

# Just Imagine

2024 CORPORATE SOCIAL  
RESPONSIBILITY REPORT



# 2

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This report covers calendar year 2024, from January 1, 2024, to December 31, 2024, and was released in April 2025. Spin Master completed the acquisition of U.S.-based Melissa & Doug®, a well-known brand in early childhood play, on January 2, 2024. This report includes data featuring aggregates of Spin Master and Melissa & Doug unless otherwise noted.

## Letter from the Global President & CEO

Spin Master exists to ignite the imaginations of kids and their families while also pursuing growth and long-term value for our partners, employees, customers and shareholders. Connected to our purpose is a responsibility to care for our communities, support our employees, and more broadly, our planet. *We are Reimagining Play for Future Generations*, balancing our commitment to deliver the best play experiences to empower children to grow and learn while also acting as responsible custodians of the world they will one day inherit.

Bringing our vision to life is only possible with a talented and engaged global team. Our team grew this year with the addition of close to 500 employees through our acquisition of Melissa & Doug®. Essential to our mutual success is ensuring we nurture collaboration, inclusivity and diversity of thought and provide an environment that supports taking risks. This past year, we expanded our annual employee engagement and representation surveys to include Melissa & Doug team members, providing a platform for all voices to be heard.

The toy, entertainment and digital games industries are driven by newness, and we are at the forefront of that innovation. Each year, we produce more than 241 million toys that are of the highest quality and adhere to rigorous safety standards. The durability and safety of the toys we produce is reliant on the materials we use, including wood and plastic. Within Spin Master, we have introduced recycled plastic in key toy lines including Rubik's®, Etch-a-Sketch®, PAW Patrol® and GUND®, and in 2024, we launched Kinetic Sand Project Planet™, made from Ocean-Bound Recycled Plastic, coinciding with an educational campaign to help children learn about marine life conservation. Within *Melissa & Doug*, 100% of our paper products are made with Forest Stewardship Council (FSC)-certified materials, and we exceeded our goal of 50% of our wood products made with FSC materials in 2025. We are now working to leverage our learnings regarding sustainable materials across our brands to deepen our assortment and identify new opportunities.

In 2024, we continued our efforts towards our Climate Action Plan. In support of Melissa & Doug's sustainability promise, we are continuing to support thriving forests. This includes progressing against their commitment to plant 10 million trees by 2030.

There is nothing that excites us more than seeing a child light up when playing with a toy. It is what motivates and moves us all at Spin Master. We are making a difference in the lives of children beyond our toys, entertainment and digital games, bringing the benefits of play to those who may not otherwise have the opportunity to experience that joy. Play is powerful, and through our charitable programs we are ensuring that more children around the world get to experience those fundamental benefits. In 2024, partnering with non-profit organizations around the globe, we donated more than 356,000 toys and volunteered 4,600 hours. The

Toy Movement, initiated to bring joy to children living amidst some of the most challenging contexts, celebrated its 10th anniversary this past year and we donated our one millionth toy.

We've made an incredible amount of progress since our corporate social responsibility (CSR) strategy took hold now more than five years ago. This progress has required teams to come together to solve for difficult problems and find solutions that are meaningful for Spin Master and for the world more broadly. We recognize there is more to learn and opportunities to improve and we are working to stay ahead and on top of evolving regulations and reporting. Looking ahead, we will continue to balance our CSR goals with our business imperatives to ensure a sustainable future for Spin Master, our employees, customers, shareholders and the generations to come.



**Max Rangel**  
Global President & CEO

**“We are making a difference in the lives of children beyond our toys, entertainment and digital games, bringing the benefits of play to those who may not otherwise have the opportunity to experience that joy.”**



## About Spin Master

Spin Master Corp. (TSX:TOY) is a leading global children’s entertainment company, creating exceptional play experiences through its three creative centres: Toys, Entertainment and Digital Games. With distribution in over 100 countries, Spin Master is best known for award-winning brands *PAW Patrol*, Hatchimals®, Bakugan®, Kinetic Sand®, Air Hogs®, *Melissa & Doug*, Rubik’s® Cube and *GUND*, and is the global toy licensee for other popular properties. Spin Master Entertainment creates and produces compelling multiplatform content, through its in-house studio and partnerships with outside creators, including the preschool franchise *PAW Patrol*, and numerous other original shows, short-form series and feature films. The Company has an established presence in digital games, anchored by the *Toca Boca*® and *Sago Mini*® brands, offering open-ended and creative game and educational play in digital environments. Through Spin Master Ventures, the Company makes minority investments globally in emerging companies and start-ups. With 29 offices spanning nearly 20 countries, Spin Master employs close to 3,000 team members globally. For more information visit [spinmaster.com](https://spinmaster.com) or @SpinMaster on LinkedIn and Instagram.

## 2024 AWARDS AND DISTINCTIONS

- 1 Toy of the Year (TOTY) Award
- Sustainalytics ESG Regional and Industry Top Rated
- Diversity and Inclusion Initiative of the Year (Americas), *Environmental Finance* Sustainable Company Awards
- Greater Toronto’s Top Employers
- Certified Great Place to Work Canada & U.S.
- America’s Great Places to Work, *Newsweek* – Melissa & Doug
- Canada’s Best Managed Companies
- Brandon Hall Gold Award for Most Unique and Innovative Learning Program

**VISION:**  
Reimagining Everyday Play

**PURPOSE:**  
Creating magical experiences for kids and their families

**THE SPIN MASTER WAY:**  
Play Is Our Passion  
Ideas Come From Anywhere & Anyone  
Partnerships That Transform  
Experiment & Learn  
Make Things Happen



### TOYS

Preschool, Infant & Toddler and Plush

Melissa & Doug GUND



Activities, Games & Puzzles and Dolls & Interactive

RUBIK'S



Wheels & Action

TECH BECK



Outdoor

SummWAVS



### ENTERTAINMENT



### DIGITAL GAMES



## 2024 Highlights

2,755

employees

241M

toys and games produced

100

Toys and games distributed in 100 customer markets

190

Entertainment content distributed in 190 countries

197

Digital games reaching children in 197 countries

356,000

toys donated

\$2.3B

in revenue

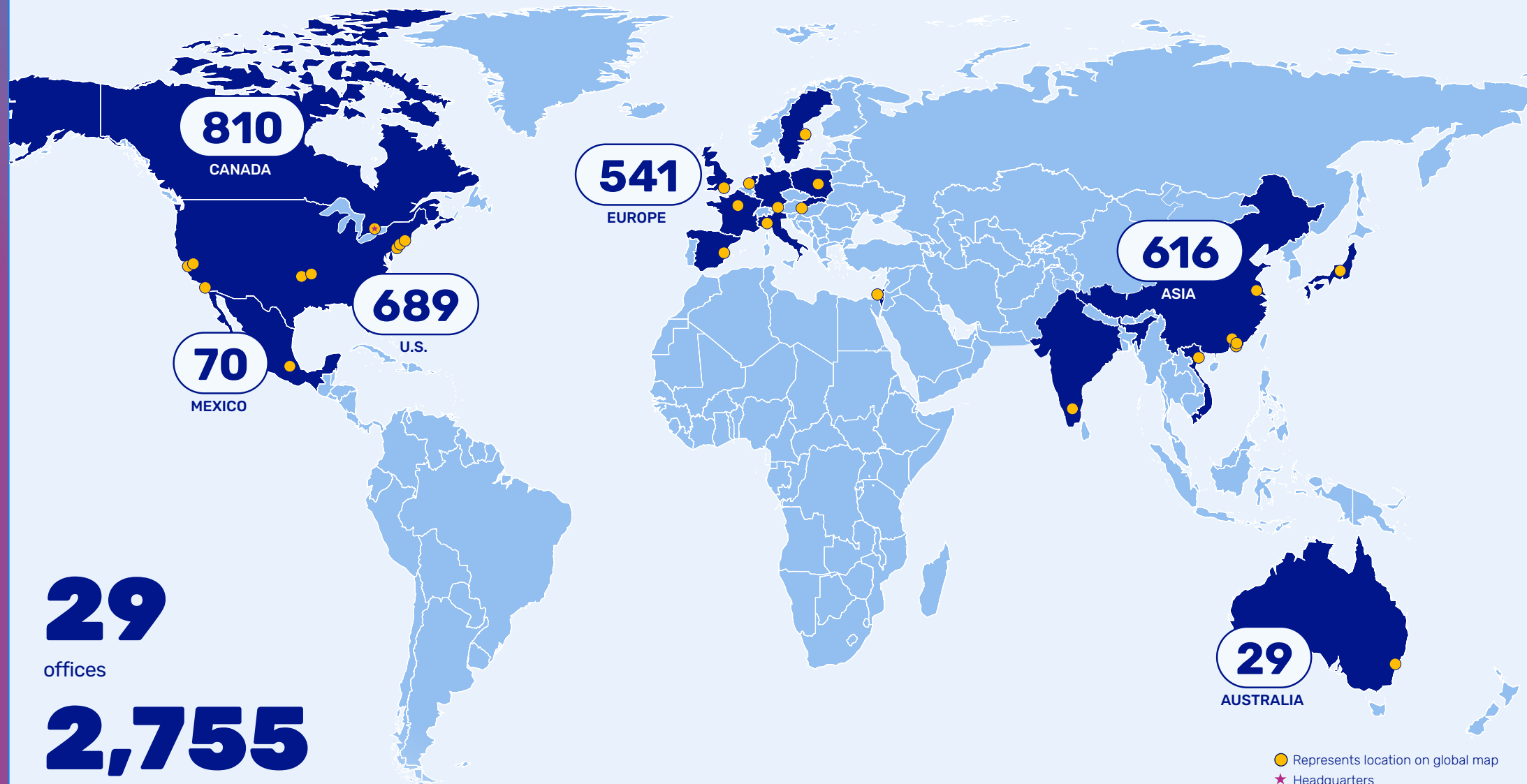
4th

largest toy manufacturer<sup>1</sup>



<sup>1</sup> Source: Circana, LLC, Retail Tracking Service, G11 (US, CA, MX, FR, IT, SP, DE, UK, AU, BX), Total Toys, Projected USD, JAN – DEC 2024.

## Spin Master Global Offices



**29**

offices

**2,755**

full-time employees

### Locations

- (City, Country, Multiple)
- Amsterdam, Netherlands
  - Bangalore, India
  - Bentonville, U.S.
  - Bratislava, Slovakia
  - Deans Rhode, U.S.
  - Dongguan, China
  - Hai Phong City, Vietnam
  - Hong Kong, China (SAR)
  - Jiaxing, China
  - Los Angeles, U.S.
  - Marlow, U.K.
  - Mexico City, Mexico
  - Milan, Italy
  - Munich, Germany
  - New York, U.S.
  - Paris, France
  - Pleasanton, U.S.
  - Shenzhen, China
  - Stockholm, Sweden
  - Sydney, Australia
  - Tel Aviv, Israel
  - Tokyo, Japan
  - Toronto, Canada (2)
  - Tulsa, U.S.
  - Tracy, U.S.
  - Valencia, Spain
  - Warsaw, Poland
  - Wilton, U.S.

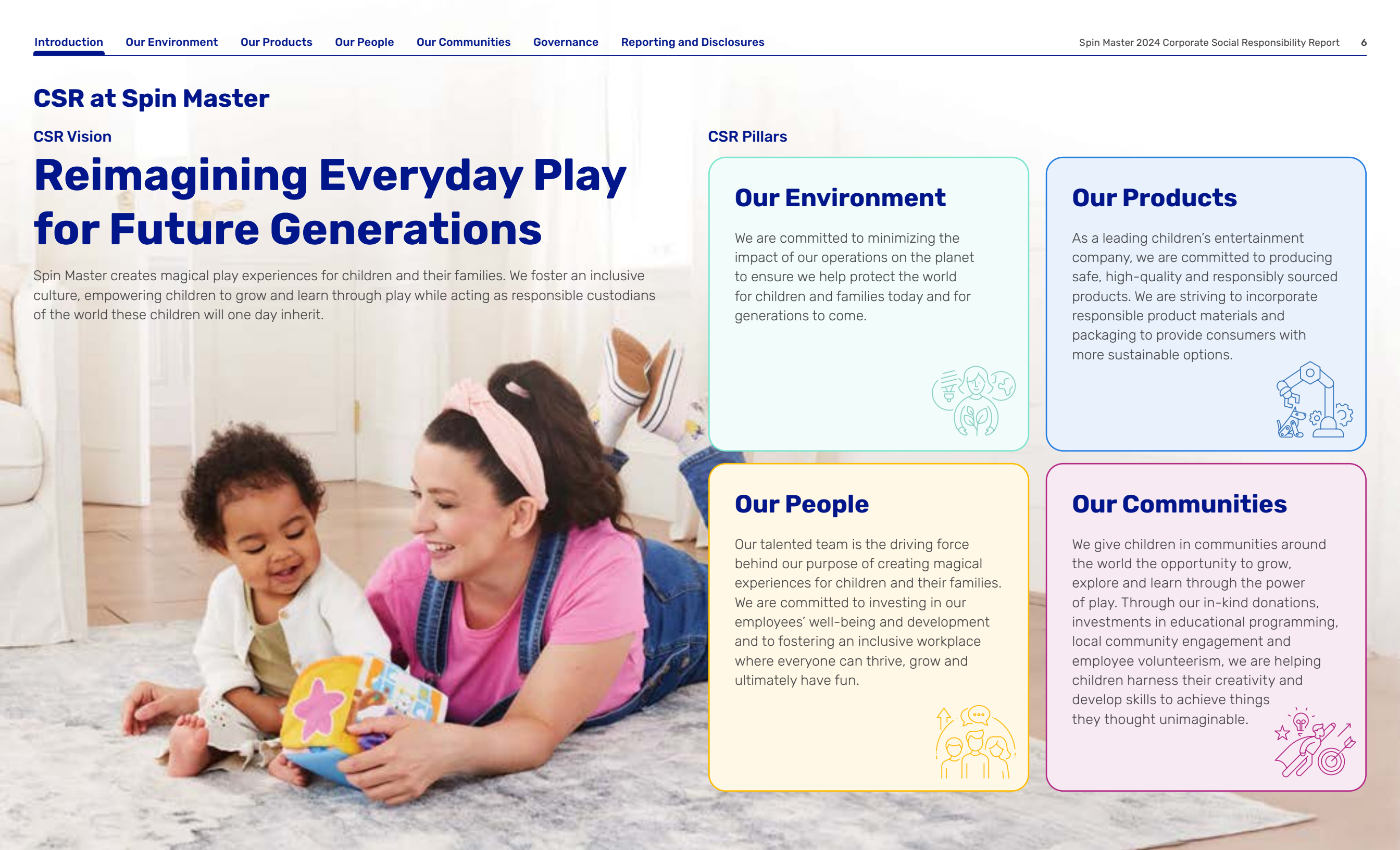
- Represents location on global map
- ★ Headquarters
- Full-time employees by region

## CSR at Spin Master

### CSR Vision

# Reimagining Everyday Play for Future Generations

Spin Master creates magical play experiences for children and their families. We foster an inclusive culture, empowering children to grow and learn through play while acting as responsible custodians of the world these children will one day inherit.



### CSR Pillars

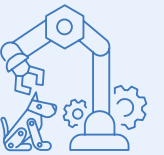
#### Our Environment

We are committed to minimizing the impact of our operations on the planet to ensure we help protect the world for children and families today and for generations to come.



#### Our Products

As a leading children’s entertainment company, we are committed to producing safe, high-quality and responsibly sourced products. We are striving to incorporate responsible product materials and packaging to provide consumers with more sustainable options.



#### Our People

Our talented team is the driving force behind our purpose of creating magical experiences for children and their families. We are committed to investing in our employees’ well-being and development and to fostering an inclusive workplace where everyone can thrive, grow and ultimately have fun.



#### Our Communities

We give children in communities around the world the opportunity to grow, explore and learn through the power of play. Through our in-kind donations, investments in educational programming, local community engagement and employee volunteerism, we are helping children harness their creativity and develop skills to achieve things they thought unimaginable.



# CSR Highlights

## BELONGING AND ENGAGEMENT

Fostering an inclusive culture where everyone can thrive and grow



CSR Priority	2024 Result
👍 Set and meet employee engagement targets (2030)	<b>77%</b> overall employee engagement
💰 Achieve and maintain close to 100% pay equity	<b>98%</b> pay equity (does not include Melissa & Doug)
⚖️ Approximate 50-50 gender split for all management levels (2025)	Female representation at <b>44%</b> senior management and <b>50%</b> middle management



## PHILANTHROPY

Helping children grow, learn and explore through play



CSR Priority	2024 Result
👤 Impact 1/2 million children (2022)	<b>615,000</b> children impacted
🕒 Report volunteer hours (2022)	<b>4,600</b> volunteer hours globally
🏆 Award 8 Future of Play Scholarships	<b>8</b> scholarships awarded in 2024 and <b>32</b> students supported since the program launched

## PRODUCT AND PACKAGING

Producing the highest quality goods and developing sustainable production with our portfolio

CSR Priority	2024 Result
🗑️ 50% reduction of plastic in our packaging (2025)	<b>30.5%</b> reduction in plastic packaging from base year (2019)
💧 Utilize non-mineral-based inks on 50% of packaging (2025)	<b>Achieved</b> goal in 2024
🌱 Develop 4 sustainably minded <sup>1</sup> SKUs (2022)	<b>23</b> sustainably minded products (does not include <i>Melissa &amp; Doug</i> )

<sup>1</sup> Sustainably minded is defined on [page 16](#) of this document.



## CLIMATE

Doing our part to mitigate our environmental impact and adapt to changing climate

CSR Priority	2024 Result
🌍 Develop a Climate Action Plan (2022)	Developed and launched <b>Climate Action Plan</b> in 2022
📉 Achieve net-zero reduction in Scope 1 + 2 emissions (2050)	<b>Net-zero</b> pathway mapped
🌿 70% reduction in Scope 1 + 2 emissions (2030)	<b>65%</b> reduction in Scope 1 + 2 emissions
🔄 In the interim, offset 100% of our self-generated carbon	<b>100%</b> of Scope 1 + 2 emissions covered by renewable energy certificates or offsets

## RESPONSIBLE SOURCING

Sourcing production in a responsible manner from suppliers who share our values and commitment to integrity

CSR Priority	2024 Result
🔍 Audit 100% factories	<b>99%</b> of factories audited
🛡️ Establish and enforce Supplier Code of Conduct (2020)	<b>Supplier Code of Conduct</b> developed and enforced



## WASTE

Reducing waste through recycling, reusing and reducing

CSR Priority	2024 Result
♻️ Establish product takeback program (2021)	Continued a partnership with <b>TerraCycle</b> ® that allows U.S. customers to recycle toys free of charge
🗑️ 85% reduction in landfill waste in owned/leased facilities (2025) Zero landfill waste in owned/leased facilities (2035)	<b>Achieved</b> 2025 landfill waste reduction goal in 2023

# CSR Governance

At Spin Master, we deeply appreciate the trust placed in us as leaders in the children’s entertainment industry and are unwavering in our commitment to being responsible corporate citizens across our CSR pillars. To ensure robust oversight and accountability, we have instituted an internal governance structure.

## Governance & Nominating Committee of the Board of Directors

Since 2020, the Governance & Nominating Committee of Spin Master’s Board of Directors has assumed the responsibility for overseeing Spin Master’s CSR initiatives. Since 2020, the Governance & Nominating Committee of Spin Master’s Board of Directors has assumed the responsibility for overseeing the Company’s CSR initiatives, including those on climate. This committee reviews and evaluates the Company’s CSR strategy, plans and reports on environmental and social matters. Topics include donations and community investments, as well as monitoring annual performance. Regular updates on environmental and social issues are provided to the board by this committee.

## Executive CSR Governance Committee

Spin Master’s Executive CSR Governance Committee consists of all members of the Company’s Executive Leadership Team. This committee provides oversight for the management and measurement of articulated CSR plans and targets. It convenes to assess progress against the CSR plan and to evaluate emerging risks and opportunities within the CSR pillars.

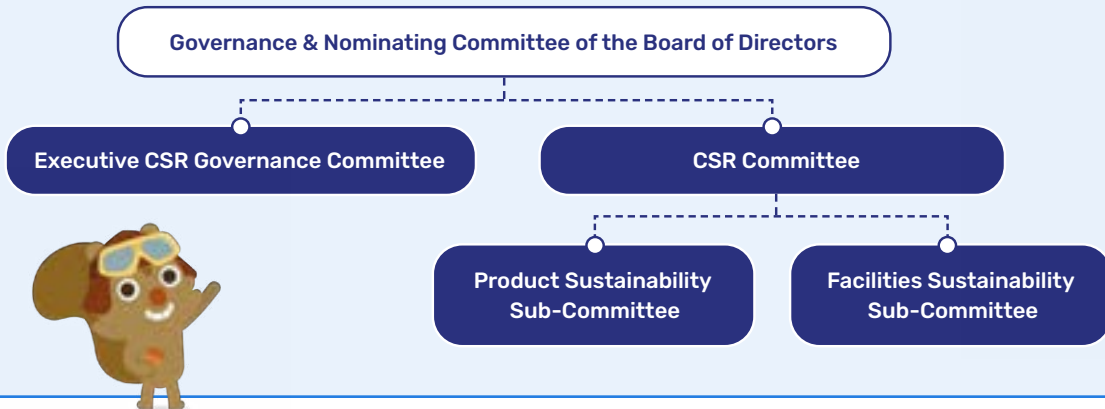
## CSR Committee

The CSR Committee, representing diverse expertise from various company departments such as Legal, Quality Assurance/Compliance, Human Resources, Finance, Product Development

and Engineering, Packaging, Facilities, Design, Communications, and Enterprise Risk Management, was established to ensure comprehensive coverage. Led by the Vice President of Communications and Corporate Citizenship, reporting to the Executive Vice President (EVP), Chief People Officer, this committee conducts performance reviews against the CSR strategy and targets. It formulates recommendations for activities and initiatives, ensuring the Company’s commitment to delivering on its CSR objectives. To support these efforts, two sub-committees focus on sustainability in product development and facilities. The committee convenes multiple times throughout the year, including before each Executive CSR Governance Committee meeting.



### CSR GOVERNANCE STRUCTURE



# Materiality Analysis

This year, Spin Master undertook a double materiality assessment in preparation for new global reporting requirements. The primary objective of this assessment is to identify the material sustainability matters for Spin Master, considering their impact on people and the environment (impact materiality), their associated financial risks and opportunities (financial materiality), and how these impacts might change over different time horizons.

A short list of 20 sustainability matters was developed through a comprehensive process incorporating Spin Master’s previous materiality assessment, the European Sustainability Reporting Standards (ESRS) and associated European Financial Reporting Advisory Group (EFRAG) IG 1 Guidance, and peer benchmarking. Internal and external stakeholder groups were engaged through a variety of methods to assess the impact of the short-listed topics and gather their perspectives. The results of this engagement were then analyzed, and the topics prioritized before being presented to senior leaders to validate the final list of materiality topics.

This methodology uses a comprehensive, stakeholder-driven assessment, enabling Spin Master to prioritize its sustainability efforts and enhance transparency on its CSR strategy and performance.

Category	ESRS topics	Material issues	Impact description
Environment	 <b>E1 Climate Change, E2 Pollution, E5 Resources &amp; Circular Economy</b>	Climate Change	Impacts, risks and opportunities related to the GHG emissions in our value chain, including our operations and supplier base
		Sustainable Products	Impacts, risks and opportunities related to the environmental footprint of our products and our ability to shape sustainability-related behaviours
		Sustainable Packaging	Impacts and risks related to the choice of materials used in our packaging, and ability to access markets and manage environmental impacts with end-of-life obligations
Social	 <b>S1 Own Workforce</b>	Data Privacy & Cybersecurity	Impacts and risks related to safeguarding the privacy of our employee, customer and consumer data
	 <b>S2 Workers in the Value Chain</b>	Responsible Sourcing	Impacts and risks related to working with our suppliers in a way that respects human rights, ethics and environmental sustainability
	 <b>Other</b>	Product Safety and Integrity, Material Sourcing	Impacts, risks and opportunities related to sourcing materials that are safe, of high quality, in compliance with regulations, and meet availability, cost and sustainability needs
	 <b>S4 Consumers and End-Users</b>	Inclusive Content	Opportunities related to creating content that is inclusive, accessible and cultivates a sense of belonging in our audiences
Governance	 <b>G1 Business Conduct</b>	Ethical Behaviour	Impacts and risks related to protecting the intellectual property we have created



# Stakeholder Engagement









To continuously strengthen our CSR programming, we regularly seek the perspectives of our stakeholders. The chart on the right provides an overview of how these stakeholders are engaged.

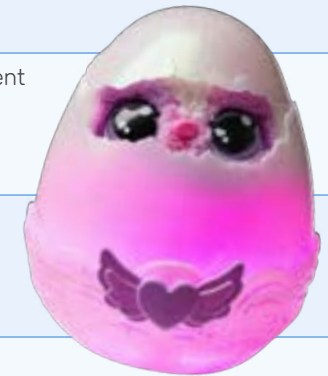
## Key Memberships and Partnerships

Spin Master is a member of or partners with several organizations, including:

- Advertising Standards Canada
- Academy of Canadian Cinema
- Alliance of Canadian Cinema, Television and Radio Artists (ACTRA)
- Baby2Baby
- Boys & Girls Clubs of America
- Canadian Media Producers Association
- Children’s Aid Foundation of Canada
- Directors Guild of Canada
- Futurpreneur
- Ethical Supply Chain Program
- Let’s Talk Science
- Save the Children Canada
- Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA)
- Sustainable Packaging Coalition and How2Recycle
- TerraCycle®
- The Toy Association (and global affiliates)
- World Vision Canada
- Writers Guild of America



Stakeholder group	Key topics		How they are engaged	
 <b>Employees</b>	<ul style="list-style-type: none"> <li>• Employee experience</li> <li>• Philanthropy</li> <li>• Sustainable packaging</li> <li>• Sustainable product materials</li> </ul>	<ul style="list-style-type: none"> <li>• Waste reduction</li> <li>• Ethical behaviour</li> <li>• Data privacy</li> </ul>	<ul style="list-style-type: none"> <li>• Town hall meetings</li> <li>• Open forums</li> <li>• 1:1 and team meetings</li> <li>• Experience surveys</li> <li>• Training and development</li> </ul>	<ul style="list-style-type: none"> <li>• Internal messaging</li> <li>• Employee Resource Groups</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>• Product safety and quality</li> <li>• Responsible sourcing</li> </ul>	<ul style="list-style-type: none"> <li>• Inclusive content</li> <li>• Ethical behaviour</li> </ul>	<ul style="list-style-type: none"> <li>• Sales team account engagement</li> <li>• Industry group engagement</li> <li>• Commercial relationships</li> </ul>	
 <b>Families</b>	<ul style="list-style-type: none"> <li>• Product safety and quality</li> <li>• Privacy</li> <li>• Inclusive content</li> </ul>		<ul style="list-style-type: none"> <li>• Focus groups</li> <li>• Insight team consumer preference and direct product testing</li> </ul>	<ul style="list-style-type: none"> <li>• Consumer care interactions</li> <li>• Net promoter scores</li> <li>• Consumer surveys</li> <li>• Social media</li> </ul>
 <b>Investor audiences</b>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Financial performance</li> <li>• ESG topics – product safety and quality, product materials</li> </ul>	<ul style="list-style-type: none"> <li>• Cybersecurity</li> <li>• Climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Investor calls/presentations</li> <li>• Direct engagement with analysts/lenders/ratings agencies</li> </ul>	
 <b>Civil society</b>	<ul style="list-style-type: none"> <li>• Product safety and quality</li> <li>• Responsible sourcing (human rights)</li> <li>• Product takeback</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable materials</li> <li>• Climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Media</li> <li>• Direct engagement</li> <li>• Memberships</li> <li>• Partnerships</li> </ul>	
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Product safety and quality</li> <li>• Supply chain sustainability and responsibility</li> <li>• Climate change</li> </ul>		<ul style="list-style-type: none"> <li>• Direct engagement with procurement</li> <li>• Site visits and audits</li> <li>• Supplier questionnaires</li> <li>• Purchasing relationships</li> </ul>	
 <b>Community</b>	<ul style="list-style-type: none"> <li>• Community donations</li> <li>• Volunteering</li> </ul>		<ul style="list-style-type: none"> <li>• Partnerships and outreach</li> <li>• Donations and sponsorships</li> <li>• Employee volunteerism</li> <li>• Memberships</li> </ul>	
 <b>Government</b>	<ul style="list-style-type: none"> <li>• Product safety and quality</li> <li>• Responsible marketing and content for children</li> <li>• Responsible sourcing</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable packaging</li> <li>• Privacy</li> </ul>	<ul style="list-style-type: none"> <li>• Engagement through industry associations</li> </ul>	



# Our Environment

We are committed to delivering the magic of play to children and families responsibly, to preserve future generations of fun. We continue to focus our attention on understanding our environmental footprint, evaluating ways to minimize the impact of our operations and partnering with external organizations to help us meet our goals.

## Our Climate Action Commitments:

# 70%

reduction in Scope 1 + 2 emissions by 2030

2030 TARGET

# NET-ZERO

commitment for Scope 1 + 2 emissions by 2050

# 85%

reduction in waste in owned and leased facilities by 2025



2025 TARGET ACHIEVED

# ZERO WASTE

in owned and leased facilities by 2035

Please note that these commitments were set for Spin Master only.

# Climate Action

Our Climate Action Plan and the targets within are aligned with our commitment to act as a responsible custodian of the world children will one day inherit. We continue to make progress in reducing emissions across our business.

## Carbon

We created our Climate Action Plan in 2022, setting a goal to reduce our Scope 1 and 2 carbon emissions by 70% by 2030 and net-zero by 2050, using a baseline year of 2019. Since 2019, we have reduced our Scope 1 and 2 footprint by 65% for Spin Master. In 2024, we acquired Melissa & Doug, which impacted our total operations footprint, adding one retail store, four offices and four distribution centres in areas powered by higher-intensity electrical grids.

## Scope 1 and 2 Emissions

Scope 1 emissions are inclusive of the fuel used to power our vehicles and Scope 2 emissions include the electricity and natural gas we use to power our facilities, which are all leased.

Spin Master’s energy use declined overall between 2023 and 2024 due to the divestment of our former owned facility in Calais. In 2024, we had a slight increase in energy within our leased offices primarily in Asia and Canada due to operational changes. While we do have an Office Sustainability Scorecard which assesses energy usage, heat source and building certifications, final decisions on leased locations are based on a number of other factors, for example location, cost, amenities and proximity to transport. In 2024, we consolidated two Spin Master and Melissa & Doug offices in the U.K.

### OUR PERFORMANCE

Emissions (tCO <sub>2</sub> e)	2023	2024 – Spin Master only	2024 – Spin Master (including Melissa & Doug)
<b>Scope 1 (Direct)</b>	<b>210</b>	<b>5</b>	<b>18</b>
North America	3	2	15
Europe	198	0	0
Asia-Pacific	9	3	3
<b>Scope 2 (Indirect) – Location-based emissions</b>	<b>1,542</b>	<b>1,623</b>	<b>3,566</b>
North America	663	688	2,523
Europe	126	65	117
Asia-Pacific	754	870	926
Direct energy use (kWh) – electricity	6,109,965	5,649,671	10,494,805

**Methodology:** Our GHG emissions are calculated according to the GHG Protocol standards and guidance from the WRI and WBCSD. We use the operational control approach to define our organizational boundary. This year’s inventory includes information from Melissa & Doug. Spin Master’s 2023 and 2024 carbon inventory was restated using International Energy Agency (IEA) emissions factors. In 2025, we plan to include emissions for steam heating and fugitive emissions.

We obtained limited third-party assurance from an independent auditor, DNV, for our carbon inventory. The assurance statement can be downloaded [here](#).

We continue to improve the quantity and quality of information we collect. In 2024, we added Melissa & Doug’s facilities and manufacturing base to our carbon inventory. Please see the Scope 3 emissions section for details on additional data sources.

# 10 MILLION

Melissa & Doug has made a commitment to plant 10 million trees by 2030. In 2024, 345,000 trees were planted as part of this initiative.



### Scope 3 Emissions

Spin Master’s 2023 Scope 3 emissions decreased 50% compared to our 2019 baseline, but increased 19% compared to 2023. This can be attributed to an increase in the information collected, and an increase in toys manufactured. Our Scope 3 emissions include the following categories:

- **Category 1 – Purchased Goods and Services** – This category includes Scope 1 and 2 emissions for our Tier 1 manufacturers, as well as emissions related to waste. The amount of emissions increased by 18% at Spin Master facilities due to an increased volume of products manufactured and the capture of new data for European and Mexican factories for Spin Master.
- **Category 4 – Upstream Transport and Distribution** – This category includes upstream freight and Scope 1 and 2 emissions associated with third-party warehouses. The amount of emissions increased by 32% due to an

increased amount of freight data. Some information previously classified as Category 9 – Downstream Transport and Distribution, has also been reclassified as upstream as we gained greater clarity as to how our supply chain is segmented.

- **Category 6 – Business Travel** – Business travel is inclusive of all air travel. In 2024, we expanded the coverage of air travel providers in our inventory. The emissions associated with air travel decreased in 2024 by 19% due to the reduction in long-haul air travel. We also restated our 2023 emissions to correct errors related to radiative forcing and mileage.
- **Category 9 – Downstream Transport and Distribution** – Downstream transportation decreased by 4% between 2023 and 2024. Some information was reclassified from Category 9 to Category 4 for Spin Master (see description in Category 4 above).

### OUR PERFORMANCE

Emissions (tCO <sub>2</sub> e)	2023	2024 – Spin Master only	2024 – Spin Master (including Melissa & Doug)
<b>Scope 3 emissions</b>	<b>70,759</b>	<b>84,276</b>	<b>97,714</b>
Category 1 – Purchased Goods and Services	54,686	<b>64,404</b>	<b>74,724</b>
Category 4 – Upstream Transport and Distribution	13,397	<b>17,649</b>	<b>19,722</b>
Category 5 – Operational Waste	75	We are reassessing operational waste data – information will return in 2025.	
Category 6 – Business Travel	2,350	<b>1,909</b>	<b>1,981</b>
Category 9 – Downstream Transport and Distribution	252	<b>241</b>	<b>1,210</b>



### REDUCING OUR CARBON IMPACTS

As we pursue our emission reduction targets, we will continue to purchase energy attribute certificates (EACs) and carbon offsets to account for 100% of Scope 1 and 2 emissions, as well as some Scope 3 emissions. To cover our 2023 footprint, Spin Master purchased EACs and carbon offsets representing 2,500 metric tonnes of CO<sub>2</sub>e for Scope 1 and 2 emissions and 2,900 metric tonnes of CO<sub>2</sub>e for Scope 3 emissions, representing business travel and operational waste. Melissa & Doug purchased 1,038 metric tonnes worth of offsets for its operations.

The following projects were supported:

- **Chudu Afforestation Project:** An afforestation project located in China on desertification lands where no natural renewal or reforestation was happening before this project. The project has so far increased up to 36,500 hectares of forest cover and 33,000 community members are expected to be full-time employees of the project, with women making up 70% of the employed.
- **Great Bear Forest Carbon Project:** The Great Bear Forest Carbon Project is Canada’s first Indigenous-led carbon offset program and the largest forest carbon project in the world. Home to the rare white spirit bear, the Great Bear Forest is one of the largest coastal temperate rainforests left on earth. By purchasing Great Bear carbon offsets, the project has helped reduce carbon emissions, protect forests and invest in coastal First Nations communities.
- **Burdett and Yellow Lake Solar Facility:** This facility is made up of two solar farms with a combined capacity of 39 MW. Located southwest of Medicine Hat, the Burdett and Yellow Lake Solar Facility is Canada’s eighth largest solar project and supplies the renewable energy credits for Spin Master.
- **Landfill gas projects:** The Rio Grande Valley Landfill Gas Project in Texas and Canadian Valley Landfill Gas Project in Oklahoma collect and combust methane to reduce climate warming impacts and improve local air quality.

# Waste

Spin Master is committed to reducing waste in our operations and to collaborate with others to grow circular economy initiatives.

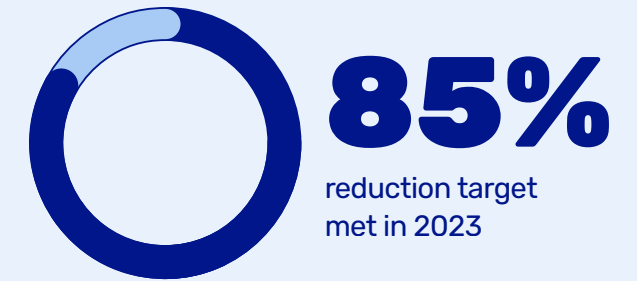
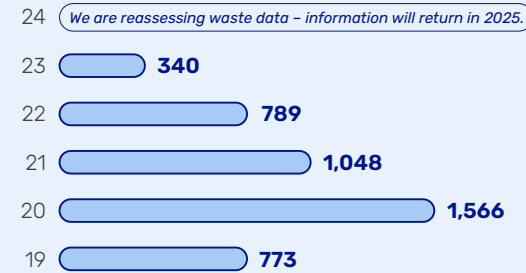
## Consumer Recycling

Our partnership with TerraCycle® is an important vehicle to promote the circular economy and engage our customers, free of charge, in our efforts to reduce waste. In 2024, we had 1,806 locations in the U.S. that recycled Spin Master toys. This year, we reached a major milestone of more than 50,000 toys collected through this program, saving approximately 2,825 kg CO<sub>2</sub>e, the equivalent of one person taking 104 flights from New York to Toronto.

## Waste Reduction

Spin Master has a short-term goal of reducing waste by 85% in owned and leased facilities by 2025 using a 2019 baseline, and to reach zero waste in owned and leased facilities by 2035. With the completion of the sale of our Calais, France and Tarboro, NC facilities, we were able to meet our short-term goal at the end of 2023. In 2024, with the acquisition of Melissa & Doug, we have begun to collect data to understand our new waste baseline to measure progress towards our zero waste by 2035 goal. We plan to undertake waste audits at our major facilities in 2025 and 2026, and will provide a progress update in our 2025 CSR Report.

### WASTE GENERATED (metric tonnes)



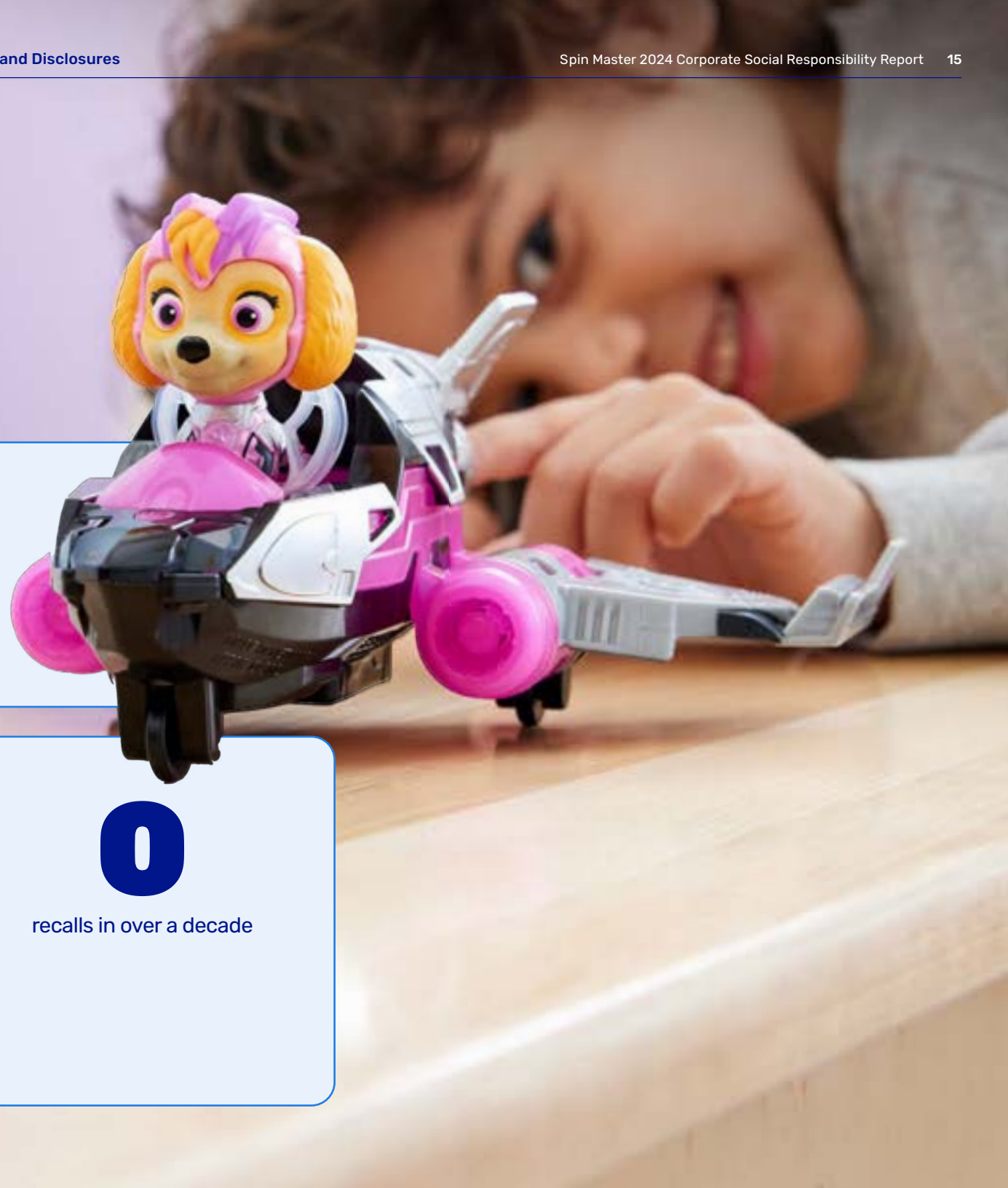
## Other Partners



### PASSIONATE EMPLOYEES

Spin Master's Earth Buddies Teams bring employees who are passionate about sustainability together to improve our environment. This past year, they grew our culture of environmental action by organizing more than 17 initiatives around the world. Events included rooftop gardens, sustainability markets, up-cycling events and environmental conferences and workshops.

# Our Products



As a leading children’s toy and entertainment company, we are committed to creating magical play experiences for children and their families. We are committed to producing responsibly sourced goods that are safe and of the highest quality. We also believe that our products should be designed with the environment in mind, so we have established ambitious sustainability goals for our packaging and consistently innovate our product design to reduce our impact.

**100%**

of paper products and 55% of wood products sold by *Melissa & Doug* are made with FSC-certified materials<sup>1</sup>

<sup>1</sup> FSC-C156584

**99%**

of our manufacturing facilities underwent an IETP/Ethical Toy Program audit, or equivalent, in 2024

2024

**0**

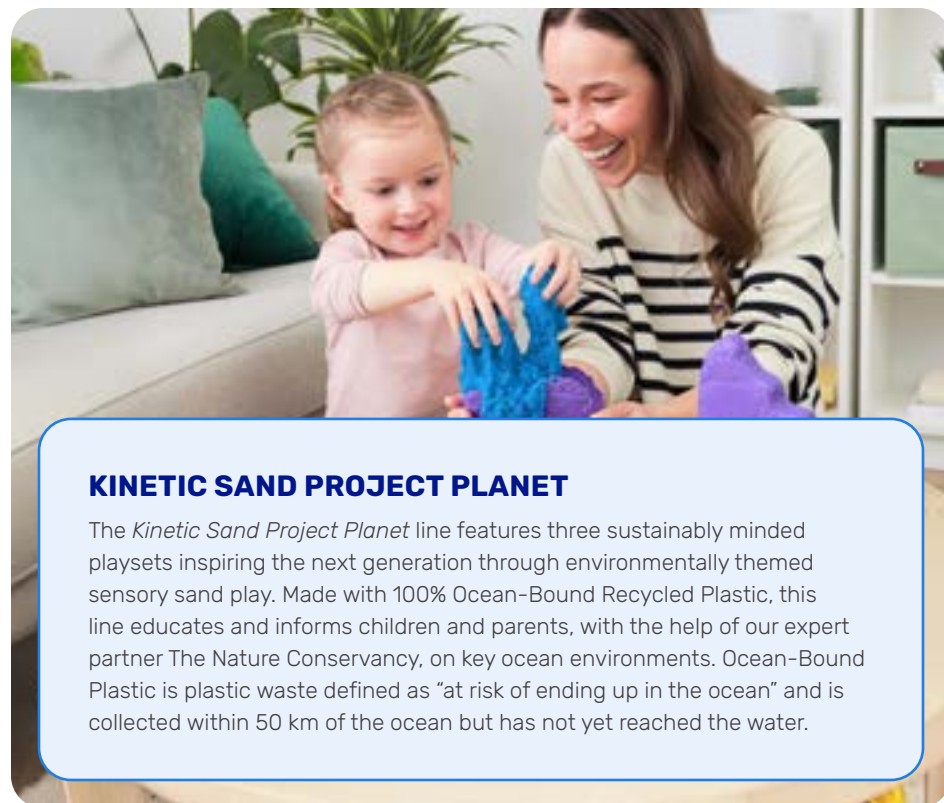
recalls in over a decade

## Playspossible™

Playspossible is our commitment to being responsible custodians of the world that today’s children will one day inherit. We strive to create more sustainable options within our products’ life cycles, specifically as it relates to product design and packaging, to reduce our impact on the planet.

### Responsible Product Design

We are continuously exploring opportunities to reduce the use of virgin materials in toys through innovative methods or by incorporating recycled or certified responsibly sourced content. Our goal is to maintain the best play experience while finding ways to minimize our environmental impact.



### KINETIC SAND PROJECT PLANET

The *Kinetic Sand Project Planet* line features three sustainably minded playsets inspiring the next generation through environmentally themed sensory sand play. Made with 100% Ocean-Bound Recycled Plastic, this line educates and informs children and parents, with the help of our expert partner The Nature Conservancy, on key ocean environments. Ocean-Bound Plastic is plastic waste defined as “at risk of ending up in the ocean” and is collected within 50 km of the ocean but has not yet reached the water.



### BABY GUND SUSTAINABLY SOFT MINI DOLLS

Our sustainably soft *GUND* line, sourced from 100% recycled materials, has expanded to include adorable mini dolls. Each doll is crafted with luxe, ultra-soft recycled plush and fill, and packaged in sustainable materials. It’s our gift to future generations of cuddlers.



### WIZARDING WORLD CHARACTER AND SPELLBINDING WANDS

Each Spellbinding and character wand from the Wizarding World of Harry Potter is made up of at least 74.4% recycled plastic. These wands are the perfect way to inspire imagination through fun and sustainable pretend play.

## Sustainable Packaging

We are focused on maintaining the joy of unboxing new toys and games while introducing children to environmentally focused packaging. By using virgin plastic alternatives and actively seeking new approaches to reducing overall materials while maintaining the quality of the product inside, we continue to evolve our packaging. Our innovative engineers and designers are also developing ways to integrate toy and game packaging into the play experience to extend the use.

### Our Performance

#### Target: Reduction of plastic by 50% in our packaging by 2025

We previously set a goal of a 50% reduction in the use of virgin plastic in all packaging materials by 2025. We took a focused approach by targeting our top-selling SKUs and implemented changes where possible. Through to the end of 2024, we were able to achieve 61% of our 50% plastic reduction goal, a 30.5% reduction in our use of virgin plastic in packaging materials.

We continue to look for ways to reduce plastic use and introduce sustainability into our packaging practices. In addition to plastic reduction, Spin Master is currently specifying all windows and blisters on any new products with recycled PET (30%-35% minimum recycled content).

#### Target: Utilizing non-mineral-based inks on 50% of packaging

In 2024 we worked with our suppliers to make the switch to non-mineral-based inks. Using random sampling, we have a 90% pass rate of our products. We will continue to pursue changes on the remaining items.

*Performance highlights on this page, unless otherwise stated, are for Spin Master, and exclude Melissa & Doug items in 2024.*



### PACKAGING MATERIAL ELIMINATION

Melissa & Doug have an ongoing goal to reduce overall volume of packaging materials. Over 3.5 million pounds of packaging have been eliminated since 2021.

### BABY GUND

Within our Baby *GUND* line, we looked to reduce corrugated paper in 2024. The packaging for our Baby *GUND* Animated Peeki the Puppy was redesigned, successfully removing 0.32 lbs of paper per unit. In total, 50,250 pounds of paper were avoided in 2024, the equivalent of 427 trees.



## Product Safety and Integrity

Spin Master adheres to stringent safety and quality standards for every product and play experience in every market where we sell our products. Our process ensures safety and quality are included in every step, including design, development, manufacturing and distribution-to-use.

### Spin Master’s Quality Centre of Excellence

Our Product Integrity Centre of Excellence is responsible for product safety, integrity, legal and factory compliance, product design and execution oversight, striking a critical balance between innovation and regulation. It also connects technical expertise, legal affairs, sustainability, sales and consumer insights, as well as feedback from customers and consumers to inform and improve our products.



### QUALITY ASSURANCE

#### Assessment

We pull together the global product regulation framework, product histories, design, brand and consumer insight in assessing safety parameters for our brands and products.

#### Product Development

We refine our products based on consumer insights and the application and establishment of global and unique regional product configurations. Every country Spin Master distributes in has distinct children’s regulatory safety laws requiring government certifications or equivalent endorsements, and we adapt accordingly.

#### Safety Testing

We take products through several iterative production pilots where they are evaluated against safety and regulatory standards, durability and reliability, in addition to consumer focus groups. This critical step concludes in formal safety certifications by independent, accredited third-party laboratories for global product distribution and continuous manufacturing consistency. Spin Master products conform to several requirements, including:

- U.S. CPSC and ASTM requirements
- European Standard EN71 and the *Europe Toy Safety Directive*
- *Canada Consumer Product Safety Act* and associated regulations
- Mexico Norma Oficial (NOM) Mexicana certification
- International Organization for Standardization (ISO) toy safety standards
- Other regional safety standards

The Company archives laboratory certifications and makes customer-available links traceable to every individual product shipment.

#### Market Surveillance

To gain new insights into future product lines, reviews and surveys are completed on a regular basis through Spin Master’s Quality Centre of Excellence. This then informs new products or helps inform current products.

*This information is specific to Spin Master and does not necessarily pertain to Melissa & Doug’s quality assurance processes.*

## Chemicals of Concern

All the materials used in our products are rigorously tested for safety and product integrity. We have a regularly updated restricted substances list (RSL) of over a thousand substances based on global regulations and industry standards, which provide guidance on restrictions and bans for certain materials.

**Bisphenol-A (BPA):** BPA is typically used in polycarbonate, a shatterproof plastic, in trace amounts. We follow all regulations related to BPA.

**Brominated flame retardants (BFRs):** Spin Master does not use any BFRs in its products. We have designed alternative methods to meet flammability requirements.

**Lead:** Spin Master tests for lead in all of its products and is fully compliant with all applicable regulations and standards related to safe levels of lead in products for children.

**Phthalates:** Phthalates have been eliminated from all of Spin Master's products.

**Polyvinyl chloride (PVC):** PVC is found in some soft plastic toys, such as inflatable pool floats and collectible action figures, due to its safety, flexibility, durability and ability to retain colour. We have not yet identified a suitable alternative material to PVC for these products and continue to test products containing PVC regularly for safety and quality compliance. In 2013, Spin Master removed PVC from all packaging given its lack of recyclability.

**Substances of Very High Concern (SVHC):** There are no SVHC chemicals over 0.1% by weight in any of our products, as is standard practice within toy safety compliance.

*This information is specific to Spin Master. Melissa & Doug maintains rigorous standards in line with Spin Master, with some differences. Future reporting will include Melissa & Doug's approach.*

### OUR PERFORMANCE

We have a strong track record of product safety and quality, and we have not had any recalls, fines or settlements related to product safety in 10 years.

	2022	2023	2024
Annual production (millions of products)	241	211	241
Number of recalls	0	0	0
Total units recalled	0	0	0
Number of Letters of Advice (LOA) received	0	0	0
Number of legal and regulatory fines and settlements associated with product safety	0	0	0



## Responsible Sourcing

Spin Master is a global business with 29 offices, distribution in over 100 customer markets and manufacturing in 11 countries in 154 facilities (SASB CNO604-B). All of our production is outsourced (SASB CNO604-B) and manufacturing is in facilities owned and operated by third parties in Cambodia, China, France, Hungary, India, Indonesia, Mexico, Netherlands, Poland, Spain, Sweden, U.S. and Vietnam. We have several measures in place to ensure our products are sourced in a responsible manner from suppliers who share our values and commitment to business integrity.

We choose suppliers based on a number of criteria, including cost to market, time to market, product capacity, location logistics efficiency, engineering and technical capacity, financial health, and social compliance to the Ethical Supply Chain Program (ESCP). We also consider the suppliers' environmental performance in choosing suppliers. In addition, 76% of Spin Master's Tier 1 suppliers are ISO 9001 certified. Spin Master has been an active participant of the ESCP since its inception. Through regular audits, as well as training and education, the program provides guidance on responsible supply chain practices, including audit process, business ethics, discrimination, disciplinary practices, employee representation, employment practices, environment and chemical safety, modern-day slavery, safety, underage labour, wages and working hours.

In addition to ESCP audits, Melissa & Doug contracts with Intertek to conduct Workplace Conditions Assessments (WCA) audits throughout the year at its factories. Suppliers are required to maintain an acceptable score, and those that do not must complete a corrective action plan within a specified time frame outlined by Intertek. The frequency of these audits is determined by past performance.

Our [Code of Conduct for Suppliers and Manufacturers](#) and [Human Rights Policy](#) stipulate that our suppliers must have an ESCP certification and vendors must be sealed by the ESCP or an equivalent program as outlined in the respective policies. Spin Master requires its third-party manufacturers and distributors to comply with Spin Master's Code of Conduct for Suppliers and Manufacturers, which is designed to prevent products manufactured by or for the Company from being produced under inhumane or exploitative conditions and includes a bare minimum of ESCP compliance. We provide further context in our [Statement of Modern Slavery and Transparency in Supply Chains](#) and [Modern Slavery Act Report](#).

Today, Spin Master and our licensors do not formally require Tier 2 (component) or Tier 3 (raw material) ESCP audits; however, exceptions are made if materials or components are or can be identified as Spin Master or licensor intellectual property. To learn more about the Ethical Supply Chain Program, go to [ethicalsupplychain.org](https://ethicalsupplychain.org).



## Family-Friendly Factory Program

The Ethical Supply Chain Program launched the Family-Friendly Factory (FFF) Program in 2023 to benefit 30,000 children by the end of 2025.

The FFF Program, developed with insights and expertise from UNICEF, helps factories to become family-friendly environments. One element of this program is Family-Friendly Spaces (FFS), which create factory or community-based childcare facilities that enable workers to access quality childcare free of charge. FFS provide a safe environment for the children to play, access learning opportunities, develop social skills and spend time

with their parents. In 2024, there were 55 spaces active, supporting over 2,000 children of workers in the supply chain.

Spin Master remains committed to supporting the ESCP in reaching its ambitious effort to grow the FFF Program to benefit 30,000 children by 2025.

### OUR PERFORMANCE

We work closely with our factories to maintain compliance with our requirements.

	2022	2023	2024
Total number of manufacturing facilities	120 (1 owned)	114	154
Percentage of facilities audited by the Ethical Supply Chain Program or equivalent program	99%	94%	99%
Number of facilities audited by the Ethical Supply Chain Program or equivalent program	119	107	178
Direct suppliers' non-conformance rate with external social responsibility audit standards	0.3%	2%	<1%
Rate of non-conformances subject to corrective action	100%	100%	100%
Direct suppliers' priority non-conformance rate	0.3%	1%	<1%
Direct suppliers' associated corrective action rate for priority non-conformances	99%	100%	100%
Number of contracts with suppliers that were terminated as a result of non-conformances	3	2	0



**99%**

of workers said their child had a safe place to go in the summer due to FFS



**99%**

of workers said a factory participating in FFS is more attractive



**97%**

of workers said they feel happier at work because of FFS



**98%**

of managers said FFS improved worker satisfaction



## Responsible Marketing and Content for Children

Given we reach millions of kids and their families each year, we have a responsibility to put them at the centre of everything we do, including the development of our toys, entertainment and digital games. Within our Entertainment Creative Centre, we tell stories that reflect the diversity of the communities we serve and work with outside consultants to authentically represent these experiences in our content. Within our Digital Games Creative Centre, we take a child-led approach to our design and prioritize inclusivity and follow strict protocols so that our gaming environments are safe and inclusive places for children.

Beyond the development of our toys, entertainment and digital games, we also take great care in marketing to and communicating with our audiences. We adhere to relevant global and regional regulations including the U.S. *Children's Online Privacy Protection Act* (COPPA) as well as voluntary standards, such as those provided by the Children's Advertising Review Unit, and act in accordance with the Federal Trade Commission Advertising Standards.



### TOCA BOCA

Inclusivity is central to *Toca Boca's* values. The team creates digital playgrounds where everyone is welcome; where kids can be who they want to be. With that in mind, the studio consults with an independent Diversity Advisory Board during key moments within the product development cycle. Within *Toca Boca World™*, children can customize their character, friends and families to reflect their own diverse backgrounds.

# Our People



Our success is driven by our talented employees across the globe who are delivering on our purpose of creating magical play experiences for children and their families. We invest in our team members and are committed to providing a workplace experience where employees feel inspired, empowered, valued and respected.

**88%**

company pride

2024

**98%**

gender pay equity

2024

*Does not include Melissa & Doug data.*

# Employee Engagement

We're cultivating a workplace culture that promotes innovation and creativity in pursuit of our vision to reimagine everyday play.

By listening to and learning from our employees we're making positive changes to our employee experience. Our employee survey scores continue to be strong, matching an all-time high score for company pride (88%). Spin Master earned Great Place to Work certification in Canada for the second straight year and for the first time ever in the U.S., based on direct feedback from employees. We also celebrated being named Mediacorp's Greater Toronto Top Employer for the eighth consecutive year while Melissa & Doug was named to *Newsweek's* list of America's Greatest Workplaces for 2024. These awards showcase the strong connection our employees have to our purpose and reflect our commitment to creating a best-in-class employee experience.

## Recognizing and Celebrating Our Employees

Celebrating and recognizing our employees are important parts of our culture. Four years ago, we introduced Spin Masters, a rewards and recognition program that allows colleagues to recognize one another for demonstrating our values. In 2024, more than 24,000 peer-to-peer recognition notes were sent and received. In 2025 we will expand this program to include Melissa & Doug employees.

In addition to our ongoing recognition efforts, each year, we celebrate the outstanding work of our employees during Employee Appreciation Week. This year we hosted events in offices across the world and were joined by Melissa & Doug colleagues for the first time since the acquisition.

The theme for Employee Appreciation Week in 2024 was "Celebrating YOU and 30 Years of History" and was anchored on three pillars:

**Appreciation:** Acknowledge and appreciate employees for their work, achievements and contributions to the organization.

**Fun & Engagement:** Incorporate enjoyable and engaging activities to create a positive atmosphere, boost morale and strengthen team bonds.

**Belonging:** Ensure that all employees feel valued and included, recognizing diverse contributions and fostering a sense of belonging.

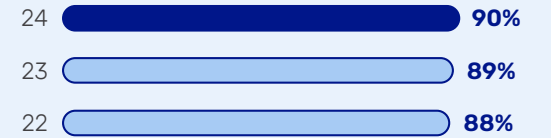


### BRINGING OUR TEAMS TOGETHER - U.K. OFFICE OPENING

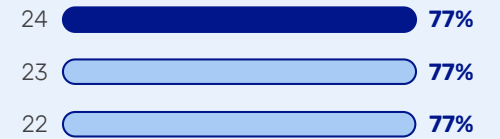
The Spin Master U.K. team and the Melissa & Doug team moved to a larger, more dynamic office, providing greater collaboration opportunities across the business. The new office space also features a permanent toy showroom to allow our customers to immerse themselves in our latest innovations. With the teams united under one roof, we plan to accelerate the growth of the *Melissa & Doug* brand internationally by leveraging its global footprint, ecommerce excellence and product innovation.

## 2024 EMPLOYEE ENGAGEMENT SURVEY

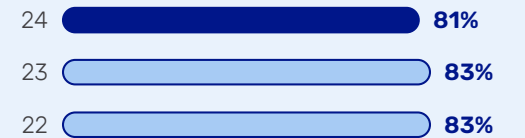
### Overall Participation



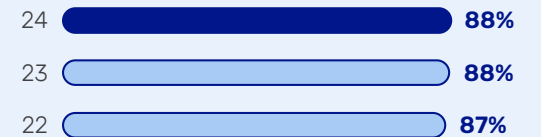
### Overall Engagement



### Overall Manager Relationship



### Company Pride



# Learning and Development

This past year, we continued to support our employees' learning and professional development. In addition to our core programs, we launched initiatives focused on enhancing leadership and growing innovation.

## Leadership Summit

In 2024, we extended our Leadership Summit experience to all Director and above leaders from Melissa & Doug to build both understanding of effective leadership and greater capability. As a new, larger company, we are building an understanding of our philosophy of leadership and the culture it creates throughout the Company. To equip all leaders to successfully implement what they learned at the Leadership Summit, we also provided sustainment workshops to give leaders the opportunity to seek feedback and further learning support.

## People Leadership Program

Building off the momentum of Leadership Summits, we launched a new program targeted to middle managers. In the new People Leadership Program, managers are taught the skills to grow, develop and lead their teams to higher

performance. The course featured 18 hours of learning over three months, with strong post-program support through peer connections, manager involvement, 360 feedback and a six-month follow-up. In 2024, we delivered the program to 230 managers with direct reports and continue to offer the program to new managers as they join.

## Learning Opportunities

**LinkedIn Learning:** Employees have access to over 30,000 courses, allowing them to learn at their own pace.

**MasterClass:** An online streaming platform with access to hundreds of classes taught by the world's best leaders, authors, teachers and experts.

**Tuition reimbursement:** Reimbursement of continuing education courses in support of growth and career goals.



## CORE PROGRAMS

### Total Rewards

Our total rewards packages are designed to be competitive, inclusive and to meet the financial, emotional and physical well-being of employees. Our gender-based pay equity rate across all levels globally is 98%,<sup>1</sup> maintaining our commitment to achieving a rate close to 100% on an annual basis.

Employees are provided with robust packages that include medical, dental and vision benefits, employee assistance program, life and disability insurance, short- and long-term disability leave benefits, paid vacation and holidays, and wellness offerings. Parental leave, both paid and unpaid, is offered depending on the situation and in accordance with local laws and regulations. To further strengthen our position as an employer of choice, we offer an employee share purchase plan, annual share grants for Director roles and above, and are now offering share grants based on performance and tenure for all employees.

In 2024, we started the work to integrate Melissa & Doug team members into our global total rewards program, including providing new offerings that will be made available throughout 2025. We also strengthened our financial well-being programs in the U.S., with new retirement and student debt retirement options. In Canada we launched one-on-one financial counselling sessions and broader counselling services through Manulife.

<sup>1</sup> Excludes Melissa & Doug employees.

**90%**

of employees believe their manager treats them with respect



**84%**

of employees believe their manager models Spin Master values



**2,755**

full-time employees

**7.73%**

voluntary turnover rate

# Belonging

We're investing in teams of creative and innovative people who value an inclusive workplace and work together to achieve our vision of reimagining everyday play.

## Committed to Creating a Culture of Belonging

Our employees have told us that a sense of belonging is incredibly important to them and positively impacts engagement and reduces attrition.

Fostering a sense of belonging means we will focus our attention on:

- Attracting diverse talent
- Providing equal opportunities and preparing people to succeed
- Strengthening our leadership capabilities
- Communicating and educating people to tackle bias
- Embracing the diversity of thought that comes with being a global company

Our Belonging Committee shapes our efforts both globally and regionally. The committee's responsibilities encompass the implementation of training, managing internal and external communications, and tracking progress against our goals. As we continue to enhance our program, this committee will play a pivotal role in fostering the culture of inclusion and belonging at Spin Master.

Our Employee Resource Groups (ERGs) allow employees from across the globe to share ideas, address challenging issues and strengthen our inclusive culture. Our groups include: Women's Empowerment Network, Earth Buddies (Office Sustainability) and Philanthropy.

**Our talented employees are the driving force behind our success. We are committed to providing an inclusive workplace that fosters belonging where everyone feels inspired, valued and respected.**

**77%**

of employees reported "I feel like I belong"

2024 Employee Engagement Survey.



**82%**

of employees agree that diversity is valued at the Company

2024 Employee Engagement Survey.



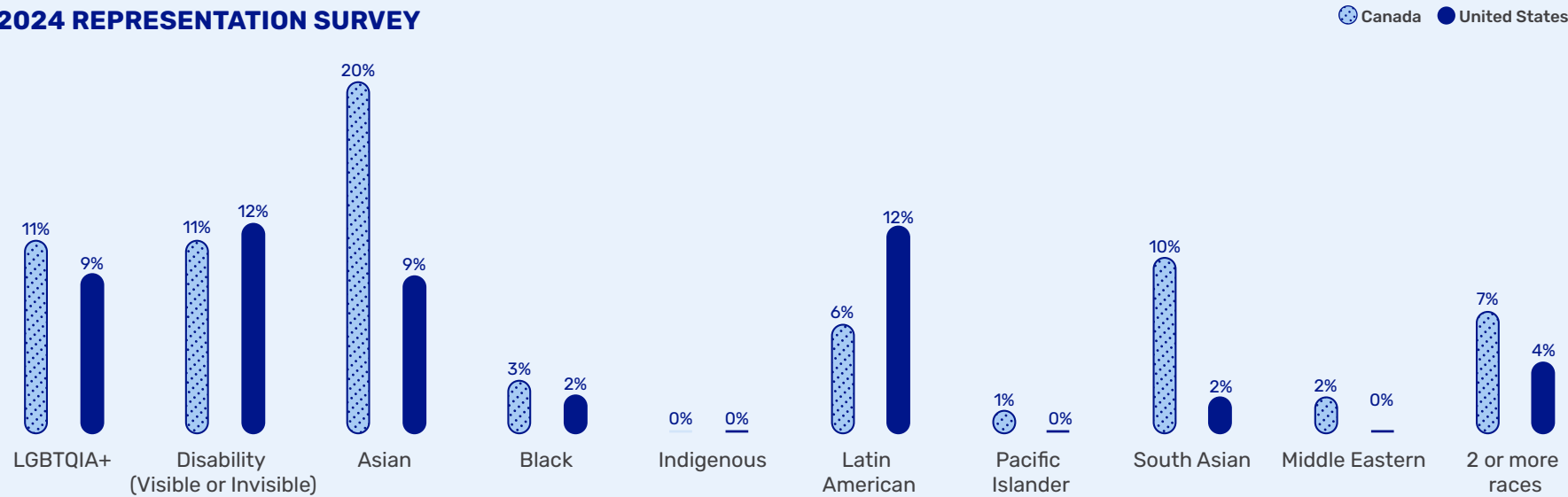
## FUTURE OF PLAY SCHOLARSHIP PROGRAM

Since 2021, the [Future of Play Scholarship Program](#) has provided 32 aspiring creators from under-represented communities in Canada and the U.S. with access to post-secondary education and mentorship from Spin Master employees. The program was created to bring forward diverse voices and perspectives within the children's entertainment industry. We offer scholarships for students taking courses related to the fields within our creative centres – Toy Design, Digital Games and Entertainment.



# Representation

## 2024 REPRESENTATION SURVEY



## GENDER REPRESENTATION

**53%**

Overall Female Employees

**17%**

Female Board Members

**33%**

Female Executives (EVP & up)

**44%**

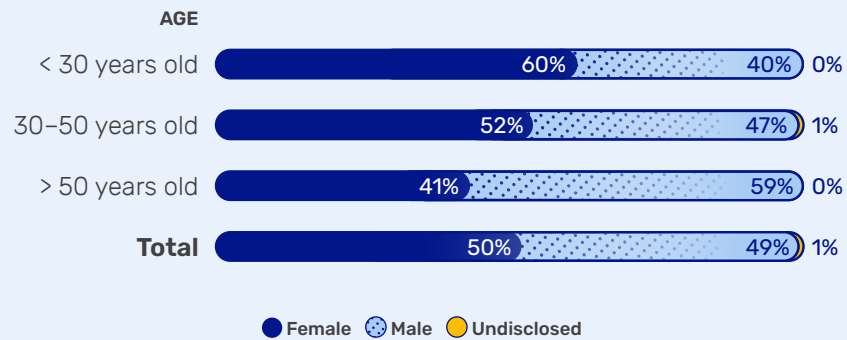
Females in Senior Management

**50%**

Females in Middle Management

## MIDDLE MANAGEMENT

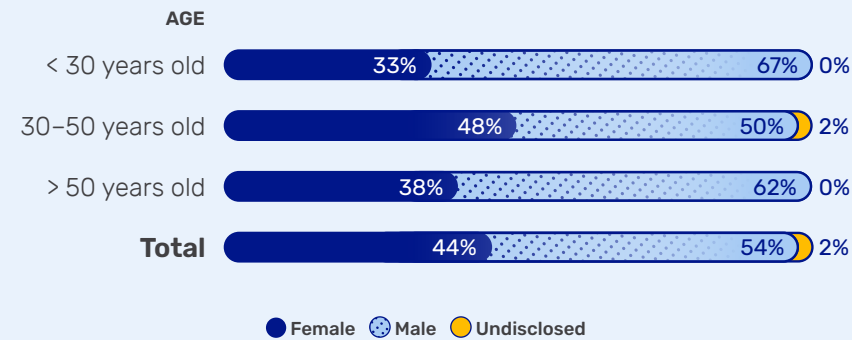
(Team Leaders, Supervisory, Managers and Senior Managers)



Gender data is global.

## SENIOR MANAGEMENT

(Directors and Above)



Gender data is global.

Gender data is global.

## Health and Safety

We are committed to meeting or exceeding all applicable national, provincial and local safety laws and regulations and to prioritizing the health and safety of our employees.

Our Spin SAFE Health and Safety program enables employees to access the knowledge and resources to work safely.

With the acquisition of Melissa & Doug, we increased the number of full-time employees, and the facilities include workers in offices and distribution centres, the latter of which have a different risk profile.

Our team is currently creating a new Global Health and Safety Program that will launch in early 2025. The program will provide a consistent health and safety standard to all our locations globally and will include additional policies, trainings, documentation, procedures and reporting.

### OUR PERFORMANCE

	2022	2023	2024
Recordable workplace accidents <sup>1</sup>	9	7	17
Total Recordable Incident Rate	0.38	0.31	0.65
Deaths	0	0	0

<sup>1</sup> The health and safety figures for 2024 are inclusive of Spin Master and Melissa & Doug facilities minus the Shenzhen, China office. All figures from 2023 prior are for Spin Master only.



# Our Communities

We believe that every child should have the opportunity to grow, explore and learn through play – regardless of their circumstances. We bring children the magic of play through in-kind donations, investments in educational programming, local community engagement and employee volunteerism. This year, we surpassed our ambitious goal of positively impacting half a million children.

**615,000**

children impacted

**356,000+**

toys donated

**4,600+**

volunteer hours

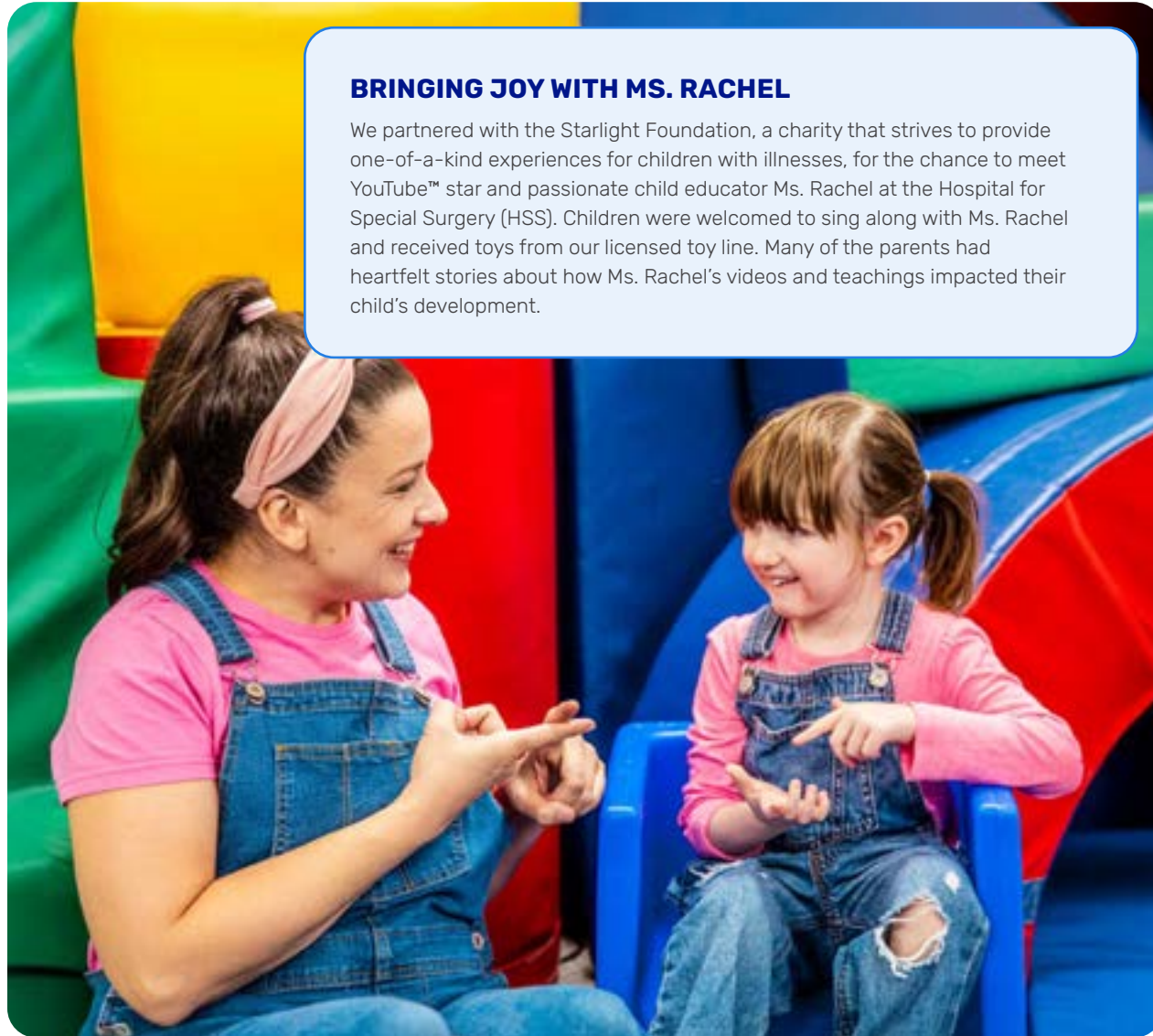


## Partnering for Impact

In 2024, we partnered with 285 organizations in 27 countries to give back to our communities. But the fun didn't stop there; we also partnered with influential play advocates to elevate how we spread the power of joy with exciting new initiatives within the community.

### BRINGING JOY WITH MS. RACHEL

We partnered with the Starlight Foundation, a charity that strives to provide one-of-a-kind experiences for children with illnesses, for the chance to meet YouTube™ star and passionate child educator Ms. Rachel at the Hospital for Special Surgery (HSS). Children were welcomed to sing along with Ms. Rachel and received toys from our licensed toy line. Many of the parents had heartfelt stories about how Ms. Rachel's videos and teachings impacted their child's development.



### MAKING AN IMPACT WITH JASON KELCE

We joined forces with Jason Kelce, former Philadelphia Eagles football centre, and donated nearly 40,000 toys to kids across Philadelphia through "Operation Snowball." The citywide initiative was inspired by Jason's desire to match his city's unbreakable spirit with a big gesture that would impact an unprecedented number of youth.

# Toy Donations

## Baby2Baby

We partner with Baby2Baby to provide children in need with comfort by donating over 75,000 toys annually. In 2025, we worked with Baby2Baby to provide relief to children affected by the Los Angeles wildfires through a combination of employee volunteering, cash funding and additional toy donations.

## Children’s Aid Foundation of Canada

We donated 5,000 GUND plush in partnership with the Ted and Loretta Rogers Foster Care Comfort Kit Program. Employees volunteered to pack comfort kits for children entering the foster care system across Canada.



In addition to providing a monetary donation to Baby2Baby, we’ve also given comfort to children impacted by the wildfires by donating over 16,000 toys and having employees volunteer to pack up kits filled with basic necessities for kids.

## 2025 Los Angeles Wildfire Relief

In 2025, many communities in the Los Angeles area were impacted by devastating wildfires, destroying homes, compromising air quality and putting strain on community and emergency responders. In addition to supporting the health and well-being of our employees in Los Angeles, we provided financial support to charities providing on-the-ground support to affected families, including the American Red Cross, Boys & Girls Clubs of America, Baby2Baby and the Toy Foundation. Our Los Angeles employees also participated in local outreach efforts to help rebuild their community.

## Spreading Joy Globally – The Toy Movement

### Celebrating 10 Years of The Toy Movement

The Toy Movement is a Spin Master-led initiative with a mission to deliver inspiration, imagination, magic and joy to children around the world, regardless of circumstances. Our goal is to bring comfort and reprieve to children impacted by conflict, poverty and natural disasters through play. In



### Celebrating 10 Years of The Toy Movement

We hit two major milestones this year – reaching 10 YEARS of our Toy Movement initiative and donating our MILLIONTH TOY! [Watch Ronnen Harary, co-founder of Spin Master and The Toy Movement, reflect on the impact we’ve made.](#)



2024, we partnered with Save the Children Canada and World Vision Canada to increase our impact. We reached over 215,000 children in 11 countries and donated more than 110,000 toys. For children attending Child Friendly Spaces (CFS) in areas of crisis and instability, we donated 1,050 activity-based play kits (CFS Play Kits) filled with iconic Spin Master toys to create a truly magical experience within each box, helping kids learn, explore and heal through play.

To celebrate our 10-year anniversary, we held a global social media campaign encouraging everyone to share their favourite childhood toy using the #MyFavouriteToy hashtag. For every share a post received, we donated one toy through The Toy Movement. We received participation from our employees, executive leaders, external partners and more.



## Delivering Toys to the Yukon

In addition to delivering toys to children around the world, we sent toys to Canadian communities in need with the First Nation School Board. We also partnered with Save the Children to locally pack up and deliver toys to 11 schools in the Yukon, and together delivered a total of 2,000 toys and 50 CFS Play Kits.

### Toy Movements

- Burundi
- Chad
- China
- Mali
- Canada
- Zimbabwe

### CFS Play Kits Initiatives

- El Salvador
- Guatemala
- Honduras
- Lebanon
- Mexico
- Canada

## DONATIONS

	2019	2020	2021	2022	2023	2024
In-kind donations (number)	102K	460K	170K	450K	513K	350K
Cash donations <sup>1</sup> (US\$)	\$978K	\$897K	\$1.95M	\$3.01M	\$2.47M	\$2.41M

<sup>1</sup> Cash donations include monetary contributions to registered charities, cost of goods of donated products and direct operational costs associated with donations.

## Advancing the Future of Play

### Inspiring Women in STEAM with Hackergal

For the third consecutive year, employees from our Sago Mini office partnered with Hackergal to host a three-day coding workshop for girls in high school interested in tech careers. Each girl built and presented their own game while receiving guidance from industry professionals on coding, animation and level design.

**“I found it very exciting to meet girls with similar interests to me and have an amazing opportunity to improve and continue expanding my coding skills. I had a great time connecting with fellow ambassadors and getting out of my comfort zone while networking. I really found this experience to be a positive and memorable experience! I would definitely do it again!”**

*Deepa*



### Let's Talk Science

We have a passion for unlocking the innate curiosity and exploration that youth possess, and this is the essence of our relationship with our charitable partner, Let's Talk Science. This year, we donated 24,000 *Kinetic Sand* to their STEM Storytime Kits, aiming to fuse literacy with STEM activities for kids under the age of 10. We've also continued to host Future of Play days throughout the year at our headquarters to encourage students to explore unique STEAM career paths.



### Boys & Girls Clubs of America

We've been a partner of the Boys & Girls Clubs of America since 2021 and share their passion for enabling young people to reach their full potential as productive, caring and responsible citizens. In 2024 alone, we've impacted over 56,800 kids. One of our major activations was sponsoring a nationwide Mythical Figure contest, enabling 2,300 kids to shape the future of play through their imagination.



# Employee Philanthropy Programs

## Global Giving Season

The Global Giving Season is a month-long initiative at Spin Master that focuses on creating magical moments for children in need. During this special time of year, we partner with local charities to share the timeless magic of play by hosting holiday events, wrapping toys in-office, handing out toys at local hospitals and more.

Caring & Sharing is our signature event which began in the Toronto office 12 years ago. The concept is simple – a child receives a toy for themselves and one to give to someone else in their life, capturing the true spirit of the season.

## Volunteerism

Spin Master employees are actively engaged in our philanthropy efforts. To reinforce our culture of giving, we provide employees with a variety of opportunities to give back in their communities.

Our Volunteer Rewards program celebrates the impact our employees make to support local philanthropic efforts and the causes that matter most to them. For every 25 hours volunteered within a year, employees will receive \$50 to donate to any charity of their choice through our giving platform. Additionally, all full-time employees are granted one day off to give back to causes of their choice. We have five employee-run local philanthropy committees around the world that put the power of donating and volunteering into their hands to make an impact on causes that resonate locally. Finally, we provide employees with company-matched giving opportunities, giving them the opportunity to double the impact of their donations to causes that are meaningful to them.

**OUR EMPLOYEE-LED EVENTS AROUND THE WORLD INCLUDE:**

**CANADA:** This year we partnered with schools affiliated with The Children’s Breakfast Clubs to spread joy to over 1,200 kids and gave away 2,400 toys. Three hundred Spin Master volunteers dedicated their day to spreading joy for kids. Check out the excitement [here](#).

**SLOVAKIA:** The office hosted a Caring & Sharing workshop where employees wrapped gifts for children in need based on their holiday wish list.

**JIAXING:** The team spread joy to children with disabilities within the community in partnership with the Jiaxing Social Welfare Institute and Jiashan PeiZhi.

**U.S.:** Our employees in Los Angeles, New York and Wilton held their own local Caring & Sharing events alongside events wrapping gifts for children and families within their communities. We partnered with local organizations including the Long Beach Children’s Hospital, Boys & Girls Clubs of America and the Connecticut Department of Children and Families.

**ITALY:** Our colleagues in Milan put together 300 goodie bags for hospitalized children in the area.

**HONG KONG:** Employees partnered with the Children’s Heart Foundation and donated toys to children with illnesses.



**“In all of the hustle, bustle and excitement as a Caring & Sharing volunteer, you help ensure that the child’s entire experience is magical. You get energized by their widened eyes, their smiles and the stories they so eagerly want to share with you.”**

*Ginnette Reyes, Lead, Product Development Engineer, Toronto, Canada*

**2024 MATCHED DONATION CAMPAIGNS**

**\$139,812**  
raised

**167**  
charities supported



# Governance



## Governance and Ethics

We conduct our business with the highest standards of ethics and are committed to sound corporate governance. Through our governance management practices and policies we strive to ensure accountability to our stakeholders. We regularly review our Company policies to strengthen our standards and refine our governance practices to respond to changes in the governance landscape.

The Governance & Nominating Committee of our Board of Directors approved a new Modern Slavery Act Report to comply with new Government of Canada regulations. The report outlines the steps Spin Master has undertaken to prevent and reduce the risk of child and forced labour in our supply chain. The policy builds on our existing governance documents, which are available on our [Corporate Governance website](#) and include policies such as: Diversity Policy, Code of Ethics and Business Conduct, Anti-Bribery and Anti-Corruption, Human Rights, etc.

We hold ourselves and each employee accountable to act in accordance with high ethical and legal standards. To ensure we adhere to our corporate governance practices, it is a mandatory requirement for all employees and temporary and contract workers to review, understand and attest to compliance with our Governance, Risk and Compliance policies annually. Our standards and principles can be found in our [Code of Ethics and Business Conduct](#).

## Data Protection and Cybersecurity

We are committed to protecting the personal information of our employees, customers and consumers while also using the data we collect responsibly. We have a number of safeguards in place to ensure the confidentiality, integrity and protection of sensitive data and information systems within our business. We assess and update our program to meet the requirements of emerging privacy laws and regulations around the world.

Our [Privacy Policy](#) includes details regarding how we collect, use and share personal information. Our privacy guidelines are also incorporated into our [Code of Ethics and Business Conduct](#) which our employees attest to annually, and we conduct training sessions for employees who handle personal information regularly.

In 2024, we continued to make enhancements to our cybersecurity program, including the introduction of specialized training to help employees sharpen their skills. This also included the integration of Melissa & Doug's IT systems and adoption of Spin Master's technology and cybersecurity standards. We have measures in place to protect our business systems and data to reduce the risk of business interruptions. Our team continuously monitors and responds to potential threats, and we have maintained our relationship with our cyber-insurance provider to fortify our cyber resilience.



# Reporting and Disclosures

Spin Master continues to report against the Sustainable Accounting Standards Board (SASB) Toys and Sporting Goods Standard, the Global Reporting Initiative (GRI) Universal Standards, and Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations. Reporting against these frameworks allows us to demonstrate our performance on critical sustainability issues more transparently and provide stakeholders with the ability to assess our impact in a consistent manner.



## 2024 Risks and Opportunities

We see a number of social and environmental risks for the business in the short, medium and long term. For more details on our risks, please consult our Annual Report in the “Risks Relating to Spin Master’s Business” section. Within this section we also identify the measures to mitigate risks and convert them into opportunities.

Risk	Mitigation	Opportunities
<p><b>The effects of climate change</b></p> <p>Climate change will create a number of transition and physical risks for us. Please refer to the <a href="#">Climate Action</a> section and our <a href="#">TCFD</a> response – Strategy a) for further details.</p>	<p>We have been measuring our carbon footprint for a number of years, and purchasing renewable energy certificates and offsets for our Scope 1 and 2 emissions as well as some of our Scope 3 emissions. Over the past few years we have invested in further improving our data collection, putting together a carbon reduction plan to help us reach net zero by 2050. As of 2024, we reduced the emissions related to our original Spin Master business by 65%. We are also working on a plan to address our Scope 3 emissions. With the acquisition of Melissa &amp; Doug, we are integrating their information into our baseline and will determine new plans. Please see the <a href="#">Climate Action</a> section and our <a href="#">TCFD</a> response for more details.</p> <p>We have divested ourselves from all owned manufacturing facilities which accounted for the majority of our Scope 1 and 2 emissions reductions. We also continue to diversify our third-party supplier factory base in multiple countries to ensure flexibility and resilience, given geopolitical, economic and climate challenges.</p>	<p>Executing on our Climate Action Plan will help us operate more efficiently. We also think that diversifying our manufacturing geographically and focusing on digital games and entertainment and licensing will help us with resilience in an increasingly carbon-constrained world. Lastly, we think that new ways of working will also help us innovate new products and services.</p>
<p><b>Product quality and safety</b></p> <p>The toy industry is highly regulated, and product quality and safety are fundamental to operating in this sector. Any product defects could cause significant liability and reputational risk among our customers and families that we serve.</p>	<p>Product quality and safety protocols, standards and controls are deeply embedded within the organization and industry through programs like the Ethical Supply Chain Program. We have a strong track record on product quality and safety, and are proud to say that we have not had any recalls for over 15 years. See the <a href="#">Product Safety and Integrity</a> section for more details on the comprehensive program we have.</p>	<p>A constant focus on product quality and safety, with the proper governance, resourcing and processes, ensures that this mindset is part of our culture and that we continue to build trust with our customers and families who purchase our products. In addition, this provides a continued opportunity for us to evolve product and safety standards with experts and other stakeholders in the industry.</p>

Risk	Mitigation	Opportunities
<p><b>The integrity of the supply chain</b></p>		
<p>As a trend-driven business, Spin Master depends on reliable sources of materials, efficient manufacturing and timely distribution of products.</p> <p>Plastic resin is the primary material in Spin Master's products and packaging. We are looking to reduce the amount of virgin plastic we use and to use sustainable alternatives where available; however, we recognize that this is an ongoing challenge for the entire sector to find suitable alternatives. We also use substantial amounts of corrugate and wood/pulp-derived products, the latter of which has grown with the acquisition of Melissa &amp; Doug. The availability, efficacy and cost effectiveness of these materials are essential to the future of our business. For some of our wood products, we use FSC-certified wood, which is available in limited quantities.</p> <p>Responsible sourcing is a fundamental expectation in our business. As we have adapted the geography of our manufacturing base to adjust for different geopolitical realities, this requires constant vigilance. For example, in the case of any political instability or civil unrest in a specific region, this could temporarily or permanently damage our third-party manufacturing base, which could then bring significant reputational, financial and liability risk to us.</p> <p>Disruptions in the supply chain, including geopolitical conflicts, trade disputes, port congestion and container availability, are a sector-wide issue and negatively affect timely or cost of distribution, important issues with customers and consumers, and therefore our revenues.</p>	<p>We work closely with our manufacturers to source input materials and we have built contingency plans to factor in disruptions and substitutions into our cost of goods sold.</p> <p>Supply chain disruptions are mitigated by our geographical diversification strategy and by continuing to manufacture close to our key markets. This requires ongoing assessment and monitoring.</p> <p>We have clearly set out our expectations for labour standards, human rights and environmental regulation within our Supplier Code of Conduct, and it has been harmonized through programs such as the Ethical Supply Chain Program and assessments such as the Higg Index. We have robust programs in our main countries of manufacture – Cambodia, China, France, India, Indonesia, Mexico, Netherlands, Poland, Sweden, U.S. and Vietnam – to monitor adherence and to ensure that it is conducted efficiently at industry level. We also use third-party certifications, such as FSC, to ensure that chain of custody is respected.</p> <p>Lastly, during the past few years where supply chains have been significantly disrupted, we have built contingency plans, using alternate modes of transport, routes or ports to meet customer needs.</p> <p>Please see the <a href="#">Responsible Sourcing</a> section for more information.</p>	<p>In working with new suppliers and in new regions, or facing cost and supply scarcity, we have found that it has brought new ideas and sources of innovation for production, materials and transport.</p>
<p><b>Scarcity of specialized talent</b></p>		
<p>The toy and entertainment industry requires a specialized skill set, of which there is currently a scarcity. This talent is typically concentrated in specific markets outside our home market of Canada. As a result, we need to be part of shaping the future through developing ecosystems for talent with the education system and government and creating attractive workplaces for talent.</p>	<p>We also have offices in several strategic locations that have close proximity to talent including Los Angeles, New York, Toronto, Paris and London.</p> <p>We continue to build our programs to engage employees and monitor employee satisfaction regularly. We have also built partnerships and curricula with various schools including Humber College in Toronto, the Fashion Institute of Technology in New York and Shenkar College of Engineering, Design and Art in Ramat Gan, Israel. We have also set up the Future of Play Scholarship in North America for individuals from under-represented communities to enter the toy, entertainment and digital games sector to broaden the pool of qualified talent.</p> <p>See the <a href="#">Belonging</a> section of the report for more details.</p>	<p>As we continue to deepen our partnerships with educational institutions, inform curricula and grow our presence and recruitment efforts with key groups, we believe that this will create a more diverse and workforce-ready pipeline to take on future roles at Spin Master.</p>

Risk	Mitigation	Opportunities
<p><b>Disruption from technological change</b></p> <p>Emerging new technologies, such as generative AI (AI image generators and large language models), are disrupting how entertainment is created and delivered. As a children's entertainment company focused on intellectual property created through innovation, content creation and merchandising, generative AI could lead to risks related to intellectual property enforcement, privacy and security.</p>	<p>We have created an AI Policy at Spin Master for employees, contractors, subcontractors, consultants, representatives and/or agents of Spin Master to comply with the use of generative AI platforms and services for content creation and non-content creation.</p>	<p>New technologies have the potential for us to engage in new ways in how we create and deliver toy and entertainment experiences for families and to help enable our employees in their work. We are exploring, on a limited basis, how we might utilize AI within our organization that respects intellectual property, privacy and security.</p>
<p><b>Increasing regulatory requirements related to sustainability topics</b></p> <p>Over the past few years, many jurisdictions have been setting new laws related to:</p> <ul style="list-style-type: none"> <li>• increased non-financial (environmental and social) disclosure and assurance requirements;</li> <li>• enhanced greenwashing enforcement, with significant fines for non-compliance; and</li> <li>• increased requirements for extended producer responsibility programs – where a producer takes physical and/or financial responsibility for the post-consumer stage of a product life cycle. Most programs we are a part of are related to packaging.</li> </ul> <p>Non-compliance could lead to financial penalties, litigation risk and reputational risk. We believe the cost of compliance will go up over time.</p>	<p>We have been reporting our CSR information for five years, and have matured our non-financial reporting and verification processes. We have our report reviewed by our legal team to verify that claims are defensible, and our internal audit team is now assisting us in building data collection processes and controls. We have also engaged our audit firm and a third-party consultant to assess our existing disclosures and our readiness in reporting against emerging non-financial disclosure frameworks. Lastly, we have engaged a third-party assurance organization to review our carbon footprint. As regulations in multiple jurisdictions evolve to include third-party assurance, we will include other non-financial information as part of the verification process to comply with accepted protocols and regulations.</p> <p>Our claims on our packaging are reviewed by our legal team, and we also use third-party certifications, which conduct independent audits.</p> <p>For extended producer responsibility programs, we have taken part in several programs and have made projections and planning for the worst-case scenario.</p>	<p>We believe that continued strong performance on environmental, social and governance metrics provides long-term value for Spin Master, and is a proxy for good management. We will continue to improve our transparency and performance to comply with the law and to meet the expectations of our stakeholders. Additionally, we believe that taking part in extended producer responsibility programs provides the impetus to create more efficient packaging.</p>
<p><b>Global fertility rates and population trends</b></p> <p>While the population is increasing, growth rates are slowing and the fertility rate in many developed markets is decreasing below the replacement rate. Less children globally represents a market risk to our business, which has traditionally been based on toys and entertainment for children.</p>	<p>We believe that play is a timeless activity. Though our major target demographic is children, over time we are diversifying our product categories to appeal to a broader audience, including in board games, digital games and licensed offerings.</p> <p>Another trend we see is that with decreased numbers of children, families have increased disposable income to spend per child to “trade up.”</p>	<p>We believe that changing demographic trends allow us to evolve our offerings in the realm of play and open up new market opportunities.</p>

# Performance Data

Please note: Data from 2024 forward is inclusive of Spin Master and Melissa & Doug, unless otherwise noted.

Metric		2019	2020	2021	2022	2023	2024	Unit of Measure
<b>Product</b>	<b>SASB reference (if applicable)</b>							
Annual production	CG-TS-000.A	272	274	253	241	211	<b>241</b>	millions of units
Number of production facilities	CG-TS-000.B	213	156	130	120	114	<b>154</b>	number of facilities
Percentage outsourced	CG-TS-000.B	96%	95%	94%	99%	99%	<b>100%</b>	% (by units or dollar value)
Number of recalls	CG-TS-250a.1	0	0	0	0	0	<b>0</b>	number of recalls
Total units recalled	CG-TS-250a.1	0	0	0	0	0	<b>0</b>	number of units
Number of Letters of Advice (LOA) received	CG-TS-250a.2	0	0	0	0	0	<b>0</b>	number of letters
Number of legal and regulatory fines and settlements associated with product safety	CG-TS-250a.3	0	0	0	0	0	<b>0</b>	number of fines and settlements
Description of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-TS-250a.4						<b>See <a href="#">Responsible Sourcing</a> section</b>	
Percentage of facilities audited by Ethical Supply Chain Program or equivalent program	CG-TS-430a.1	100%	99%	97%	99%	94%	<b>99%</b>	%
Number of facilities audited by Ethical Supply Chain Program or equivalent program	CG-TS-430a.1	213	155	126	119	107	<b>178</b>	number of facilities audited
Direct suppliers non-conformance rate with external social responsibility audit standards	CG-TS-430a.2	8%	6%	6%	0%	2%	<b>&lt;1%</b>	%
Rate of non-conformances subject to corrective action	CG-TS-430a.2	100%	100%	100%	100%	100%	<b>100%</b>	%
Direct suppliers priority non-conformance rate	CG-TS-430a.2	4%	6%	6%	0%	1%	<b>&lt;1%</b>	%
Direct suppliers associated corrective action rate for priority non-conformances	CG-TS-430a.2	100%	100%	100%	99%	100%	<b>100%</b>	%
Number of contracts with suppliers that were terminated as a result of non-conformances	CG-TS-430a.2	7	5	2	3	2	<b>0</b>	number of contracts terminated
<b>Employees</b>								
Engagement survey response rate		66%	87%	89%	88%	89%	<b>90%</b>	%
Employee engagement percentage		77%	72%	73%	77%	77%	<b>77%</b>	%
Manager effectiveness		74%	79%	83%	83%	83%	<b>81%</b>	%
Company pride		81%	85%	84%	87%	88%	<b>88%</b>	%

Metric	2019	2020	2021	2022	2023	2024	Unit of Measure
<b>Employees (continued)</b>							
Number of employees	1,673	1,983	2,267	2,280	2,187	<b>2,755</b>	number
Canada				813	792	<b>810</b>	number
Asia				513	494	<b>616</b>	number
U.S.				333	294	<b>689</b>	number
Europe				524	512	<b>541</b>	number
Mexico				72	70	<b>70</b>	number
Australia				25	25	<b>29</b>	number
<b>LGBTQIA+</b>							
Canada				9%	11%	<b>11%</b>	%
U.S.				13%	15%	<b>9%</b>	%
<b>Disability (visible or invisible)</b>							
Canada				11%	12%	<b>11%</b>	%
U.S.				10%	14%	<b>12%</b>	%
<b>Asian</b>							
Canada				17%	17%	<b>20%</b>	%
U.S.				14%	10%	<b>9%</b>	%
<b>Black</b>							
Canada				3%	3%	<b>3%</b>	%
U.S.				4%	3%	<b>2%</b>	%
<b>Indigenous</b>							
Canada				0%	0%	<b>0%</b>	%
U.S.				0%	0%	<b>0%</b>	%
<b>Latin American/Hispanic</b>							
Canada				6%	7%	<b>6%</b>	%
U.S.				11%	10%	<b>12%</b>	%
<b>Pacific Islander</b>							
Canada				1%	1%	<b>1%</b>	%
U.S.				0%	0%	<b>0%</b>	%

Metric	2019	2020	2021	2022	2023	2024	Unit of Measure
<b>Employees (continued)</b>							
South Asian							
Canada				12%	11%	<b>10%</b>	%
U.S.				2%	2%	<b>2%</b>	%
Middle Eastern							
Canada				2%	1%	<b>2%</b>	%
U.S.				0%	1%	<b>0%</b>	%
2 or more races							
Canada				5%	5%	<b>7%</b>	%
U.S.				7%	5%	<b>4%</b>	%
Number of offices				26	24	<b>29</b>	number
Number of new hires	428	611	620	515	307	<b>368</b>	number
Turnover	18%	11%	14%	12%	16%	<b>14%</b>	%
Gender pay equity				98%	99%	<b>98%<sup>1</sup></b>	%
Overall gender ratio							ratio
Female	52%	53%	51%	50%	51%	<b>53%</b>	%
Male	48%	47%	47%	50%	46%	<b>44%</b>	%
Board level					13	<b>12</b>	number
Female	13%	20%	17%	17%	<b>23%</b>	<b>17%</b>	%
Male	87%	80%	83%	83%	<b>77%</b>	<b>83%</b>	%
Managers							
Female, <30		56%	40%	50%	44%	<b>60%</b>	%
Male, <30		33%	60%	50%	56%	<b>40%</b>	%
Undisclosed				0%	0%	<b>0%</b>	%
Female, 30-50		49%	50%	51%	51%	<b>52%</b>	%
Male, 30-50		50%	49%	48%	47%	<b>47%</b>	%
Undisclosed				1%	2%	<b>1%</b>	%
Female, >50		26%	29%	29%	33%	<b>41%</b>	%
Male, >50		74%	69%	69%	65%	<b>59%</b>	%
Undisclosed				2%	2%	<b>0%</b>	%

<sup>1</sup> Spin Master only.

Metric	2019	2020	2021	2022	2023	2024	Unit of Measure
<b>Employees (continued)</b>							
Total female	47%	47%	47%	47%	48%	<b>50%</b>	%
Total male	53%	52%	52%	50%	49%	<b>49%</b>	%
Undisclosed				3%	3%	<b>1%</b>	%
Directors and above							
Female, <30		33%	0%	0%	33%	<b>33%</b>	%
Male, <30		33%	100%	100%	67%	<b>67%</b>	%
Undisclosed				0%	0%	<b>0%</b>	%
Female, 30-50		44%	42%	42%	43%	<b>48%</b>	%
Male, 30-50		56%	57%	57%	55%	<b>50%</b>	%
Undisclosed				1%	2%	<b>2%</b>	%
Female, >50		36%	36%	32%	32%	<b>38%</b>	%
Male, >50		64%	64%	67%	67%	<b>62%</b>	%
Undisclosed				1%	1%	<b>0%</b>	%
Total female		41%	39%	38%	40%	<b>44%</b>	%
Total male		58%	60%	60%	59%	<b>54%</b>	%
Undisclosed				2%	2%	<b>2%</b>	%
Workers under a collective bargaining agreement		<1%					%
Executives (EVP+)							
Female				38%	20%	<b>33%</b>	%
Male				59%	73%	<b>61%</b>	%
Undisclosed				3%	7%	<b>6%</b>	%
Deaths	0	0	0	0	0	<b>0</b>	number of deaths
Recordable workplace accidents	24	10	8	9	7	<b>17</b>	number of recordable workplace accidents
Total Recordable Incident Rate				0.38	0.30	<b>0.65</b>	Total Recordable Incident Rate

Metric	2019	2020	2021	2022	2023	2024	Unit of Measure
<b>Community</b>							
Donations made (in-kind)	102,694	460,444	170,000	450,000	513,783	<b>356,427</b>	number of items
Donations made (cash)	\$978,000	\$896,744	\$1,950,000	\$3,010,000	\$2,470,000	<b>\$2,409,000</b>	US\$
Number of offices participating in Global Giving Season	11	3	14	15	15	<b>11</b>	number of offices
Number of children impacted				610,000	645,042	<b>615,000</b>	number of children impacted
Number of volunteer hours				5,000	6,000	<b>4,625</b>	total hours
Number of matched donation campaigns				2	1	<b>1</b>	number of campaigns
Number of charities supported				172	142	<b>285</b>	number of charities
Amount raised by employees				\$118,000	\$66,711	<b>\$61,356</b>	US\$
<b>Environment</b>							
Packaging material	83	84	87	77	68	<b>94</b>	million lbs
Retail packaging cube utilization	66%	67%	69%	83%	71%	<b>70%<sup>1</sup></b>	%
Packaging material type							
Corrugate	41	43	44	37	32	<b>53.4</b>	million lbs
Clay Coated News Back (CCNB)	31	32	34	32	30	<b>34.2</b>	million lbs
Polyethylene terephthalate (PET)	5.8	5.9	6.2	5.4	3.7	<b>3.8</b>	million lbs
Plastic – other	2.3	2.6	2.7	2.4	2	<b>2</b>	million lbs
Misc. – other	0.6	0.9	0.3	0.2	0.1	<b>0.2</b>	million lbs
Total carbon emissions	173,952	49,584	58,359	62,080	72,511	<b>101,299</b>	tonnes CO <sub>2</sub> e
Scope 1 emissions							
North America	2,064	3,730	3,216	116	3	<b>15</b>	tonnes CO <sub>2</sub> e
Europe	501	709	234	496	198	<b>0</b>	tonnes CO <sub>2</sub> e
Asia-Pacific	0	0	585	1	9	<b>3</b>	tonnes CO <sub>2</sub> e
Scope 2 (location-based) emissions							
North America	1,167	349	371	533	663	<b>2,523</b>	tonnes CO <sub>2</sub> e
Europe	202	69	234	153	126	<b>117</b>	tonnes CO <sub>2</sub> e
Asia-Pacific	631	597	585	537	754	<b>926</b>	tonnes CO <sub>2</sub> e

<sup>1</sup> Spin Master only.

Metric	2019	2020	2021	2022	2023	2024	Unit of Measure
<b>Environment (continued)</b>							
Scope 3 emissions	169,386	44,129	53,331	60,244	70,759	97,714	tonnes CO <sub>2</sub> e
Category 1 – Purchased Goods and Services (Tier 1 Manufacturing)	161,987	37,443	46,840	50,812	54,686	74,724	tonnes CO <sub>2</sub> e
Category 4 – Upstream Transport and Distribution (Third-Party Distribution)	2,148	1,930	1,457	932	13,397	19,722	tonnes CO <sub>2</sub> e
Category 5 – Waste (Owned and Leased) (Non-Hazardous)	278	520	463	283	75	N/A	tonnes CO <sub>2</sub> e
Category 6 – Business Travel (Air Travel)	1,787	953	235	5,052	2,350	1,981	tonnes CO <sub>2</sub> e
Category 9 – Downstream Transport and Distribution (Freight)	3,186	3,283	4,336	3,165	252	1,210	tonnes CO <sub>2</sub> e
Per unit of sales	110	31.6	28.6	31.4	40.8	44.8	CO <sub>2</sub> e/\$ million sales
Waste generated	773	1,566	1,048	789	340	Note, we are re-baselining waste information due to significant changes in operations	tonnes
Waste diverted		0.22	0.19	0.42	65		%
Sustainably minded products launched				7	14	23	number of products

# Task Force on Climate-Related Financial Disclosures (TCFD) – Recommendations

This will be the last year that we will report against TCFD guidance. Next year, this disclosure will be updated to IFRS S2 or CSDS 2, to evolve with reporting standards.

## Governance

- a) Describe the board's oversight of climate-related risks and opportunities.

The Governance & Nominating Committee has oversight for the Company's strategy, performance and reporting on CSR issues, which includes climate change. See the [CSR Governance](#) section for more information.
- b) Describe management's role in assessing and managing climate-related risks and opportunities.

The Executive CSR Governance Committee, formed in 2022, is our Executive Leadership Team-level committee which oversees the management and measurement of our CSR plans and targets. They meet quarterly to review progress against our CSR plan, including on climate, and they evaluate emerging risks and opportunities. We also have a cross-functional CSR Committee which is responsible for execution against CSR targets, including climate change, and is composed of leads from across the business in legal, treasury, CSR, quality, packaging, HR and more. They review performance of their teams, make recommendations for activities and initiatives, and flag emerging issues. See the [CSR Governance](#) section for more information.

## Strategy

- a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

Climate change presents Spin Master with a number of risks and opportunities. We define short term as within one year, medium term within one to three years and long term as over five years.

### Transition Risks

**Policy and legal risks:** While there was momentum to reduce emissions from governments after the Paris Agreement set in 2015, in the past few years governments have been facing economic pressures post-pandemic and with inflation, leading to reduced commitment to climate action in some of our markets. There have also been increased antitrust pressures for industry climate action initiatives in markets like the U.S. Yet, we recognize that the effects of climate change will continue, and we need to take action. Countries that have set a pricing mechanism for carbon could affect the cost of manufacturing, including raw materials, transport or energy costs. Similarly, as costs and taxes are imposed on fossil fuels, which are the inputs for resin and fuel for shipping, this will in turn increase the cost of production. Additionally, the reliability of our manufacturing base could be affected in countries which are not actively working on adaptation measures.

With climate change expected to cause more adverse weather conditions, we could face higher insurance claims and premiums for property or product damage. We also believe that there will be continually increasing requirements for extended producer responsibility obligations for packaging and product materials. These are short- and medium-term risks that would lead to input cost increases.

**Market (transition) risks:** As climate change worsens, we expect that disruptions would likely increase the cost of inputs over the short, medium and long term (as discussed above); this would lead to the need for substitution, which would affect the whole industry given the use of resin as a widely used input. Lastly, climate change may affect how products are consumed. For example, Millennial and Gen Z parents are looking for more eco-friendly toys for their children, which is why we offer FSC-certified toys and those with a reduced environmental footprint. Additionally, some families are looking to de-materialize or to find other modes of play. A larger part of our revenue now and into the future will be digital games and licensing, which is less reliant on physical inputs and can be distributed on demand.

### Physical Risks

**Acute:** The effect of increased severity of extreme weather affects our value chain in several ways. Extreme weather affects our direct operations, and recent events in Valencia, Spain and Vietnam in 2024, and fires in Los Angeles in 2025, were several examples that had either direct or close-call effects on our employees, affecting the health and safety of them and their families. Extreme weather events also affect the quality of our products and our ability to distribute them in a timely fashion. For example, monsoons in South, Southeast and East Asia can cause excessive moisture, which can affect or damage products and product packaging, leading to write-offs and transport delays, and affect our ability to deliver on our retail customers' quality needs.

**Strategy (continued)**

**Chronic:** There are also certain areas, for example, the Pearl River Delta in southern China, which are major areas for toy manufacturing, but are also subject to severe flood threats from watershed floods, sea level rise and storm surges. This is a reason why we have been continuing to diversify our manufacturing base.

Increased heat could cause working conditions to deteriorate for those employed in physical labour in our supply chains. Increased heat has also led to blackouts and brownouts in certain parts of the world, which would also impact the ability of our employees and supply chain to be productive or to access our systems. Droughts or inadequate water supply in certain parts of the world could lead to business interruptions to our offices or our supply chain, such as energy shortages or manufacturing processes. These could be a risk in the medium and long term.

**Opportunities**

While there are many risks with climate change, we believe there are a number of opportunities that Spin Master can benefit from.

**Resource efficiency:** As materials become more expensive, we believe that we can be more efficient in our use of materials, particularly pulp and paper and plastic. For example, in using injection moulding techniques, we are able to use less plastic in the creation of action figures, and we have been able to use post-industrial ABS at some of our third-party manufacturing facilities. We believe that this has implications at short-, medium- and long-term horizons.

**New product innovation:** With the interest in sustainability front of mind for Gen Z and Millennial parents, we have used this as a way to determine product lines that would be relevant to these families through our Playspensible and *Melissa & Doug* lines. Additionally, with many of our large retail customers interested in reducing their Scope 3 emissions and also offering more sustainable products, we believe that our continued efforts will position us well. We believe that this also has implications for short-, medium- and long-term time horizons.

**Creating more resilient operations and footprint:** Toys are a trend-driven industry, and supply chains rely on flexibility to adjust quickly. We believe that our diversification of manufacturing spreads our risk, increases our speed to market, and allows us to be more resilient should certain facilities be affected by climate change. Shifts to renewable energy will support resilience for individual sites. These will have effects over medium- and long-term horizons.

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

In terms of the impact of climate-related risks and opportunities on our businesses, strategy and financial planning, there are several actions we have taken to date:

- **Diversifying our manufacturing base:** Recognizing that climate change affects different regions of the world disproportionately, we have geographically diversified our production to third-party manufacturers, and in particular, are moving certain facilities closer to market so as to lessen reliance on long-distance transport and improve speed to market.
- **Changing products and services:** We have set goals to reduce plastic use in our products and packaging, and have been increasingly creating or acquiring product lines with a reduced environmental footprint in order to adapt to changing market demands and to experiment with substitutes. At the moment, there are not many scalable, non-fossil-fuel-based resins that match the safety and quality profile required by regulations. Lastly, a larger part of our revenue now and into the future will be focused on digital games and licensing, which are less reliant on fossil fuels.
- **Supply chain:** Given the various supply chain disruptions from the pandemic and natural disasters, we have built in redundancy within our supply chain to be able to deliver to our customers on time. We continue to evolve this capability as we expect more disruptions in the future.
- **Operations:** Our direct operations have a low carbon footprint, although with the acquisition of Melissa & Doug, it has increased slightly. However, we recognize that we have a responsibility to ensure that we use as few resources as possible. We have created criteria for our facilities team to prioritize the siting of new offices in locations that source renewable energy or feature green attributes.

In 2022, we worked with a third-party consultant to assess our Scope 1 and 2 emissions reductions given our 2030 and 2050 goals and our planned actions. For Scope 3, we modelled three separate scenarios to reduce emissions: continuing with our planned actions (given existing efforts for grid decarbonization), engaging suppliers and increasing our own actions conservatively, and, lastly, engaging suppliers and doubling efforts within our control. We also conducted a stress test to maximize emissions reductions without eroding shareholder value.

**Strategy (continued)**

c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2C or lower scenario.

In 2022, we commissioned a third-party consultant to assess our Scope 1 and 2 targets against a net-zero pathway for 2050, considering our projected growth trajectory. We have discussed our strategies and climate risks and opportunities in previous sections.

**Risk Management**

a) Describe the organization’s processes for identifying and assessing climate-related risks.

Spin Master gathers a cross-functional team within the Company to identify, assess and create action plans to mitigate risks. The CSR team regularly monitors existing and emerging regulations related to climate change, and assesses their relevance to our business.

The Audit Committee studies risks identified within our organization and ensures that an effective risk management control framework has been designed, implemented and tested by our management. Our Governance & Nominating Committee of the Board of Directors has oversight of our CSR plan, which includes climate change-related concerns, and integrates risks identified and mitigated.

To assess the size and scope of risks, including climate-related risks, we look at financial, reputational (in the public, investors, customers, Board and employees), regulatory, competitiveness (pricing, quality and raw material sourcing) and employee safety-related attributes.

b) Describe the organization’s processes for managing climate-related risks.

We have defined in Risk Management a) how we define the materiality of specific risks. How we decide to mitigate, transfer, accept or control risks is based on the severity of identified risks.

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.

To assess risks related to climate, the task is owned by our CSR team. Historically, we assess each risk for impact (financial, reputational, regulatory, competitiveness and safety) and probability, rank the issues, and determine a risk appetite for each issue. We then look at existing strategies in place to mitigate risk, to move from inherent to residual risk, and then assess planned or recommended future strategies to bring residual risk to the target level of acceptable risk. To date, due to our low direct emissions, our climate-related risks were focused on mitigating reputational risk through the use of offsets and renewable energy certificates.

We have been monitoring changes in policy regularly as it relates to pricing of GHG emissions and emissions-reporting obligations, and litigation in other sectors; however, as an industry that is not inherently high-carbon, we do not believe that these will have a material effect on us in the short term. Over time, we do expect that there may be some increased input costs for resin – for products and packaging, and stewardship fees related to product takeback and recycling. However, to date, these fees have not been heavily focused on toys, as product turnover is not as frequent as other fast-moving consumer goods sectors (e.g., food).

For climate-related supply chain risk, some of the activities we undertook during the COVID pandemic to build resilience would also be applicable to natural disasters from climate change. For example, broadening our supplier base and determining other forms of transport and alternate ports to enable our products to reach customers. We believe that these resilience measures will enable us to manage climate-related disruptions to the supply chain.

To protect our employees from critical incidents, we have an internal notification system which instantly communicates with employees in emergency situations that impact Spin Master business or operations – including those related to severe weather.

In the future, we will need to more systematically plan for climate adaptation by looking at our top suppliers and their locations, and integrating new locations from our acquisition to determine the type of physical risk that they might face, as well as working collaboratively with industry to help reduce climate impacts, as many of our third-party manufacturers are shared or in the same geographies.

**Metrics and Targets**

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

We currently disclose Scope 1 (owned vehicles) and Scope 2 (purchased electricity) for Spin Master and Melissa & Doug. For Scope 3, we disclose the following for Spin Master only: air travel, purchased goods and services (emissions associated with Tier 1 suppliers), fuel- and energy-related activities, waste generated in operations, business travel, and downstream transport and distribution.

b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

See the [Climate Action](#) section for more details on our Scope 1, 2 and 3 GHG emissions. We have provided information on risks in preceding sections.

c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

In 2022, we set absolute carbon reduction targets for 2030 and 2050, with the base year of 2019. We had a target to reduce Scope 1 and 2 emissions by 70% by 2030, and net-zero by 2050. We have achieved a 65% reduction after the sale of our manufacturing facilities in Tarboro and Calais. We will continue to transition to electric vehicles, upgrade our leased building standards, reduce owned manufacturing and enhance energy efficiency in offices. Until other alternatives are found, we will continue to use regionally targeted renewable energy certificates. The largest part of our footprint is our Scope 3 Purchased Goods and Services – in particular, raw materials. Because we have very little control over our supply chain, this limits the amount that we can commit to; however, we remain open to setting collaborative targets with others in the supply chain to collectively reduce these emissions. As we continue to move to more digital games and entertainment, this will support further dematerialization of our business. Please see the [Climate Action](#) section for details on our performance against targets for 2024.

# Global Reporting Initiative (GRI) Content Index

The 2024 CSR Report was prepared in accordance with the GRI Universal Standards 2021.

General Disclosures				
GRI Standard/Other Source	Disclosure	Location	Response	
GRI 2: General Disclosures 2021	2-1	Organizational details	<a href="#">About Spin Master Annual Information Form</a> (Intercorporate Relationships)	
	2-2	Entities included in the organization’s sustainability reporting	<a href="#">About Spin Master Annual Information Form</a> (Intercorporate Relationships)	
	2-3	Reporting period, frequency and contact point	<a href="#">About This Report</a>	
	2-4	Restatements of information	<a href="#">About This Report</a>	No information was restated in this report.
	2-5	External assurance	<a href="#">About This Report</a>	
	2-6	Activities, value chain and other business relationships	<a href="#">About Spin Master Responsible Sourcing</a>	
	2-7	Employees	<a href="#">Spin Master Global Offices</a> <a href="#">Our People</a> <a href="#">Learning and Development</a> <a href="#">Representation</a>	
	2-8	Workers who are not employees	<a href="#">Spin Master Global Offices</a> <a href="#">Our People</a> <a href="#">Learning and Development</a> <a href="#">Representation</a>	On top of our full-time employees, Spin Master had 68 temporary and contract workers as of December 31, 2024.
	2-9	Governance structure and composition	<a href="#">Management Information Circular</a> (Corporate Governance) <a href="#">CSR Governance</a> <a href="#">Corporate Governance</a> (website)	
	2-10	Nomination and selection of the highest governance body	<a href="#">Management Information Circular</a> (Corporate Governance – Nomination and Election of Directors) <a href="#">Governance and Nominating Committee Charter</a> (website)	
	2-11	Chair of the highest governance body	<a href="#">Position Description of the Chair of the Board</a> (website)	

**General Disclosures**

GRI Standard/Other Source	Disclosure	Location	Response
2-12	Role of the highest governance body in overseeing the management of impacts	<p><b>CSR Governance</b></p> <p><b>Governance and Nominating Committee Charter</b> (website)</p> <p><b>Audit Committee Charter</b> (website)</p> <p><b>Board of Directors Mandate</b> (website)</p> <p><b>Management Information Circular</b> (Board Mandate – Appendix A)</p>	
2-13	Delegation of responsibility for managing impacts	<b>CSR Governance</b>	
2-14	Role of the highest governance body in sustainability reporting	<p><b>CSR Governance</b></p> <p><b>Governance and Nominating Committee Charter</b> (website)</p>	
2-15	Conflicts of interest	<p><b>Code of Ethics and Business Conduct</b> (website)</p> <p><b>Management Information Circular</b> (Interlocking Directorships, Principal Holders of Voting Shares, Interest of Informed Persons in Material Transactions)</p> <p><b>Annual Report</b> (Related Party Transactions)</p>	<p>Guidance to avoid conflicts of interest are detailed in the Code of Ethics and Business Conduct.</p> <p>Currently, no Board members have cross-board membership (interlocking directorships) – if there was, it would be disclosed in the Management Information Circular.</p> <p>The Company does not track cross-shareholding with suppliers. Controlling shareholders are Ronnen Harary, Anton Rabie and Ben Varadi.</p> <p>We have disclosed related party transactions with one of our directors, Jeffrey I. Cohen, who is the Managing Partner at Torkin Manes LLP, which provides legal services to the Company.</p>
2-16	Communication of critical concerns	<p><b>Management Information Circular</b> (Corporate Governance – Shareholder Engagement)</p> <p><b>Whistleblowing Policy</b> (website)</p>	The nature and total number of critical concerns cannot be reported upon due to confidentiality constraints.
2-17	Collective knowledge of the highest governance body	<p><b>CSR Governance</b></p> <p><b>Management Information Circular</b> (Nomination and Election of Directors)</p>	The VP, Communications and Corporate Citizenship, and members of the CSR Committee provide regular updates to the Governance & Nominating Committee and Executive CSR Governance Committee on CSR matters.
2-18	Evaluation of the performance of the highest governance body	<b>Management Information Circular</b> (Assessments)	
2-19	Remuneration policies	<b>Management Information Circular</b> (Director Compensation, Executive Compensation)	
2-20	Process to determine remuneration	<b>Management Information Circular</b> (Director Compensation, Executive Compensation – Compensation Discussion & Analysis)	
2-21	Annual total compensation ratio	<b>Management Information Circular</b> (Components of Compensation & Cost of Management Ratio)	Annual total compensation ratio cannot be reported upon due to confidentiality constraints.
2-22	Statement on sustainable development strategy	<b>Letter from the Global President &amp; CEO</b>	

**General Disclosures**

GRI Standard/Other Source	Disclosure	Location	Response
2-23	Policy commitments	<a href="#">CSR Governance</a> <a href="#">Product Safety and Integrity</a> <a href="#">About Spin Master</a> <a href="#">Governance and Ethics</a>	
2-24	Embedding policy commitments	<a href="#">Human Rights Policy</a> (website) <a href="#">Code of Ethics and Business Conduct</a> (website) <a href="#">Code of Conduct for Suppliers and Manufacturers</a> (website)	
2-25	Processes to remediate negative impacts	<a href="#">Human Rights Policy</a> (website)	
2-26	Mechanisms for seeking advice and raising concerns	<a href="#">Governance and Ethics</a> <a href="#">Corporate Governance</a> (website) <a href="#">Code of Ethics and Business Conduct</a> (website)	
2-27	Compliance with laws and regulations		The Company has not identified any non-compliance with laws and/or regulations. The Company has also not identified any non-compliance with environmental laws and/or regulations.
2-28	Membership associations	<a href="#">Stakeholder Engagement</a>	
2-29	Approach to stakeholder engagement	<a href="#">Stakeholder Engagement</a>	
2-30	Collective bargaining agreements	<a href="#">Human Rights Policy</a> (website)	No Spin Master employees are covered by a collective bargaining agreement.

Material Topics				
GRI Standard/Other Source		Disclosure	Location	Response
GRI 3: Material Topics 2021	3-1	Process to determine material topics	<a href="#">Materiality Analysis</a>	
	3-2	List of material topics	<a href="#">Materiality Analysis</a>	
<b>Economic performance</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Annual Report</a>	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	<a href="#">Annual Report</a>	
	201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">Task Force on Climate-Related Financial Disclosures (TCFD) – Recommendations</a>	
	201-3	Defined benefit plan obligations and other retirement plans	<a href="#">Management Information Circular</a> (Components of Compensation)	
	201-4	Financial assistance received from government	<a href="#">Annual Report</a>	Spin Master has access to government programs, including tax credits that are designed to aid in the film and television production and distribution in Canada, and periodically from European and Australian government agencies. See our <a href="#">Annual Report</a> for more details.
<b>Anti-corruption</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Anti-Bribery and Anti-Corruption Policy</a> (website)	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	<a href="#">Anti-Bribery and Anti-Corruption Policy</a> (website)	All of our employees must annually review, understand and attest to compliance with our Anti-Bribery and Anti-Corruption Policy.
	205-2	Communication and training about anti-corruption policies and procedures	<a href="#">Anti-Bribery and Anti-Corruption Policy</a> (website)	All of our employees must annually review, understand and attest to compliance with our Anti-Bribery and Anti-Corruption Policy.
	205-3	Confirmed incidents of corruption and actions taken		There were no confirmed incidents of corruption in 2024.
<b>Anti-competitive behavior</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Anti-Bribery and Anti-Corruption Policy</a> (website) <a href="#">Code of Ethics and Business Conduct</a> (website)	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		There were no legal actions for anti-competitive behaviour, antitrust and monopoly practices in 2024.
<b>Materials</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Our Products</a>	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	<a href="#">Performance Data</a>	
	301-2	Recycled input materials used	<a href="#">Playsponsible</a>	We are integrating recycled materials into some of our products in the Playsponsible line but do not currently track exact volumes.
	301-3	Reclaimed products and their packaging materials	<a href="#">Playsponsible</a> <a href="#">Sustainable Packaging</a>	We operate a takeback program for product and packaging through TerraCycle® in the United States.

Material Topics			
GRI Standard/Other Source	Disclosure	Location	Response
<b>Energy</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Climate Action</a>
GRI 302: Energy 2016	302-1	Energy consumption within the organization	<a href="#">Climate Action</a> <a href="#">Performance Data</a>
<b>Emissions</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Climate Action</a>
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	<a href="#">Climate Action</a> <a href="#">Performance Data</a>
	305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">Climate Action</a> <a href="#">Performance Data</a>
	305-3	Other indirect (Scope 3) GHG emissions	<a href="#">Climate Action</a> <a href="#">Performance Data</a>
	305-4	GHG emissions intensity	<a href="#">Performance Data</a>
	305-5	Reduction of GHG emissions	<a href="#">Climate Action</a> <a href="#">Performance Data</a>
<b>Waste</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Waste</a>
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	<a href="#">Waste</a>
	306-2	Management of significant waste-related impacts	<a href="#">Waste</a> <a href="#">Sustainable Packaging</a>
	306-3	Waste generated <sup>1</sup>	<a href="#">Waste</a> <a href="#">Performance Data</a>
	306-4	Waste diverted from disposal <sup>1</sup>	<a href="#">Waste</a> <a href="#">Performance Data</a>
	306-5	Waste directed to disposal <sup>1</sup>	<a href="#">Waste</a> <a href="#">Performance Data</a>

<sup>1</sup> 2024 waste data was not provided due to a reassessment of the baseline from significant operational changes.

Material Topics				
GRI Standard/Other Source		Disclosure	Location	Response
<b>Supplier environmental assessment</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	<a href="#">Responsible Sourcing</a>	
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	<a href="#">Code of Conduct for Suppliers and Manufacturers</a> (website) <a href="#">Responsible Sourcing</a>	All suppliers, including new suppliers, are screened for environmental compliance.
	308-2	Negative environmental impacts in the supply chain and actions taken	<a href="#">Responsible Sourcing</a> <a href="#">Performance Data</a>	
<b>Employment</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	<a href="#">Our People</a>	
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	<a href="#">Performance Data</a>	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<a href="#">Learning and Development</a>	
	401-3	Parental leave		We offer paid and unpaid parental leave depending on the situation and in accordance with local laws and regulations. We currently do not disclose specific metrics on parental leave.
<b>Occupational health and safety</b>				
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	<a href="#">Health and Safety</a>	
	403-4	Worker participation, consultation, and communication on occupational health and safety	<a href="#">Health and Safety</a>	
	403-5	Worker training on occupational health and safety	<a href="#">Health and Safety</a>	
	403-9	Work-related injuries	<a href="#">Health and Safety</a>	
<b>Training and education</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	<a href="#">Learning and Development</a>	
<b>GRI 404: Training and Education 2016</b>	404-3	Percentage of employees receiving regular performance and career development reviews	<a href="#">Learning and Development</a>	We require managers to conduct two performance reviews a year for all full-time employees.

Material Topics				
GRI Standard/Other Source		Disclosure	Location	Response
<b>Diversity and equal opportunity</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Belonging</a>	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	<a href="#">Representation</a>	
	405-2	Ratio of basic salary and remuneration of women to men	<a href="#">Performance Data</a>	
			<a href="#">Our People</a>	
<b>Freedom of association and collective bargaining</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Human Rights Policy</a> (website)	
			<a href="#">Code of Conduct for Suppliers and Manufacturers</a> (website)	
			<a href="#">Responsible Sourcing</a>	
<b>Child labor</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Responsible Sourcing</a>	
			<a href="#">Statement on Modern Slavery and Transparency in Supply Chains</a> (website)	
			<a href="#">Code of Conduct for Suppliers and Manufacturers</a> (website)	
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	<a href="#">Responsible Sourcing</a>	
			<a href="#">Statement on Modern Slavery and Transparency in Supply Chains</a> (website)	
			<a href="#">Code of Conduct for Suppliers and Manufacturers</a> (website)	
<b>Forced or compulsory labor</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Responsible Sourcing</a>	
			<a href="#">Statement on Modern Slavery and Transparency in Supply Chains</a> (website)	
			<a href="#">Code of Conduct for Suppliers and Manufacturers</a> (website)	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<a href="#">Responsible Sourcing</a>	
			<a href="#">Statement on Modern Slavery and Transparency in Supply Chains</a> (website)	
			<a href="#">Code of Conduct for Suppliers and Manufacturers</a> (website)	
<b>Local communities</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	<a href="#">Our Communities</a>	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	<a href="#">Our Communities</a>	

Material Topics				
GRI Standard/Other Source		Disclosure	Location	Response
<b>Supplier social assessment</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	<a href="#">Responsible Sourcing</a>	
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria	<a href="#">Code of Conduct for Suppliers and Manufacturers</a> (website) <a href="#">Responsible Sourcing</a>	All suppliers, including new suppliers, are screened using social criteria.
	414-2	Negative social impacts in the supply chain and actions taken	<a href="#">Responsible Sourcing</a> <a href="#">Performance Data</a>	
<b>Public policy</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	<a href="#">Stakeholder Engagement</a> <a href="#">Anti-Bribery and Anti-Corruption Policy</a> (website)	
<b>GRI 415: Public Policy 2016</b>	415-1	Political contributions	<a href="#">Anti-Bribery and Anti-Corruption Policy</a> (website)	Spin Master does not make any political contributions.
<b>Customer health and safety</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	<a href="#">Product Safety and Integrity</a>	
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Assessment of the health and safety impacts of product and service categories	<a href="#">Product Safety and Integrity</a>	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<a href="#">Product Safety and Integrity</a> <a href="#">Performance Data</a>	
<b>Marketing and labeling</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	<a href="#">Responsible Marketing and Content for Children</a>	
<b>GRI 417: Marketing and Labeling 2016</b>	417-1	Requirements for product and service information and labeling	<a href="#">Responsible Marketing and Content for Children</a>	
	417-2	Incidents of non-compliance concerning product and service information and labeling	<a href="#">Responsible Marketing and Content for Children</a>	We had zero incidents of non-compliance concerning product and service information and labelling.
	417-3	Incidents of non-compliance concerning marketing communications	<a href="#">Responsible Marketing and Content for Children</a>	We had zero incidents of non-compliance concerning marketing communications.
<b>Customer privacy</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	<a href="#">Data Protection and Cybersecurity</a>	
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<a href="#">Data Protection and Cybersecurity</a>	We did not receive any substantiated complaints concerning breaches of customer privacy from outside parties or regulatory bodies. We did not have any leaks, thefts or losses of customer data.

**Additional notes:**

Information related to GRI 207 (Tax) is currently included in our [Annual Report](#).

GRI 303, GRI 304 and GRI 413-2 are not currently material to Spin Master.

GRI 204, GRI 410 and GRI 411 are not relevant to Spin Master.

GRI 202, GRI 203, GRI 403-2, 403-3, 403-6, 403-7, 403-8, 403-10 and GRI 404-1 are not currently tracked.

GRI 406-1 is currently confidential information.

## CSR Report Disclaimer

This document contains certain statements, other than statements of historical fact, which constitute “forward-looking information” within the meaning of applicable securities laws, including the *Securities Act* (Ontario). Such statements may concern the Company’s objectives, plans, goals, aspirations, strategies, prospects and opportunities and are based on expectations, estimates and projections as of the date on which the statements are made in this document. The words “plans”, “expects”, “projected”, “estimated”, “anticipates”, “indicative”, “intend”, “potential”, “prospects”, “seek”, “strategy”, “targets” or “believes”, or variations of such words and phrases or statements that certain future conditions, actions, events or results “will”, “may”, “could”, “would”, “should”, “might” or “can”, or negative versions thereof, “be taken”, “occur”, “continue” or “be achieved”, and other similar expressions, identify forward-looking statements. Specific forward-looking statements in this document include, without limitation, statements with respect to the Company’s sustainability, environmental and climate change goals and targets and plans to accelerate the growth of the *Melissa & Doug* brand.

Forward-looking statements are necessarily based upon management’s perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by management as of the date on which the statements are made in this document, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being incorrect.

By its nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. Known and unknown risk factors, many of which are beyond the control of the Company, could cause actual results to differ materially from the forward-looking information in this document.

Such risks and uncertainties and the material factors and assumptions used to develop the forward-looking information herein include, without limitation, those discussed in the Company’s disclosure materials, including its most recent annual and any subsequent interim Management Discussion & Analysis and its most recent Annual Information Form, filed with the securities regulatory authorities in Canada and available under the Company’s profile on SEDAR+, including those listed with any forward-looking statement safe harbour therein. The risk factors are not intended to represent a complete list of the factors that could affect the Company and investors are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided as of

the date of this document (being April 3, 2024) for the purpose of providing information about management’s expectations and plans relating to the future. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.



## About This Report

This is Spin Master Corp.’s sixth Corporate Social Responsibility (CSR) Report. Spin Master Corp. and its subsidiaries are together referred to, in this report, as the “Company” or “Spin Master.” The report content was defined based on the materiality analysis that we conducted, which includes our direct operations and third-party vendors in the case of social compliance and carbon emissions.

This report covers calendar year 2024, from January 1, 2024, to December 31, 2024, and was released in April 2025. The most recent report prior to the 2024 Corporate Social Responsibility Report was the 2023 Corporate Social Responsibility Report, which was released in April 2024. We continue to report on an annual cycle.

Spin Master completed the acquisition of U.S.-based *Melissa & Doug*, a well-known brand in early childhood play, on January 2, 2024. Therefore, our scope of reporting has expanded to include data from *Melissa & Doug*’s operations, except where otherwise noted.

This report includes all Sustainability Accounting Standards Board indicators for Toys and Sporting Goods and material indicators for Global Reporting Initiative Standards, and these are referenced in the Performance Data and GRI Content Index sections. It also provides some responses to the Task Force on Climate-Related Financial Disclosures Recommendations. Spin Master retained DNV Business Assurance USA, Inc. to provide independent verification of the carbon emission data within this report. Their conclusion, along with their methodology, will be posted publicly on the Company website. All other data presented in this report is based on the best information available at the time of publication and was not verified externally.

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