

BUSINESS MODEL RED FLAGS

RELATED TO

THE VALUE PROPOSITION

THE BUSINESS'S COMMERCIAL SUCCESS SUBSTANTIALLY DEPENDS UPON...

- 1 **Lowest cost** goods or services in ways that put **pressure on labor rights**
- 2 **High-speed delivery** that places pressure on warehouse workers and logistics workers in the "last mile"
- 3 Project timelines that undermine **consultation with communities**
- 4 **Privatized** access to **public goods** with risks to **quality** of service
- 5 **Algorithmic decision-making** that can result in discrimination
- 6 Providing **online platforms** with potential for online and offline harm
- 7 **Financial or advisory services** that enable high-risk clients to cause harm
- 8 Products that harm when **overused**
- 9 Products that harm when **misused**
- 10 Products that harm when **used as intended**

RELATED TO

THE VALUE CHAIN

THE BUSINESS'S COMMERCIAL SUCCESS SUBSTANTIALLY DEPENDS UPON...

- 11 **Speed in developing products** or services, or delivering projects, with **risks to health and safety**
- 12 **Land use** in countries where ownership may be contested
- 13 **Depleting natural resources** or public goods such that it undermines **access or health**
- 14 **Commodities** with **unclear provenance** and visibility to impacts on workers or communities
- 15 Business relationships with **limited influence** to address risk to people
- 16 **Using data** such that **privacy** and other rights are undermined

RELATED TO

THE COST STRUCTURE & THE REVENUE MODEL

THE BUSINESS'S COMMERCIAL SUCCESS SUBSTANTIALLY DEPENDS UPON...

- 17 Using **gig workers** or other precarious labor
- 18 Sourcing **low-paid labor** from **labor providers**
- 19 Sourcing **commodities** that are **priced independent** of **farmer** income
- 20 **Shifting inventory risk to suppliers** with knock-on effects to workers
- 21 **Automation** at speed or scale that leaves workers little chance to adapt
- 22 **Sales-maximizing incentives** that put consumers at risk
- 23 **Markets** where **regulations** fall below human right standards
- 24 Aggressive **tax-minimization strategies**