

2023
SUSTAINABILITY
REPORT

The
ELEPHANT

in



the

ROOM

Let's talk about the elephant in the room. We depend on our natural habitat for survival, every species does.

Today, between climate change, suburban sprawl and illegal hunting, 40,084* animals are facing extinction. This year we partnered with IFAW, the International Fund for Animal Welfare, in a bold initiative designed to tackle *the largest* issue of our time:

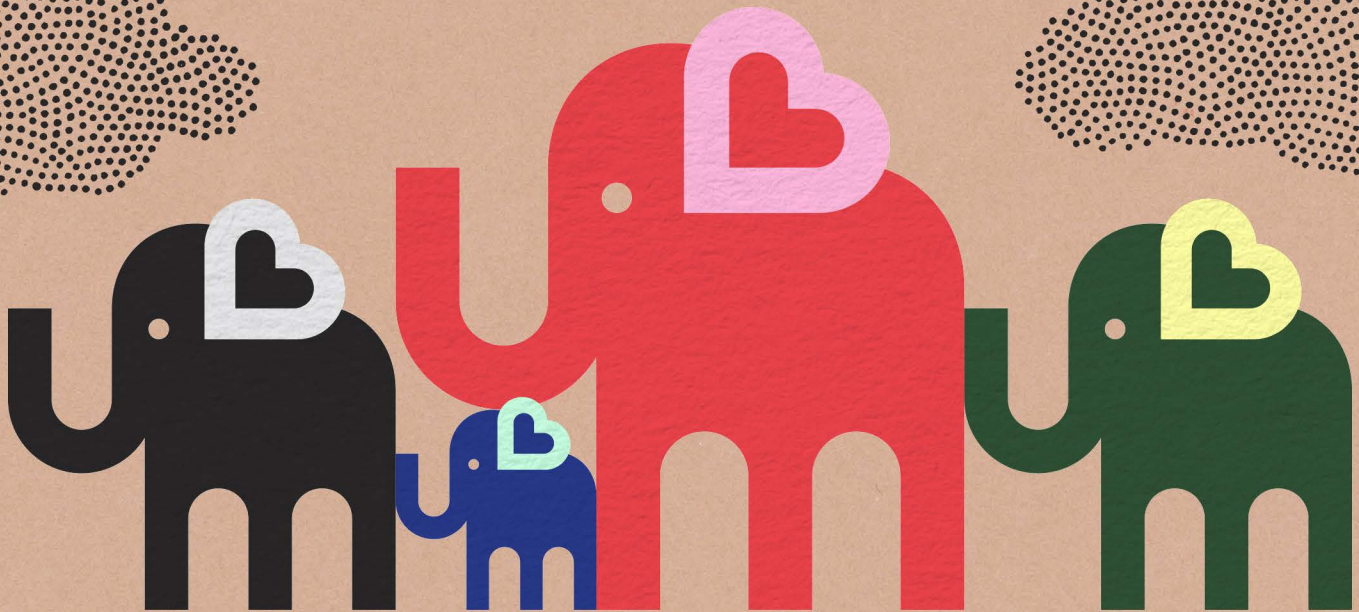
The LOSS of BIODIVERSITY.

African elephants support innumerable, essential ecosystems. The growing threat to their migratory path is a hazard to the Savannah Forest and the food chain around the world. We are all an integral part of the world we live in, and we are committed to playing our part for the benefit of all, big and small.

* ACCORDING TO THE WORLD ANIMAL FOUNDATION 2023 REPORT

From our CEO and Founder, Steven B. Dunn

“The great migration towards change, takes a village.”



At Munchkin we believe it's the little things that make a big difference. True to our word, every year we are putting one foot in front of the other to move toward solutions to the potential threats to our planet.

This year we are taking charge and leading the elephant parade, literally and figuratively with a **new program from IFAW called Room to Roam**. Centered around preserving, the now perilously endangered, African elephant, starts with keeping them safe and keeping them together. **It is Munchkin's ethos to help and to support families of all kinds, big, small, human and animal.** The fact is, the more we love our ecosystem, the longer we'll have to enjoy it together. Pioneering initiatives in product development, finding ways to reduce our

CO₂ Emissions, and fulfilling our social responsibility keeps Munchkin's heart pumping. Not only were we honored by **LA Business Journal as The Most Sustainable Company of 2022**, we were also humbled to rank **#8 out of 300** of the **Most Innovative Companies by Fortune Magazine**. We know it is in no small part due to our effort to minimize our footprint.

Necessity is the mother of invention and it has never been more necessary to make elephantine changes than now.

A handwritten signature in black ink, appearing to read 'S. B. Dunn'.

STEVEN B. DUNN
CEO & Founder, Munchkin Inc.

ROOM *to* ROAM

Solutions to our planet's most pressing problems are rarely simple, nor solitary. IFAW's *Room to Roam* initiative to protect endangered elephants migrating across Africa is neither, which is precisely why it will work.



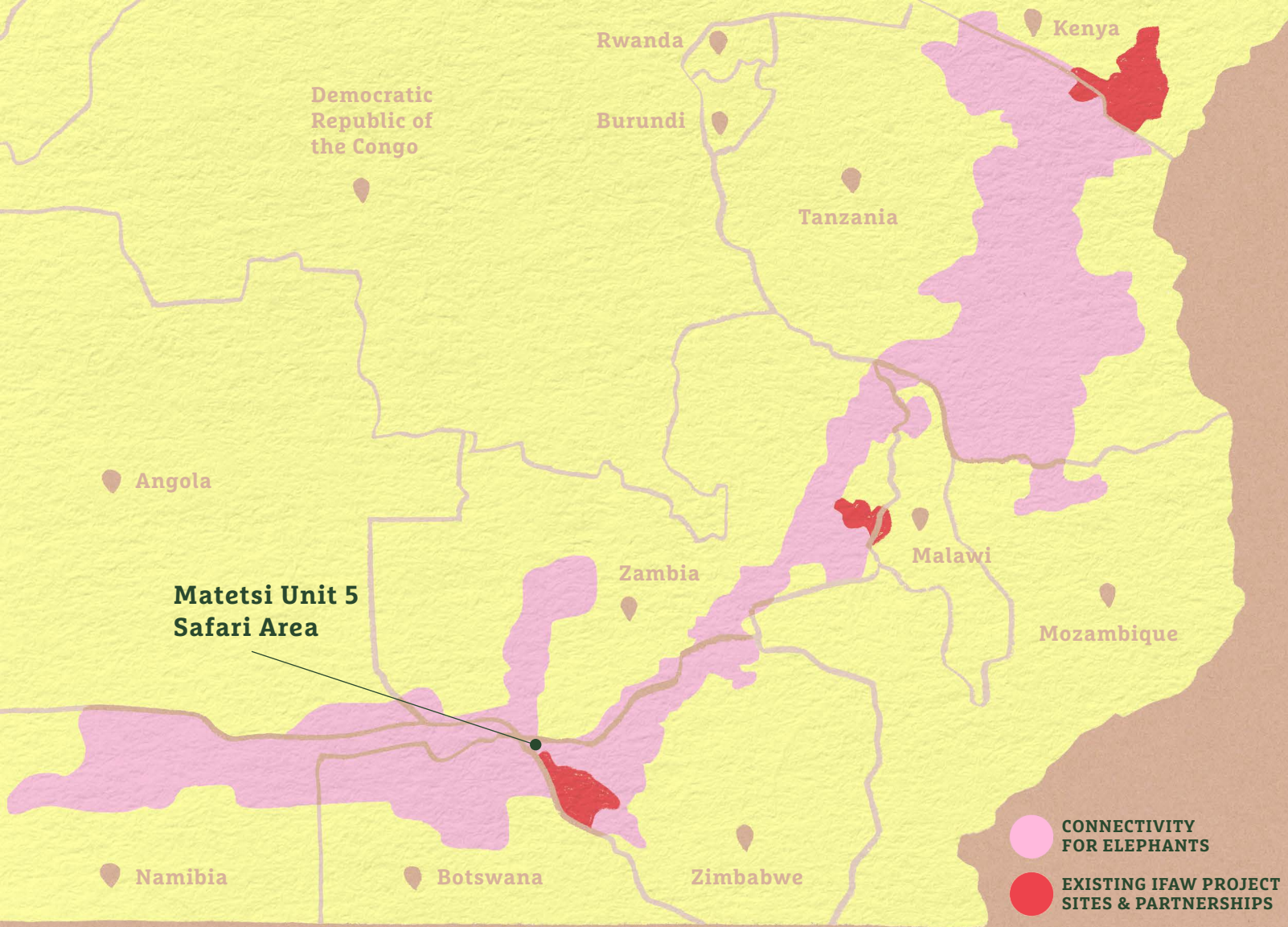
Climate change, the rising human population, and the prevalence of poaching all **threaten the existence** of African bush elephants. Room to Roam's ambitious, urgent approach is to **create a secure space** for this keystone species to safely migrate. It relies on the cooperation of international governments, buy-ins from local communities, and financial contributions from organizations like Munchkin.

Over the next five years, Munchkin's increased donations to IFAW will fund the leasing of **90,000 acres** to ensure **safe passage for elephants and 16 other migratory species**. Research concludes that the presence of elephants proliferates life for countless plants, lions, giraffes, antelopes and warthogs, to name a few. The leasing of this land — which is situated in **North Western Zimbabwe** between Victoria Falls and Hwange National Park — and all adjacent territories **will become poach-free zones**.

Tragically, poaching is the primary cause of the decline of the African elephant population. In the last century, **more than 90% of this species has disappeared**; 30% alone in the last decade. Compounding risks, including the rise of the human population, also threaten these elephants' migration patterns. Today, 7 million people live alongside these elephants, and that number is predicted to double every 25 years.

Room to Roam's success and longevity depend not only on the protection of land but also on the **development of local jobs** (such as ranger programs) and **community incentives** to preserve these migratory landscapes.





Munchkin’s \$1,000,000 donation to IFAW’s Room to Roam project will secure 90,000 acres in Zimbabwe, specifically **Matetsi Unit 5 Safari Area**, which is situated in North Western Zimbabwe close to Victoria Falls and directly joined to Hwange National Park.

Room to Roam aligns with the science of connectivity. The health of the ecosystem is **a huge catalyst for economic change**. Engaging, educating and empowering local communities with natural resource management and public-

facial animal preservation embeds conservation in the culture. The value increase in eco-tourism would peak to such an extent that **the incentive to care for these majestic beasts will outweigh the appeal of their destruction**. To prove its efficacy

IFAW and ZimParks have already begun running a **Junior Ranger Programme**. The Programme educates preteens to be conservation ambassadors in the borderlands along the Hwange National Park. Combining outdoor nature education activities with classroom-based learning, **students develop their understanding of how to care for and work with the land**. With a scholarship program for older students, IFAW is funding students all the way through university to earn degrees in medicine, tourism, and business.

Women inevitably play a vital role in these solution-based strategies. **Programs such as Jenga Mama, which translates to ‘empower a woman’,** fully outfits its participants with a vocation, a micro-enterprise, and the mentorship to get it

off the ground successfully. **Team Lioness is the embodiment of radical change as the first all-women ranger program.** This is a progressive move in leadership that is carving a new path for future generations.

Advancements such as these generate sustainable income for families, and subsequently whole villages, lowering the risk to engage in illegal gaming.

Collectively, IFAW has secured contracts and lease agreements with over 3,000 landowners to protect and govern these safe passageways, effectively pioneering a greener path for all of us. **This is the true science of connectivity. Keeping families together and thriving.**

TEAM LIONESS PROTECTING AFRICA'S WILDLIFE ▼



WILD Love

Safeguarding the world's most vulnerable creatures is ingrained in Munchkin's ethos. While our focus is providing safe and innovative products that nurture new beginnings for parents and little ones, our compassion extends to the animal kingdom where the circle of life supports us all. **It is with this responsibility at heart that our partnership with IFAW is expanding.** Millions of families have enjoyed the Munchkin WildLove sippy cups, bath squirts, placemats and more featuring at-risk and endangered animals.

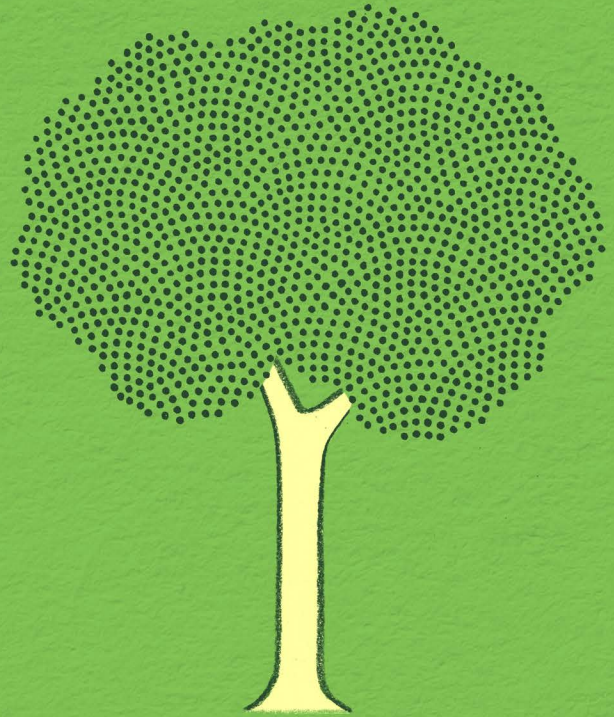
These products and their recycled and recyclable packaging also **serve as educational tools and empower children with facts about wildlife, their homes and the importance of protecting them.** WildLove products do more than bring smiles to budding environmentalists; they financially power our donations to IFAW.

This year, we are expanding upon this commitment by becoming a **primary investor in IFAW's Room to Roam initiative.**

www.ifaw.org



The SEEDLING PROJECT



It is hard to overestimate the significance of trees. These **green powerhouses** store carbon that would otherwise heat our planet. They harbor diverse and **critical ecosystems** that sustain life. They produce oxygen – the life source of mammals. They bear fruit, vegetables and nuts that provide humans and wildlife with **essential energy** and nutrients. And they have a profound and immeasurable impact on a human's **mental well-being**.

to date
MUNCHKIN
has **PLANTED**
4 MILLION
TREES.



Trees are essential to life on Earth, and our partners at **Trees for the Future** know this better than anyone. Ask them and they will tell you that the population most in-need of greenery (that have the most to gain from their planting and the most to lose without them) are communities throughout the continent of Africa.

Using its **Forest Garden Approach** (a comprehensive four-year sustainable land use program) **Trees for the Future empowers farmers to revitalize the earth and gain valuable agroforestry education.** The result? Farmers transition from monocropping to boost their income, obtain food security, and enhance the nutrition of their families,

all while simultaneously reducing carbon and greenhouse gas emissions. The positive effects of this transformation extend beyond the economic and environmental spheres; as farmers prosper, greater opportunities increase, **allowing for the education of their children and the breaking of the cycle of poverty.**

To offset gassy emissions, **Munchkin pays for the planting of one tree for every diaper pail sold.** This year, we financed the planting of 1 million trees, bringing us to a total of **4 million trees** planted since the beginning of our partnership with Trees for the Future.

www.trees.org

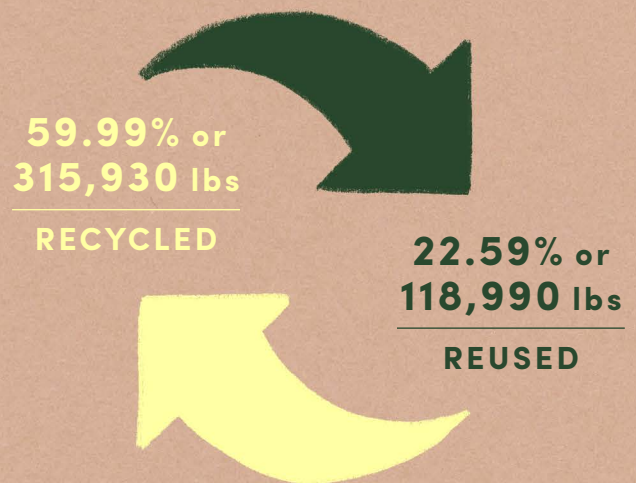
WAREHOUSE Updates

The United Nations Emissions Programme estimates that as a society, we must cut **carbon emissions** worldwide by **45%** to avoid a cataclysmic natural catastrophe.

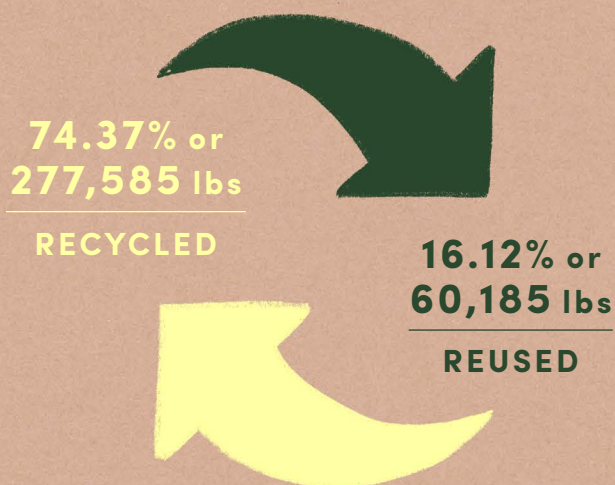
Our U.S. warehouse waste in 2022

As a global leader and producer of children's products **we are the only baby lifestyle brand member of the United Nations Global Compact.** The responsibility to take immediate action to protect future generations does not fall on deaf ears.

In 2022 we diverted 82.58% of the waste from our U.S. warehouse away from landfills. Of the 82.58%, 22.59% was repurposed and 59.99% was recycled.



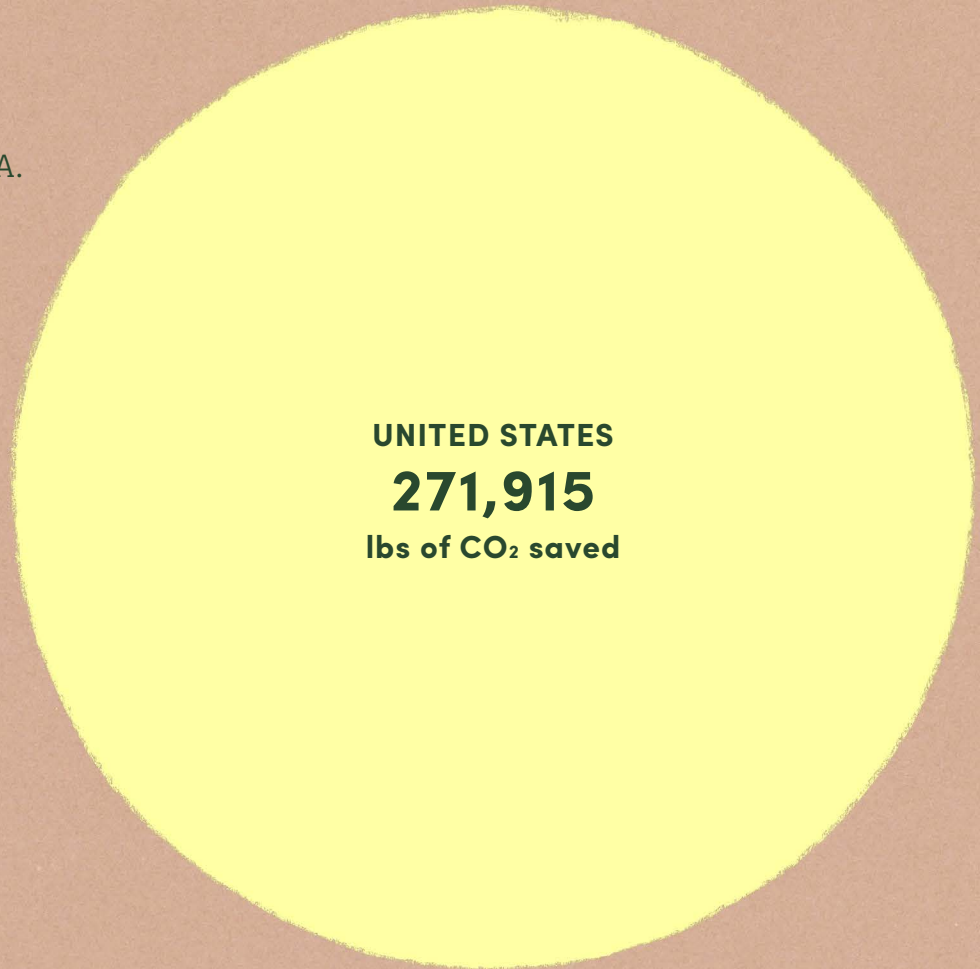
Our L.A. headquarters waste in 2022



To further reduce and track our emissions, we doubled down on our work and **implemented the Zero Waste to Landfill program at our global headquarters in Los Angeles.** During the first year of this initiative, **we diverted 90.49% of our trash away from landfills.** That breaks down to 16.12% (or 60,185 lbs.) that was reused and 74.37% (or 277,585 lbs.) that was recycled. Our teams are continuously seeking methods to further increase these percentages, cut carbon emissions and reduce our footprint on the planet.

Since implementing a **hybrid work schedule** and reducing our global employee commute, we have made a **massive reduction** in our **CO₂ emissions**. The results through 2022 are profound:

*Calculations for total global emission savings are measured by the EPA.



In cutting 2 days from our in-office program we have offset an impressive **350,627 pounds of CO₂**.

Thanks to these carbon cutting efforts, **we were recognized as a Walmart Giga-Guru for the fourth year in a row**. As a signatory of Walmart’s sustainability program, Project Gigaton, **we have pledged to help cut 1 billion metric tons of emissions** in the global value chain by 2030. Suppliers

who achieve Giga-Guru status “set **SMART** (specific, measurable, achievable, relevant, and time bound) goals in at least 3 pillars and reported avoiding emissions in at least three pillars in the most recent reporting year.” **We are proud to support our fellow retailers’ programs for a greener planet.**

PACKAGING

Updates

Supporting initiatives and organizations that better the planet and improve the lives of animals and humans is only half of the environmental battle. At Munchkin, **we continually reevaluate our internal workings to discover ways to cut greenhouse emissions** and develop products, packaging and procedures that reduce waste. For example, last year, we redesigned our window-box packages so that the plastic window is no longer glued to the paper. This may seem like a minimal change, but cutting the adherent makes the packaging easier to recycle, **meaning less plastic in landfills**. In addition to making our packaging easier to recycle, we have begun using materials made of recycled content. Our new Anti-Mold bath squirts packaging is made using 30% recycled polyethylene terephthalate or PET.

Earlier this year, **we released our first line of plastic-alternative bamboo feeding products for little ones**. What makes this plant so unique? Bamboo is the fastest growing plant on Earth and can grow up to one meter per day! Not only does it have speed, bamboo also has strength and has more muscle than steel. Plus, it absorbs up to 12 tons of CO2 annually and releases 30% more oxygen than trees. To package this product, **we used 100% paper-based packaging with nearly 70% recycled content**.

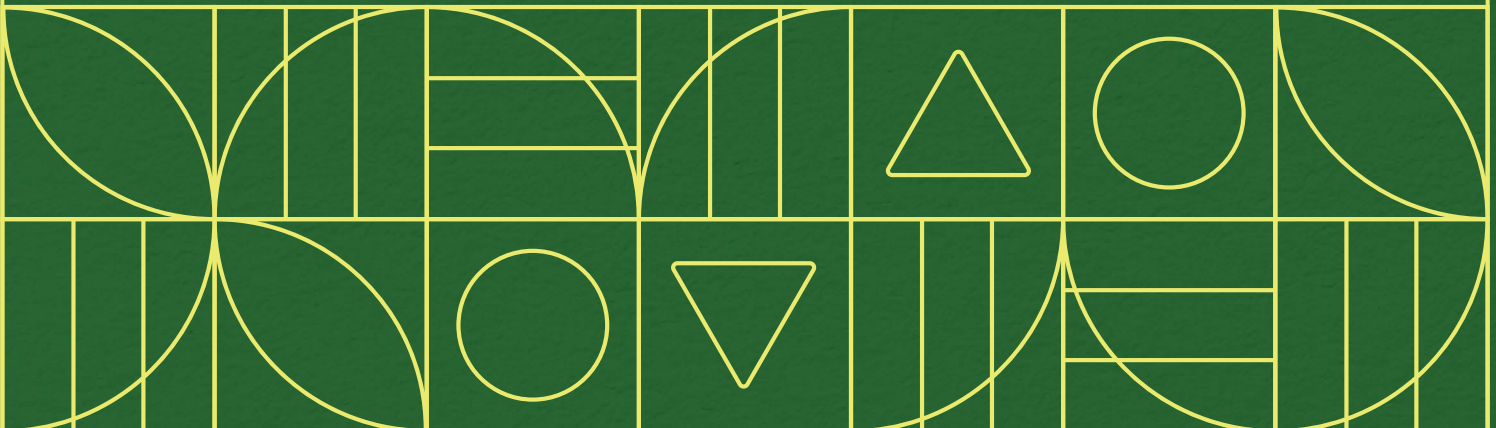
At Munchkin, we know that giving is great, but producing and operating in ways that align with our values of sustainability and responsibility are non-negotiable. **Our planet and the creatures that call it home deserve nothing less.**



REGENERATING GENERATIONS



This year we tapped a leader from each department to track our CO2 analytics, account for our progress per sector, and advocate for new sustainability initiatives to further green our efforts.



Each leader was chosen for their commitment and excitement to evolve their specific sector with potential initiatives, opportunities and most importantly potential problem-solving. Quarterly meetings meant to remove roadblocks and assess our weakest links are just the beginning.

Our culture prides itself on giving back. In order to regenerate generations, we have to. From working with Friends of Griffith Park to plant Earth Day trees to taking time for an annual beach sweep on Coastal Cleanup

Day, we make volunteer work a priority by offering annual opportunities. It gives us a chance to strengthen our bond as a team while serving the planet. It's a small wonder that Munchkin has been awarded Great Place to Work Certified two years in a row.

Coming together to advocate solutions, the ReGen Committee is actively regenerating generations to come. We understand that large-scale change takes a village, that's why we've got the best representatives spearheading the mission.



From our Chief Brand Officer & Creative Director, Diana Barnes “DB”

“My heart will always belong first and foremost to animals.”

When we started WildLove, it was a pledge to educate our children and fully support our wildlife. In a second, even more progressive initiative, I am proud to say Munchkin and IFAW are going straight to the front line of animal preservation in Zimbabwe as **the first company to lease 90,000 acres of endangered territory.**

The African bush elephant, like whales, travel together as a family for the length of their lives. **If there’s anything we are on a mission to do here at Munchkin it is to support the well-being of families of all kinds.**

The elephant is one of the most gentle, intelligent animals. Like us, they empathize easily, protect their babies fiercely, and bond socially. Unlike us, they do not have ready access to food and water, and **their migration is a necessity for survival** — a path made all the more difficult by illegal poaching and urban expansion,

challenges that we can begin to bring back to a natural order with Room to Roam.

With IFAW’s scholarship, ranger, and employment programs, we support so much more than just endangered species, **we have the opportunity to affect generations moving forward with an infrastructure to support a healthier world.** As the leader of our CSR efforts, it is vital to me that we are boots on the ground, making a real difference right now.

We want our children to know these gentle giants. **Every living thing is entitled to live free and to love, that’s how WildLove came to be.** That is why we continue to push forward to make this dream a reality.

To quote the legend, Stevie Nicks, “Blame it on my wild heart.”

DIANA BARNES “DB”

Chief Brand Officer & Creative Director, Munchkin Inc.

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