

Mattel - Modern Slavery Act Transparency Statement FOR FINANCIAL YEAR ENDING DECEMBER 31, 2020

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, is committed to responsible sourcing and combatting human trafficking and 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 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 slavery and human trafficking are not present either in our business or in our supply chains. In order to achieve this, we seek to identify and tackle slavery and human trafficking risks.

Mattel operates under the premise that a factory is fully responsible for the products they make and their operating practices. Each factory is required to develop an effective management system that encompasses business aspects based on issue prevention rather than issue detection, and to ensure conformance to Mattel's policies. Suppliers in our supply chain are also required to have systems to ensure conformance to Mattel's policies.

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 ecommerce 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/>

Mattel - Modern Slavery Act Transparency Statement FOR FINANCIAL YEAR ENDING DECEMBER 31, 2020

Our Standards

Since 1997, Mattel has had standards that guide our efforts to manufacture responsibly. These standards, known as the Responsible Supply Chain Commitment (RSCC), establish ethical and environmental requirements that all our owned and operated sites must achieve. We also expect our supply chain partners to adhere to the RSCC.

The RSCC is a comprehensive set of standards and oversight processes that set forth our expectations for responsible factory working conditions, environmental protection and appropriate oversight to ensure progress is made on these fronts, including ensuring that non-compliance is identified and corrective action taken. Our approach is modeled on recognized standards such as International Labour Organization standards (ILO) and the Universal Declaration of Human Rights (UDHR). Mattel is committed to eliminating forced labor and compulsory labor and to abolish child labor. This includes ILO conventions 138 & 182 on the prohibition of child labor and 29 & 105 on the elimination of forced or mandatory labor. We are committed to working closely with our suppliers to ensure that slavery and human trafficking risks are identified and managed proactively.

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

Our Actions

Since the Modern Slavery Act 2015 came into force, Mattel is committed with it and is taking actions to continue promoting ethical business practices and policies that protect workers from being abused and exploited, and in 2020:

- maintaining a webpage and a policy for Modern Slavery (<https://corporate.mattel.com/modernslavery/index.aspx>);
- following on from the training in the UK in 2019 conducting trainings on modern slavery risk for Australia employees on HR, facilities and logistics, increasing the number of people trained on anti-modern slavery principles;
- began reviewing 100% of the compliance audits for new contracts for licensee factories located in countries determined to be high risk by Mattel, with reference to the Worldwide Governance Indicators (WGI) and their six dimensions of governance;
- actively participating on events promoted by Mekong Club. The Mekong Club is a membership-based organization that works with companies that want to take active steps to identify potential risk and eradicate slavery from their business. As a member, Mattel is invited to join other leaders determined to impact change, in industry-specific working groups, where we receive up-to-date information and expert training on issues pertinent to the unique challenges of our industry, we meet regularly to share best practices, learn about tools and work together on annual deliverables which are used to provide tangible actions in the fight against forced labor.
- initiated an assessment of the finished goods that Mattel procures which use cotton fiber with the goal of identifying if the source material originated from regions of the world at high risk for forced labor Mattel began a source material mapping to identify where cotton fiber is used across the Mattel product portfolio, an effort which will continue into 2021.

Mattel - Modern Slavery Act Transparency Statement FOR FINANCIAL YEAR ENDING DECEMBER 31, 2020

To measure the effectiveness:

- We regularly monitor and audit facilities in our supply chain. Mattel is an active member of the ICTI Ethical Toy Program (IETP), providing us with an impartial and objective oversight of factory performance.
- Additionally, we conduct independent audits at high-risk sites to measure 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, Company 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 slavery or human trafficking in our supply chains or in any part of our business. Our Code of Conduct (COC) and RSCC reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to prevent 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 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. While there is no playbook for a global pandemic of this nature, we acted fast to keep Mattel employees around the world safe. We 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

Mattel - Modern Slavery Act Transparency Statement FOR FINANCIAL YEAR ENDING DECEMBER 31, 2020

4. OUR NEXT STEPS

We will continue to consult with third parties and industry coalitions and various functions within our business to identify which locations and business functions are most likely to interact with entities that represent a higher risk. 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 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 is monitoring developments closely, and exploring 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, verify provenance, and are compliant with laws.

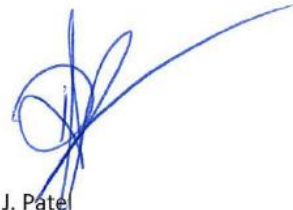
This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2020.



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