

# BUSINESS MODEL RED FLAGS

## RELATED TO

### THE VALUE PROPOSITION

- 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

### VALUE CHAIN

- 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

### REVENUE MODEL

- 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