

Spin Master Issues 2022 Corporate Social Responsibility Report and Releases Climate Action Plan

Company Introduces Evolved CSR Vision, Establishes New Environmental Targets and Increases Philanthropic Impact

TORONTO, April 6, 2023 /CNW/ - Spin Master Corp. ("Spin Master" or the "Company") (TSX: TOY) (www.spinmaster.com), a leading global children's entertainment company, today issued its fourth annual [Corporate Social Responsibility report](#) (2022 CSR Report), articulating the Company's evolved CSR Vision; environmental, social and governance performance in 2022; and new targets to reduce its environmental footprint.



"We're proud of the progress we've made to date within CSR, particularly as it relates to setting targets and advancing towards increased transparency and enhanced governance," said Max Rangel, Spin Master's Global President and CEO. "This year we refined our CSR vision to: Reimagining Play for Future Generations, reflecting our commitment to our purpose of creating magical play experiences for children and families, our responsibility to uphold an inclusive culture, empower children to grow and learn through play while also acting as custodians of the world these children will one day inherit."

Spin Master's 2022 CSR Report details the performance of the Company and new targets within four key areas: environment, products, people, and communities, including the following:

Environment

- Reduced Scope 1 + 2 emissions by 60% (from 2019)
- Decreased waste in leased and owned facilities by 63% (from 2020) and increased waste diversion to 42%
- Developed first-ever Climate Action Plan, mapping pathways to further reduce carbon emissions
- Set Scope 1 + 2 emission reduction targets of 70% by 2030 with the goal to achieve net-zero by 2050
 - Articulated new waste reduction targets of 85% in owned and leased facilities by 2025 and goal of zero waste by 2035
- Externally verified carbon emissions data by a third-party for the first time

Products

- Zero recalls in 16 years
- Audited 99% of manufacturing facilities
- Launched seven sustainably-minded products
- Advanced towards target of using vegetable or soy-based inks in 50% of packaging, reaching 23.7% in 2022

People

- Achieved 98% gender pay equity
- Improved employee engagement scores across the Company
- Awarded eight new Future of Play Scholarships to youth from equity-seeking communities studying in the fields of toy design, animation/creative production and digital game design

"Spin Master remains dedicated to creating an inclusive workplace where everyone feels supported, valued and respected," said Tara Deakin, Spin Master's EVP and Chief People Officer. "This past year, we strengthened our culture of innovation and inclusivity through investments in leadership training, enhanced benefits, a new employee share-ownership program and events that celebrate the diversity that makes our workforce so special."

Communities

- Increased philanthropic financial giving with \$3.01 million in financial donations* and 450,000 toys, impacting 610,000

- children globally
- Reported employee volunteer hours for the first time and recorded over 5,000 hours
- Executed three Toy Movements providing nearly 200,000 toys to children in Somalia, Tanzania and five countries bordering Ukraine and delivered 1,000 play kits to Child Friendly Spaces in seven countries globally

*Financial donations include monetary contributions to registered charities, costs of goods of donated products and direct operational costs associated with donations.

The 2022 CSR Report includes Sustainability Accounting Standards (SASB) indicators for Toys & Sporting Goods, qualitative Taskforce for Climate Related Financial Disclosures (TCFD) and reporting towards the United Nations Sustainable Development Goals. Material indicators related to the Global Reporting Initiative (GRI) were updated to GRI Universal Standards 2021. To learn more about Spin Master's CSR efforts please visit <https://www.spinmaster.com/en-US/corporate/corporate-social-responsibility>.

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®, Bakugan®, Kinetic Sand®, Air Hogs®, Hatchimals®, 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 over 26 offices in close to 20 countries, Spin Master employs more than 2,000 team members globally. For more information visit spinmaster.com or follow-on Instagram, Facebook and Twitter @spinmaster.

Cautionary Note Regarding Forward-Looking Statements

Certain statements, other than statements of historical fact, contained in this Press Release constitute "forward-looking information" within the meaning of certain securities laws, including the *Securities Act* (Ontario), and are based on expectations, estimates and projections as of the date on which the statements are made in this Press Release. The words "plans", "expects", "projected", "estimated", "forecasts", "anticipates", "indicative", "intend", "guidance", "outlook", "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 statements containing forward-looking information. Statements of forward-looking information in this Press Release include, without limitation, statements with respect to the Company's environmental and climate change goals and targets, including Scope 1+2 reduced emissions targets, net zero by 2050, waste reduction targets and the use of vegetable or soy-based inks in packaging.

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 Press Release, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being incorrect. In addition to any factors and assumptions set forth above in this Press Release, the material factors and assumptions used to develop the forward-looking information include, but are not limited to a continued reduction in owned manufacturing, transition to electric vehicles, enhanced energy efficiency within offices and the lowering of emissions within local electricity grids, and that the risk factors noted in this Press Release, collectively, do not have a material impact on the Company.

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 Press Release. Such risks and uncertainties include, without limitation, the factors discussed in the Company's disclosure materials, including the Annual or subsequent, most recent interim MD&A and the Company's most recent Annual Information Form, filed with the securities regulatory authorities in Canada and available under the Company's profile on SEDAR (www.sedar.com). These 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 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.



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For further information: Media Contact: Tammy Smitham, VP Communications, mediarelations@spinmaster.com

<https://spinmaster.mediaroom.com/2023-04-06-Spin-Maser-Issues-2022-Corporate-Social-Responsibility-Report-and-Releases-Climate-Action-Plan>