



# **2025 Modern Slavery Report**

## **Spin Master Corp.**

**(Fiscal Year 2025)**

# Introduction

This report is produced by Spin Master Corp. for the reporting period covering activities from January 1, 2025, to December 31, 2025 (the “**Reporting Period**”). This is a joint report outlining the steps Spin Master Corp. and its subsidiary Spin Master Ltd. (collectively the “**Spin Master Reporting Entities**”) have undertaken in 2025 to prevent and reduce the risk of child and forced labour (“**Child and Forced Labour**”) within our supply chains (the “**Report**”). This Report has been prepared pursuant to section 11 of the *Fighting Against Forced Labor and Child Labour in Supply Chains Act* (the “**Act**”).

All references to “Spin Master”, “we”, “us”, or “our”, refer to Spin Master Corp. and the Spin Master Reporting Entities.

Spin Master also reports under the UK Modern Slavery Act (2015) and the most recent statement can be found online, [here](#).

## Our Company

### 1.1 Company

Spin Master Corp. is a leading global children’s entertainment company, creating play experiences through its three creative centres: Toys, Entertainment and Digital Games. With distribution in over 100 countries, Spin Master is best known for brands such as Melissa & Doug®, PAW Patrol®, , Bakugan®, and Rubik’s Cube® and is the global toy licensee for other popular properties.

Spin Master Entertainment creates and produces multiplatform content, through its in-house studio and partnerships with outside creators, including the preschool franchise PAW Patrol, and other original shows, short-form series, and feature films. The Company has an established presence in digital games anchored by Toca Boca® and Piknik™, offering open-ended, creative, and safe play in digital environments.

Through Spin Master Ventures, the Company makes minority investments globally in emerging companies and start-ups. As of December 31, 2025, Spin Master employs close to 2,500 team members globally, with 29 offices in nearly 20 countries.

Spin Master was formed under the *Business Corporations Act* (Ontario), its subordinate voting shares are listed on the Toronto Stock Exchange under the symbol “TOY” and is headquartered in Toronto, Canada.

### 1.2 Supply Chains

Spin Master is a global business that is organized around three creative centres: Toys, Entertainment, and Digital Games.

The Toys creative centre has 172 Tier 1 suppliers, distribution in over 100 customer markets and manufacturing in 15 countries. Since the fourth quarter of 2023, 100% of our toy and game production is outsourced. Manufacturing is in facilities owned and operated by third parties in Cambodia, China, France, Honduras, Hungary, India, Indonesia, Mexico, Netherlands, Poland, Spain, Sweden, Tunisia, U.S. and Vietnam.

The Spin Master Entertainment team, which covers all functions from creation and early-stage development to properties in production, is in Toronto, Canada. Spin Master Entertainment collaborates with companies and individuals globally; however, production is typically concentrated in Canada.

The Digital Games creative centre operates a network of studios encompassing Lylli and Toca Boca, based in Stockholm, Sweden; Originator, a fully remote studio based in North America; and Sago Mini, located in Toronto, Canada.

### **1.3 Risks in Our Operations**

Spin Master considers there to be minimal risk of forced and child labour within the Entertainment and Digital Games creative centres. These creative centres are characterized by development and production of entertainment content and digital games. Entertainment content is sold to and distributed by third-party broadcasters and streaming companies and digital games are sold as mobile applications and recurring subscriptions. The Entertainment and Digital Games teams are highly skilled with technical expertise in animation, writing, directing, and game development, including coding and design.

Further, these operations are in Sweden and North America. Sweden, Canada and the US are ranked 4th, 17th and 41st lowest in terms of the prevalence of modern slavery by Walk Free, an international human rights group focused on the eradication of modern slavery, in all of its forms.

### **1.4 Risks in Our Supply Chains**

At Spin Master, we recognize that our Toys creative centre presents the highest risk of Child and Forced Labour within its supply chains as its direct suppliers are third-party operated located

in geographic areas that have elevated risk for Child and Forced Labour including: China, Vietnam, India, and Indonesia.

In light of this, we have a heightened awareness of the risks associated with these jurisdictions including limited governmental regulation and oversight, exploitation of workers and a general lack of support for workers to raise grievances, and our various policies and due diligence processes are designed and intended to address these risks, as well as others.

## Our Policies and Due Diligence Processes

### **2. Policies:**

#### **221 Spin Master Code of Conduct for Suppliers and Manufacturers**

Spin Master expects its third-party manufacturers to comply with Spin Master's Code of Conduct for Suppliers and Manufacturers, which is designed to prevent products manufactured for the Company from being produced under inhumane or exploitative conditions, including those related to Child and Forced Labour.

A key aspect of Spin Master's Code of Conduct for Suppliers and Manufacturers is its focus on business relationships with suppliers and manufacturers whose workers are present voluntarily, are not at undue risk of physical harm, are fairly compensated, and are not exploited in any way. Our Code of Conduct for Suppliers and Manufacturers includes provisions relating to Ethical Supply Chain Program certifications and audits conducted by the Ethical Supply Chain Program or an equivalent.

Spin Master's Code of Conduct for Suppliers and Manufacturers specifically addresses wages and benefits, working hours, overtime compensation, freedom of association and sets out our zero-tolerance position with respect to child labour, forced bonded or compulsory labour, including forms of modern slavery and human trafficking, health and safety, discrimination, harassment, abuse.

#### **222 Human Rights Policy**

Spin Master's Human Rights Policy outlines our commitment to human rights and is intended to guide day-to-day business decisions.

We acknowledge that human rights are fundamental rights and freedoms that all people are entitled to without regard to applicable protected statuses, including race, color, religion,

language, pregnancy, ancestry, age, gender, national origin, sexual orientation, gender identity, gender expression, mental or physical disability, genetic information, marital or veteran status. These standards of fair treatment and non-discrimination are, for example, set forth in the Universal Declaration of Human Rights (UDHR), UN Guiding Principles on Business and Human Rights, the International Labour Organizations (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

Our commitment to supporting and respecting human rights begins with our commitment to comply with applicable national law, wherever we operate. In cases where national laws may present potential conflicts with Spin Master's commitment to respect human rights, Spin Master strives to develop a solution that offers a workable and lawful balance. Spin Master adheres to and in many cases exceeds all applicable labour laws and standards addressing issues such as equal pay, hours of work and child labour.

## **223** [Code Of Ethics and Business Conduct](#)

At Spin Master, we strive to conduct our business and affairs with honesty, integrity and in accordance with ethical and legal standards. The Code of Ethics and Business Conduct (the "Code") is designed to promote integrity and to deter wrongdoing. It provides an overview of our expectations for our employees and parties with whom we deal.

The Code outlines our commitment to treating people with respect, equality and dignity without regard to race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, family status, disability, or a conviction for which a pardon has been granted or a record suspended.

## **224** [Whistleblowing Policy](#)

Spin Master is committed to maintaining a workplace in which employees or external third parties can make, and we can receive, investigate and address all complaints regarding cases of reportable behaviour. To achieve this goal, Spin Master has established a procedure for the confidential, anonymous submission by employees of the Company or external parties (e.g. customers, suppliers) of concerns regarding reportable behaviour, as well as procedures for appropriate investigation, escalation, reporting and remedying the confirmed cases, as set out in this Whistleblowing Policy. This Policy has been established to enable employees, officers and directors of the Company, as well as other stakeholders, to raise such concerns on a confidential basis, free from discrimination, retaliation or harassment, anonymously or otherwise.

## **2.3 Third Party Due Diligence**

### **Ethical Supply Chain Program**

Spin Master has worked with the Ethical Supply Chain Program (“ESCP”) since its inception as part of our third-party due diligence. ESCP focuses on social sustainability issues which relate to the well-being of workers involved in goods and products manufactured globally. ESCP incorporates best practices, and they review their standards on an ongoing basis to reflect the needs of all stakeholders in the supply chain. The ESCP provides supplier certifications and conducts factory social audits.

At Spin Master, we aim to have all suppliers certified by ESCP. To obtain ESCP certification, manufacturers are required to go through an annual audit process, focusing on safe work environments, ensuring that workers are treated fairly with respect and dignity and that factories operate ethically. This process includes an audit, remediation of issues through a corrective action plan, and follow up progress visits. No site can be certified until all outstanding issues are rectified.

The certification includes a worker help line for reporting issues, ongoing training, and both a forced labour and child labour rescue protocol. Through audits and training, the program addresses business ethics, discrimination, disciplinary practices, employee representation, employment practices, environment and chemical safety, modern-day slavery, safety, underage labour, wages and working hours.

Where an ESCP certification or audit is unavailable, Spin Master will accept an ESCP equivalent including Business for Social Compliance Initiative or a Sedex Members Ethical Trade Audit.

## **2.4 Vendor Contractual Requirements**

Spin Master’s commitment to preventing and reducing Child and Forced Labour, modern slavery and human trafficking is a collaborative process that involves active engagement with vendors to achieve the best possible outcomes. In addition to our goal of 100% ESCP certification, in 2023, Spin Master communicated to all our Tier 1 vendors that they are expected to maintain and supply documentation within five business days of notice for the following information:

1. Mapping of the Supply Chain: complete documentation of all parties involved in the sourcing, manufacture, manipulation, transportation, and export of a particular good, including all Tier 2 vendors supplying raw materials and subcomponents. This can include a list identifying vendors and their involvement, or a flow chart depicting the roles of each party involved.
2. Financial Documentation: records documenting the payment and transportation of raw materials and subcomponents used by the Tier 1 vendor to produce each production run, including contracts, purchase order, invoices, proof of payment, and documents showing the physical transfer of goods.
3. Transportation Documentation: transaction and supply chain records that demonstrate the country of origin of raw materials and subcomponents, including packing lists, bills of landing, and manifests.

4. Communication to Tier 2 Vendors: All Tier 1 vendors will in turn communicate the same documentation requirements with their associated Tier 1 vendors, and that they will in turn enforce the same requirements through Tier 2 and beyond.

## **2.5 Training**

Spin Master's employees receive regular training on a variety of topics, which includes ethical behaviour and our policies. All new employees are assigned training during onboarding, which includes education on our Code and Human Rights Policy. All employees globally are required annually to attest to the Code, the Whistleblowing Policy and other associated governance policies.

Through our work with ESCP, as part of the certification processes, our manufacturers receive educational content and any training necessary. This training addresses Child and Forced Labour.

## **2.6 Reporting issues within our supply chains**

Spin Master has various channels to report and address human rights concerns. In addition to our Whistleblowing Policy and Code, within our supply chains, concerns can be reported through channels operated by compliance organizations such as ESCP. This includes organizational level issues and anonymous hotlines for individuals to report. ESCP maintains an active database that provides Spin Master with up-to-date reporting on any issues reported.

## **2.7 Remediation**

For suppliers who have identified issues with their facility's policies or practices, ESCP will collaborate with the factory to develop a tailored corrective action plan. Certification will only be granted once all necessary corrective actions have been implemented. After certification, the factory will continue to undergo a progress visit within four months to verify ongoing compliance with ESCP standards. Through ESCP's online reporting database, Spin Master will have timely access to any issues identified and the corresponding remediation actions taken.

In cases where there are reported instances of Child or Forced Labour through the ESCP help line, there are rescue protocols for both Child and Forced Labour in place. ESCP will then work with manufacturers to remedy the situation through a corrective action plan and follow up compliance visits.

If Spin Master determines that any supplier or manufacturer, not already covered under the ESCP process above, has failed to remedy a violation of the Spin Master's Code of Conduct for Suppliers and Manufacturers, Spin Master consults with the supplier or manufacturer to examine the issues and determine the appropriate measures to be taken. The remedy will, at a minimum, include requiring the supplier or manufacturer to take all steps necessary to correct such violations including, without limitation, paying all applicable back wages found due to workers who manufactured the product, and reinstating any worker whose employment has been terminated in violation of this Code of Conduct for Suppliers and Manufacturers.

If consultation and agreed upon measures fail to adequately resolve the violations within a specified time period, Spin Master and the supplier or manufacturer will implement a corrective action plan on terms acceptable to Spin Master.

## Steps Taken in 2025 to Prevent and Reduce Risk of Child and Forced Labour

### 3. 2025 Activities

At Spin Master, we strive for continuous improvement and continue to strengthen our processes to prevent and reduce the risk of Child and Forced Labour. During the Reporting Period, the initiatives specifically undertaken include:

- Spin Master requires all employees worldwide to attest to the Code of Ethics and Business Conduct on an annual basis.
- Spin Master harmonized its Code of Conduct for Suppliers and Manufacturers with Melissa & Doug, LLC, an indirect wholly owned subsidiary of Spin Master, in 2025. Additionally, Melissa & Doug, LLC continues to send a memo annually in late spring to remind factories which produce *Melissa & Doug* products to exercise caution and additional oversight when hiring summer workers to ensure they continue to follow the guidelines of the Code of Conduct for Suppliers and Manufacturers.
- In 2025, there were no violations of the Code of Conduct for Suppliers and Manufacturers found.

## Monitoring Effectiveness and Compliance

### 4. Governance and Processes to Monitor Effectiveness and Compliance

Spin Master has in place the following governance and processes to assess the effectiveness of our efforts to reduce and prevent the risk of Child and Forced Labour within our operations and supply chains.

#### 4.1 Ethical Supply Chain Program Compliance Portal

ESCP offers an online portal that allows Spin Master to track our factories. It provides information on certification status, audits, infractions, remediation efforts and contains training resources for the factories.

#### 4.2 Toy Safety and Quality Compliance Department

Spin Master has a global team dedicated to toy safety and compliance within our supply chain. Overseen by our VP, Global Quality, and supported by regional leads who work closely with vendors, the program is designed to ensure compliance with our Code as well as the requirements of our retail partners. This team coordinates with our third-party partners to monitor manufacturers, complete site visits, and approve and verify corrective action plans as needed.



#### **43 Governance & Nominating Committee of the Board of Directors.**

The Governance & Nominating Committee of Spin Master's Board of Directors has responsibility for overseeing Spin Master's Corporate Social Responsibility ("CSR") initiatives. This committee reviews and evaluates the Company's CSR strategy, multi-year plans, and related reports concerning environmental and social matters, while annually monitoring performance. Regular updates on environmental and social issues are provided to the board by this committee. Policies such as the Human Rights Policy are reviewed periodically by the Governance and Nominating Committee and any policy amendments to are subject to approval by the Board.

#### **44 CSR Committee**

The CSR Committee is comprised of cross-functional expertise including Legal, Quality Assurance/Compliance, Human Resources, Finance, Product Development, Engineering, Packaging, Facilities, and Communications. Led by the Vice President of Communications and Corporate Citizenship, reporting to the Executive Vice President (EVP), Chief People Officer, this committee meets quarterly to review performance against the Company's CSR strategy and targets, and addresses evolving topics within the CSR arena. It formulates recommendations for activities and initiatives, enabling the Company's commitment to its CSR objectives. To support these efforts, a sub-committee focuses on sustainability in product development and packaging.

## **Approval and Attestation**

This Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Spin Master Corp. on behalf of itself and the Spin Master Reporting Entities.

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I have the authority to bind Spin Master Corp.  
Christina Miller,

Chief Executive Officer & Director

Spin Master Corp.

April 29, 2026