



Mattel – Modern Slavery Act Transparency Statement

FOR FINANCIAL YEAR ENDING DECEMBER 31, 2021

Mattel, Inc. on behalf of its UK based entities, Mattel UK Limited and HIT Entertainment Limited, and Netherlands based entity, Mattel Europa B.V., and all its other subsidiaries in scope for purposes of the UK Modern Slavery Act 2015, is committed to responsible sourcing and combatting human trafficking and modern slavery in our supply chain. This statement covers Mattel, Inc. and its subsidiaries Mattel UK Limited, HIT Entertainment Limited and Mattel Europa B.V.

OVERVIEW

Mattel believes how we achieve success is just as important as the success itself. We strive to manufacture our toys responsibly, adhering to strong standards and oversight processes which reflect our commitment to safe working conditions for our employees, ethical labor practices and environmental stewardship.

Mattel has a zero-tolerance approach to modern slavery and human trafficking in our supply chain or in any part of our business. We are committed to taking all reasonably practicable steps to ensure that modern slavery and human trafficking are not present in our operations, including our supply chain. In order to achieve this, we seek to identify and address modern slavery and human trafficking risks.

1. OUR ORGANISATION

About Mattel

Mattel is a leading global toy company and owner of one of the strongest catalogs of children's and family entertainment franchises in the world. We create innovative products and experiences that inspire, entertain and develop children through play. We engage consumers through our portfolio of iconic brands, including Barbie, Hot Wheels, Fisher-Price, American Girl, Thomas & Friends, UNO and MEGA, as well as other popular intellectual properties that we own or license in partnership with global entertainment companies. Our offerings include film and television content, gaming, music and live events. We operate in 35 locations and our products are available in more than 150 countries in collaboration with the world's leading retail and e-commerce companies. Since its founding in 1945, Mattel is proud to be a trusted partner in empowering children to explore the wonder of childhood and realize their full potential.

Further information about our company, business and organizational structure can be found at: <http://corporate.mattel.com/>

Our Standards and Approach

Mattel manufactures products in company-owned and/or -operated facilities and through third-party manufacturers. In 1997, Mattel became one of the first toy companies to create standards for responsible manufacturing. Since then, these principles have become the foundation for Mattel's Responsible Supply Chain Commitment (RSCC), a comprehensive set of standards and oversight processes that establish our expectations for responsible factory working conditions, environmental protections, social compliance, labor, and environmental, health, and safety in both our own manufacturing facilities and those of our supply chain partners.



We regularly monitor and audit manufacturing facilities in our supply chain for compliance with the RSCC. Mattel-owned and/or -operated manufacturing facilities are monitored by our internal and/or external teams for quality and security, as well as compliance with RSCC, and to meet similar requirements of key retailers and licensed-in partners. Mattel uses a risk-based approach to require audit data from finished goods manufacturers and monitors the performance of certain printed packaging suppliers. Mattel is a member of the International Council of Toy Industries (ICTI) Ethical Toy Program (IETP) and supports its mission to build better lives for workers through the ethical production of toys. We require finished goods manufacturers and certain other suppliers to be part of IETP or provide equivalent social audit data.

As part of our commitment to eliminating modern slavery and child labor, we support International Labour Organization (ILO) conventions 138 and 182 on the prohibition of child labor and 29 and 105 on the elimination of forced or mandatory labor. Our approach is modeled on recognized standards such as the ILO standards and the Universal Declaration of Human Rights. We are committed to working closely with our suppliers to combat modern slavery, child labor, and human trafficking and to help them identify risks and manage such risks proactively.

The Mattel RSCC approach to Forced Labor can be found [here](#).

Our Actions

Since the UK Modern Slavery Act 2015 came into force, we have been committed to its implementation and have taken actions to continue promoting ethical business practices and policies that protect workers from being abused and exploited and our actions in 2021 include:

- Maintaining a webpage for [ethical sourcing](#), including Modern Slavery (<https://corporate.mattel.com/modernslavery/index.aspx>), Human Rights Principles, and our RSCC;
- Published [Human Rights Principles](#) which reside on our corporate website and set forth our commitment to respect the rights provided in the International Bill of Human Rights, the principles supported by the United Nations' Universal Declaration on Human Rights, and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Workplace: <https://corporate.mattel.com/content/dam/corp-site/pdfs/Mattel-Human-Rights-Principles.pdf>.
- Retained a third-party consultant to review Mattel's current responsible sourcing program and make any recommendations to enhance the overall program.
- Published 2020 Citizenship Report, including updated Environmental, Social & Governance (ESG) strategy and goals in August 2021 and disclosures on ethical sourcing.
- Continued the review of 100% of the compliance audits for new contracts for licensee factories located in countries determined to be high risk by Mattel and mandated any appropriate remediation plan based on identified findings.
- Continued to work with NGOs globally to help address working conditions, combat modern slavery and child labor, and improve livelihoods. As a member of the Mekong Club, an association of private sector companies in the retail, manufacturing hospitality, and banking sectors, we are working together to eliminate modern slavery.
- Following an initial assessment of cotton fiber use in our supply chain, Mattel issued a Request for Proposal in 2021 to retain a third-party service provider to conduct a full cotton fiber mapping and traceability due diligence.



To measure the effectiveness:

- We regularly monitor and audit facilities in our supply chain. Mattel is a member of the IETP and supports its mission to build better lives for workers through the ethical production of toys.
- Additionally, we conduct independent audits at manufacturing facilities in our supply chain identified to be high risk, to assess compliance with Mattel's RSCC, the implementation of standards and compliance with laws.
- Mattel employees have access to an independently operated EthicsLine where they can anonymously report violations of the Company Code of Conduct, policies or laws and regulations. Many workers in our supply chain also have access to the IETP Worker Helpline which offers free, confidential information and advice for factory workers.

2. OUR COMMITMENT

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Code of Conduct (COC), RSCC and Human Rights Principles, reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to prevent modern slavery and human trafficking in our supply chains. Our approach:

- applies to all employees (including temporary, part-time, seasonal employees and on-site contractors) and suppliers working for or on our behalf in any capacity;
- builds upon our existing standards including our Code of Conduct;
- includes guidance to our recruitment and hiring staff and employee life managers (such as dormitory managers and security personnel at our manufacturing sites) with examples of unusual behavior displayed by workers which may be indicative of someone experiencing modern slavery or human trafficking; and
- makes it clear that Mattel will support anyone who raises genuine concerns in good faith, even in circumstances where it transpires that those concerns are mistaken.

3. IMPACT OF THE PANDEMIC

Mattel's top priority continues to be protecting the health and safety of our people while at the same time mitigating disruption to the business and prioritizing the safety and wellbeing of Mattel employees around the world. We have implemented stringent health and safety measures to safeguard employees at our plants and distribution centers, including,

- Requiring facial coverings at all times
- Practicing social distancing
- Enhanced disinfecting and sanitization routines
- Temperature screenings
- Contingency planning for confirmed cases



4. OUR NEXT STEPS

We plan to continue to consult with third parties and industry coalitions and various functions within our operations to identify which locations and business functions are most likely to interact with entities that represent a higher risk for forced labor. In taking this risk-based approach, we are focusing on the areas where we can deliver the greatest impact. Identifying higher-risk areas of our business will guide our review of relevant policies, procedures and training to ensure that our compliance tools are working effectively to address any identified instances of modern slavery and human trafficking.

Given widespread reports of alleged forced and underage labor in the cotton fields and cotton processing in various regions globally, Mattel continues to monitor developments closely, and explore additional due diligence, and a third-party assessment of the cotton fiber, used to make any, or all, of the goods produced for Mattel to ensure we understand, the source of materials used, verify its provenance, and are compliant with laws.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our modern slavery and human trafficking statement for the financial year ending 31 December 2021.

A handwritten signature in black ink, appearing to read "A. Godfrey".

Alex Godfrey
Snr Director
HIT ENTERTAINMENT LIMITED

A handwritten signature in black ink, appearing to read "M. Hick".

Michael Hick
UK & Ireland Country & Sales Lead
MATTEL UK LIMITED

A handwritten signature in blue ink, appearing to read "B. J. Pate".

B. J. Pate
Director, Mattel Europa B.V.