implemented in a consistent way globally. The level of awareness of the potential risks is high and the business model structure is such that the worst digital children’s rights risks are avoided by ‘designing them out’. Where risks are highlighted or known, the tendency is to be risk adverse and not to roll out or to delay a roll out of a new feature until the risks can be avoided or managed. A list of recommendations were made to the LEGO Group on how to solve the remaining challenges.

The assessment highlighted areas of good practice as well as opportunities for improvement. With regards to product development and the creation of a safe online environment, the results indicated that LEGO’s efforts to provide safety information to children is clear and understandable for the relevant ages and development stages. It was realised however that not enough focus was being provided to parents and ensuring they are clear on actions they can take to keep their children safe online. Whilst information was available, it wasn’t always in context of the particular gaming experience. Plans are in place to develop a ‘Parent hub’ and to add links to it from contextually relevant places in games. Additionally a ‘Family hub’ is planned to build family
awareness of risks and solutions and to enable a supported and gradual handover to children as they grow older and take on more responsibility themselves.

In relation to supplier training, all third party's contracted by the company, involved in the design, development or moderation of products and services have received targeted training in dealing with bullying, protecting privacy, youth problems and grooming of children for sexual purposes. Whilst this was a challenge to ensure that any local marketing campaigns which have been contracted to local agents understand these risks, this is now provided by the LEGO Academy, the detail of which is summarised in another case study.

The data, graphical outputs and evidence were used to inform ongoing improvements to protect and promote children’s rights. The outputs of the assessment were reported back to senior decision makers and helped to inform priorities as the LEGO Group rolls out more interactive digital experiences. Specific findings have also fed into existing plans for child online safety during the development of new products and services.

The COSA tool was also improved further to the pilot as a co-created asset between UNICEF and the LEGO Group in order to provide the industry with a robust assessment mechanism.

The COSA tool is available from: http://www.unicef.org/csr/toolsforcompanies.htm

The COP guidelines are available from: http://www.unicef.org/csr/COPguidelines.htm

More good practices are available from: http://www.unicef.org/csr/goodpractices.htm