

PRESS RELEASE

“We strive to use only sustainable materials”:

In five years, Schleich figurines will be recyclable or biodegradable.

Additionally, the company seeks Cradle to Cradle® certification by 2027 and is working on finding recycled or bio-based materials.

Munich, 17 November 2022 | The toy manufacturer Schleich has set itself the goal of producing its toys in a more sustainable way. ***“We strive to use only sustainable materials. As a first step, by the end of 2027 all our figurines will be recyclable or biodegradable. Also, we are working hard at finding recycled or bio-based material for the future production of our toys”,*** explains Schleich CEO Dirk Engehausen. In addition to that and to ensure that resources are reused over and over again, Schleich is optimizing and certifying its products and packaging in accordance with the Cradle to Cradle® circular economy principles by end of 2027. This means, among other factors, that Schleich figurines are recycled without loss of material quality. To achieve this, Schleich is collaborating very closely with the renowned consultancy institute and innovation partner EPEA GmbH. The Cradle to Cradle® idea also includes the improvement of the social and environmental impact on production and supply chain.

People have been handing down long-lasting and timeless Schleich figurines for many decades now, which explains why they have a much smaller environmental footprint than many other toys. The aim of the new strategy is to reduce this footprint even further. It has four focus areas: children, toys, the planet and people. First tangible results are already be seen in the reduced plastic content of packaging.

Sustainable play has been embedded in the DNA of Schleich since the very beginning. The company has been producing highly detailed, high-quality and extremely **long-lasting toys** for over 85 years. *“Our figurines are timeless and have always been handed down from generation to generation. This longevity significantly reduces the carbon footprint of our products,”* says **Dirk Engehausen**. *“But we can’t rest on our laurels. We’re conducting research into long-lasting materials for products and packaging that conserve resources. Already in five years, our figurines will not only be recyclable or*

biodegradable, but thanks to our adoption of the Cradle to Cradle® principles, we also ensure that Schleich figurines are given back into the product cycle at the end of their lives, so that a Schleich figurine ideally can become a new Schleich figurine with the same high-quality material. We strongly believe that only with this holistic approach we can contribute to a more sustainable toy industry."

The goal is to transform the entire company and make each individual area even more sustainable, from the production of the figurines all the way through to sales and distribution. Schleich is collaborating with the consultancy institute and innovation partner EPEA GmbH, which will support the company on the path of having its figurines and packaging Cradle to Cradle®-certified by 2027.

Cradle to Cradle®: certified to be recyclable

"The Cradle to Cradle® design principles are based on the idea of using resources – such as the material from which Schleich figurines are made – as best as possible and over and over again," explains **EPEA founder Professor Michael Braungart**. There are five key criteria for Cradle to Cradle® certification:

- **Material Health** – All ingredients of the products should be safe for humans and nature, both in production and use as well as in after-use.
- **Product Circularity** – Product components must be either biodegradable or high-quality recyclable as part of a circular economy.
- **Clean Air & Climate Protection** – The impact of production on the environment must be gradually reduced, e.g., by switching to renewable energy sources.
- **Water & Soil Stewardship** – Water catchment areas and soil ecosystems must be safeguarded to ensure that people and animals continue to have access to clean water and healthy soils.
- **Social Fairness** – The company must be managed in such a way that all people and ecosystems throughout the value chain are treated with respect.

"Sustainability is a journey, and we'll be taking some important steps along the way in the coming years. Our products are so long-lasting and of such high quality that it's very rare that they're ever thrown away. But should that ever happen, rigorously applying the Cradle to Cradle® design principles means that a Schleich dinosaur can ideally be made into another Schleich dinosaur – or a lion, horse or unicorn, instead of a product with less material quality" says **Dr Philipp Hummel, Head of Sustainability** at Schleich. Initial prototypes that meet the high safety standards required for children's toys already exist.

"In addition to materials and production conditions, we're also focused on issues of social fairness in terms of our sites and partners."

CEO Dirk Engehausen adds: *"We're on an exciting journey with Schleich towards becoming a company that not only talks about sustainability, but makes it an integral part of its strategy. Like the rest of the toy industry, we're also being called upon to find new sustainable materials and processes to produce long-lasting, good toys for future generations that conserve resources."*

Tangible results: significantly less plastic and water-based paints

All Schleich packaging will be recyclable by no later than 2025. And from 2023 onwards, the company will only use cardboard that is FSC®-certified for its packaging. Schleich has been significantly decreasing the plastic content in its packaging and replacing components with recycled and recyclable materials. Compared to 2020, the company has reduced plastic in all its packaging by around 20%. For example, **from 2022 onwards, the inside of the Schleich Advent Calendar will be made of cardboard. This will save almost 40 tons of plastic each year.** There have been no plastic windows in the packaging of any Schleich HORSE CLUB and FARM WORLD playsets since July 2022. The packaging for the new product line Sofia's Beauties has no plastic windows either, which saves approximately 15 tons of plastic annually.

"Our team of chemists, sustainability experts and engineers is conducting intensive research into new materials. We've made great progress where paints are concerned: we began using water-based paints on our products in 2022. Together with our partners, we're also developing a paint that will be Cradle to Cradle®-certified," explains **Dr Philipp Hummel**.

The four pillars of sustainability

Aside from the **toys** themselves, which will be sustainable and healthier for all ecosystems as a result of the Cradle to Cradle® optimization, Schleich's sustainability strategy has three other pillars: **children, the planet and people**.

Children learn new things about nature and animals by playing with the highly detailed, realistic figurines made by Schleich. Schleich is also investing in initiatives that broaden children's knowledge

and promote lifelong learning where sustainability is concerned. To this end, Schleich is collaborating with the American Montessori Society in the USA and providing video courses and content for teachers. What's more, Schleich has been cooperating with National Geographic Kids since 2021, with the aim of getting children interested in animal and nature conservation through play.

To ensure that children and their children are able to live in healthy places surrounded by living things, Schleich is deeply committed to making a positive contribution towards protecting the **planet**. The Cradle to Cradle® approach helps with this. In addition, Schleich is constantly working on regionalising its supply chain and shortening transport routes to reduce its negative carbon footprint. In future, products will primarily be made in the places where they are sold. As a result, other areas of production will be relocated to Europe.

People are at the heart of Schleich's sustainability measures. That's why safe and healthy working conditions throughout the value chain are the top priority. The long-standing Swabian company is part of the "ICTI Ethical Toy Program", an internationally recognised certification programme for ethical toy production. Health and safety training for staff together with diversity, equality and inclusion initiatives are the cornerstones of the People pillar.

About Cradle to Cradle®/EPEA GmbH

Cradle to Cradle® is a design principle developed in the 1990s by Professor Michael Braungart, William McDonough and EPEA Hamburg. It stands for innovation, quality and good design. It describes the safe and potentially infinite circulation of materials and nutrients in cycles. All materials are chemically harmless and recyclable. Waste as we know it today and which is generated according to the pre-existing "take-make-waste" model will no longer exist, only useful nutrients. EPEA GmbH was founded in Hamburg in 1987 by Professor Michael Braungart and is an international innovation partner for environmentally-friendly products, processes, buildings and urban districts.

About Schleich GmbH

Founded in 1935 by Friedrich Schleich in Schwäbisch Gmünd, Schleich today is one of Germany's largest toy manufacturers and a leading international supplier of realistic animal figurines. The famous figurines and playsets made by the brand schleich® are sold in more than 60 countries and have become a beloved feature in children's rooms around the world. As a global player with Swabian roots, Schleich GmbH now generates more than half of its turnover outside of its German home market. In 2021, Schleich generated worldwide sales of 255 million euros and sold around 40 million animal figurines. The company is in the process of a comprehensive sustainability transformation. As a first step, by the end of 2027 all figurines will

be recyclable or biodegradable. Also, Schleich is working hard at finding recycled or bio-based material for the future production of its toys. In addition to that and to ensure that resources are reused over and over again, Schleich is optimizing and certifying its products and packaging in accordance with the Cradle to Cradle® circular economy principles by end of 2027. The company is majority-owned by the Partners Group, a global private markets investment manager.

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