

PICNIC TIME[°]

FAMILYOFBRANDS

2023 Impact Report

Introduction

Picnic Time was founded with the goal of helping our customers make the most of their time with friends and family. Many of our products are meant to be enjoyed in the great outdoors, so it should come as no surprise that doing our part to create a cleaner, greener future is a top priority at every level of our organization.

We care deeply about building a sustainable future, so this work is totally worth it. Are we already perfect? Nope. Are we working every day to improve, taking our journey toward a sustainable future one steady step at a time? You bet! Here's a few things we have done so far and an idea of where we are headed.

Our Mission

To create products that inspire friends and family to come together and make lasting memories.

2023 Impact Highlights

Environmental, Social, and Governance (ESG)

Environmental

MATERIALS

Our products are made of a variety of sustainable and/or renewable materials such as RPET, acacia wood, bamboo, parawood, mango wood, organic cotton, seagrass and more. See our <u>Sustainable</u> <u>Materials Fact Sheet</u> page for more details. As we develop new products, we challenge ourselves to make them using the most sustainable materials and methods of production as possible and we're also revamping existing product styles using more responsible materials such as switching from polyester to RPET.

Our products are designed to last for generations and by including durable containers and utensils our products reduce the need for single-use plastics. Many of our products have undergone additional performance testing and material and design upgrades in 2023.

We also reduced landfill waste and kept the products in circulation longer by providing free repair services for the life of the product and donating returned products. In 2024 we plan to offer refurbished items for sale to further reduce waste.

The Tarana Backpack Cooler was designed sustainably, with an rPET shell made from 14 recycled water bottles per bag. Picnic Time saw the value of taking these efforts a step further and underwent ClimatePartner's comprehensive product carbon footprint calculation process, assessing its entire production process to measure its impact on the planet.

ClimatePartner helped Picnic Time create an emissions reduction plan, along with identifying opportunities for change and improvement in its existing sustainability initiatives. As part of this climate action strategy, Picnic Time is now supporting a combined ocean protection and climate project, where for every ton of carbon that is saved through the climate project, 10 kilograms of plastic is collected from coastal regions. This ocean protection project empowers ethical recycling practices within communities located in vulnerable coastal areas and follows ClimatePartner's stringent international standards, which include independent auditing. In addition to providing environmental benefits, this project supports substantial social impact in its community as part of the United Nations Climate Change Global Climate Action program. Community members exchange gathered plastics at local collection branches, which provides them with secure income and benefits such as life insurance and meal vouchers. We plan to expand this carbon-offset initiative to other products in the Tarana line in2024.

In 2023 we reduced our packaging materials to a minimum and we use only recycled cardboard for our shipping cartons.

OUR SUPPLY PARTNERS

All our manufacturing partners are pre-screened and undergo annual audits through QIMA, BV, or SGSI for social and environmental compliance. All vendors must agree to and sign our <u>Vendor Code of</u> <u>Conduct</u> and also comply with Fair Labor Association standards.

Our products are currently produced in China, India, Vietnam and Mexico and decorated, customized, kitted, and designed in California.

The majority of our vendors use a combination of solar and green energy from hydro-electric power or wind energy and have their own robust sustainability programs in place.

To further reduce our carbon footprint we avoid importing any bulk goods via loose freight (LCL) or via air and consolidate all shipments in 40'HC or 45'HC ocean containers.

Our preferred small package carrier is FedEx who is a leader in the delivery service industry and is investing hundreds of millions of dollars in replacing their fleets of aircraft, trucks, and automation

solutions with electric or alt-fuel versions including e-bikes and carts in urban areas with the goal to be carbon neutral by 2040. For most of our shipments we use FedEx supplied packaging which is 65% recycled material and is 100% recyclable.

Picnic Time uses Google Cloud Storage and Google Suite to run our operations. Sustainability has been a core value for us since Google was founded two decades ago. They were the first major company to become carbon neutral for operations in 2007 and the first major company to match our energy use with 100% renewable energy in 2017. They operate the cleanest global cloud in the industry.

AT HOME

At our HQ in California we established an environmental committee dedicated to reducing our environmental impact called The Green Beans. Some of the initiatives implemented in 2023 include: conversion to low water use landscaping, implementing energy-efficient window tinting, installing low flush toilets, changing from fluorescent to LED lighting, using Nest[™] to regulate heating and AC, installing motion sensor lighting, replacing paper towels with eco hand dryers, planting a vegetable garden, assigning carpool parking spaces, and installing EV parking spaces complete with charging. We also have an in-house recycling program for cardboard, plastics, and glass. In cardboard alone, we recycled 30 US tons in 2023.

Picnic Time is now printing recycling instructions on our packaging to help consumers recycle effectively.

In 2022 we joined the GBB (Green Business Bureau) to help us set and track sustainability and ESG goals and through completing multiple initiatives have reach platinum status. <u>GBB Public Profile</u>

By 2025 we plan to convert our two main warehouses to 90% solar energy and will continue to reduce our water use by converting more landscaping to drought resistant native plants throughout our campus.

We implemented a monitoring and analysis plan for our water, gas, and electricity usage and have set up alerts to identify leaks, abnormal usage events and track our progress in reducing our environmental impact. This resulted in a 6.5 % decrease in electric and 7% in water usage year over year.

SOCIAL

As a company, giving back to our community is something we care about. Every year, a portion from sales on our website from "Giving Tuesday" (the day after Cyber Monday) is donated to a local charity selected by our employees. In 2023 this was the BumbleBee Foundation that provides support for pediatric cancer families based out of Westlake Village, CA https://www.bumblebeefoundation.org/about-us/

Through our Beach State Brand we donate 5% of profits to the Surfrider Foundation, who are dedicated to protecting our oceans and beaches, and we also participate in several volunteer beach cleanups each year. <u>Beach State/Surfrider</u>.

Picnic Time employees participate in food drives for our local food pantry and donates returned products that can't be resold or repaired to Goodwill. We also donate merchandise for charity fundraisers which this year included:

- Air Force 2D Medical Group, Barksdale AFB
- Angels Foster Family Network OKC
- Big Brothers & Sisters Of Ventura County
- Flory Academy of Sciences and Technology (F.A.S.T) Booster Club in Moorpark
- Gardner Grade School
- San Diego Zoo Wildlife Alliance
- Spectrum Autism Support Group
- Surfrider Foundation
- Wags and Walks

Picnic Time provided education reimbursement for three employees in 2023 to support their personal development and career growth.

Governance

Part of our governance structure at Picnic Time Family of Brands is our Board of Directors. The board meets twice per month to discuss key strategies and provides insight and guidance to the company leadership. Our board members are:

Gustavo Cosaro, Founder and President at Picnic Time Board member since 1982

Tracy Tagliati, Vice President at Picnic Time Board member since 2016

Paul Cosaro, CEO at Picnic Time Board member since 2016

Danny Corbucci, COO at Picnic Time Board member since 2016

Kevin Guy, General Manager at Picnic Time Board member since 2016 **Diane Colangelo,** Director of Finance at Picnic Time Board member since 2018

Sustainability Task Force

Established in 2021, our task force named "The Green Beans" directs and tracks various environmental and social initiatives on behalf of the company.

Paul Cosaro, CEO

Kevin Guy, General Manager

Cassandra Constant, Product Design and Development Manager

Guy Espinoza, Customer Success Manager

Jason Mullen, Director of Ecommerce

Brooke Hansen, Creative and Marketing Manager