



Purposeful Play

MATTEL

2020 Citizenship Report



Our purpose is to empower the next generation to explore the wonder of childhood and reach their full potential.

Introduction



Table of Contents

Introduction

- 02 Letter from Our Chairman and CEO
- 04 Company Overview
- 06 About This Report

Our Response to COVID-19

- 09 Protecting Our Employees
- 10 Supporting Those Who Support Us
- 11 Play is Never Canceled

Our Citizenship Approach

- 13 Governance
- 16 ESG Management at Mattel
- 16 Sustainability Materiality Assessment
- 18 ESG Strategy and Goals

Sustainable Design and Development

- 21 Product Quality and Safety
- 25 Eco-Design and Circularity
- 28 Circularity in Packaging
- 29 Managing End-of-Life Disposal
- 30 Business Model Innovation

Responsible Sourcing and Production

- 33 Ethical Sourcing
- 34 Human Rights and Social Compliance
- 35 Health and Safety of Our Employees
- 38 Taking Action for Climate Protection
- 40 Reducing Waste in Operations

Thriving and Inclusive Communities

Purposeful Play

- 46 Addressing Our Consumers' Needs
- 47 Inspiring Girls' Limitless Potential

Our Workplace

- 52 Diversity, Equity & Inclusion at Mattel
- 53 Taking a Stand Against Systemic Racism
- 57 A Family-Friendly Employer
- 59 Measuring and Encouraging Employee Engagement

Our Consumers

- 60 Giving Back: Promoting Every Child's Right to Play
- 64 Online Safety and Privacy
- 65 Responsible Marketing to Children

Ethical Operations and Compliance

- 67 Code of Conduct
- 67 EthicsLine
- 67 Political Contributions Policy
- 68 Stakeholder Engagement, Transparency, and Reporting

Key Performance Indicator

- 69 Definition of Key Performance Indicator and Reconciliations

GRI Supplemental Data Appendix and Index

- 71 GRI Supplemental Data Appendix
- 79 GRI Index



Letter from Our Chairman and CEO

On behalf of the entire Mattel global team, I am pleased to share our 2020 Citizenship Report.

At Mattel, our purpose is to empower the next generation to explore the wonder of childhood and reach their full potential, and our mission is to create innovative products and experiences that inspire, entertain, and develop children through play.

In 2020, Mattel celebrated its 75th anniversary. At no time in our history has our purpose and mission been more vital as parents prioritize quality toys, trusted brands, and purposeful play. Our products have continued to prove their cultural relevance, societal impact, and multi-generational appeal. We have been particularly proud to see children and families choosing our products again and again.

In response to the COVID-19 pandemic, we brought purposeful play to children and families through our virtual Mattel Playroom, a free, online platform, which features play-from-home activities and educational offerings developed in collaboration with learning experts. Since that time, we have added numerous resources to the Playroom, including content to help parents and families to engage their children in critical conversations on topics such as race and empathy.

We build our products to be durable, withstand the rigor of child's play, and be kept or passed down and reused. We continue to make progress toward a circular economy in our approach to sustainable design and development as we increasingly develop products and packaging with materials that are better for the planet.

Last year, we introduced our first products made with bio-based plastics, including the *Fisher-Price Rock-a-Stack*, *Baby's First Blocks* toys, and three *Mega Bloks* building sets. We expect to offer more innovative toys that are made in line with our goal to achieve 100% recycled, recyclable, or bio-based plastic materials in all products and packaging by 2030.

At Mattel, we are aiming to have a positive impact on the world around us while we continue to execute our transformation strategy.

Beyond our products, we are also working to further increase our positive impact on our people and the planet. We continue to prioritize the health and safety of our employees and are engaging with our suppliers to further improve their workplace conditions. For example, we had one-third fewer recordable safety incidents within our operations in 2020 compared to 2019, as a result of our emphasis on safety. We are aiming to optimize our resource consumption, investing in energy-demand-reduction programs and initiatives, and shifting toward renewable and low-carbon energy sources to reduce our CO₂ emissions.

We know that much of our success is grounded in being a richly diverse company, and we strive to create positive social impact through purposeful play and by supporting the communities where we live, work, and play. Mattel reaffirmed its commitment to Diversity, Equity & Inclusion (DE&I) in 2020, introducing Play Fair, a multi-faceted initiative that articulates the actions we are taking to address racism against the Black community. We have

also made significant progress in increasing representation of women and ethnically diverse talent, as well as achieving global pay equity.

As a purpose-driven company, we take our role as a responsible corporate citizen very seriously. In this report, we outline our updated Environmental, Social, and Governance (ESG) strategy and goals and are proud to share the progress we achieved in 2020. Our updated strategy serves to build upon a solid foundation and leverages additional opportunities to manage our business more sustainably in a rapidly changing world. At Mattel, we are aiming to have a positive impact on the world around us while we continue to execute our transformation strategy.

To our employees, investors, consumers, customers, and suppliers – thank you for your continued support and commitment to Mattel.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ynon Kreiz'. The signature is fluid and cursive, written over a white background.

Ynon Kreiz
Chairman and Chief Executive Officer

Company Overview

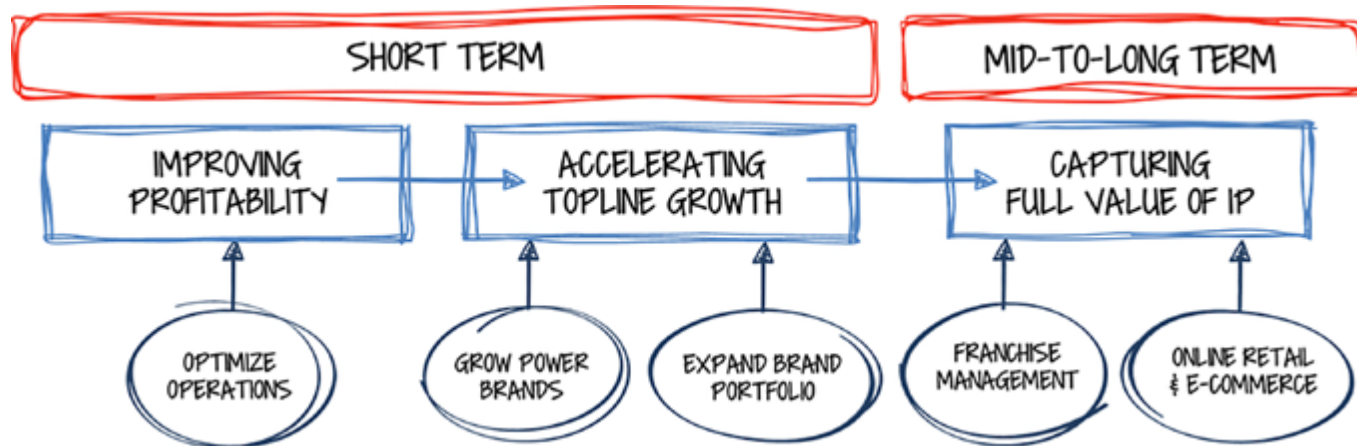
Mattel is a leading global toy company and owner of one of the strongest catalogs of children’s and family entertainment franchises in the world. We create innovative products and experiences that inspire, entertain, and develop children through play. We engage consumers through our portfolio of iconic brands, including *Barbie*, *Hot Wheels*, *Fisher-Price*, *American Girl*, *Thomas & Friends*, *UNO*, and *MEGA*, as well as other popular intellectual properties (IP) 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 over 35 countries, and our products are available in more than 150 countries in collaboration with the world’s leading retail and e-commerce companies. Since our founding in 1945, Mattel has been proud to be a trusted partner in empowering children to explore the wonder of childhood and reach their full potential.

Our Transformation Strategy

In 2021, we evolved the Company’s business transformation strategic roadmap. In the short term, we are aiming to improve profitability by optimizing our operations and accelerate topline growth by growing our Power Brands and expanding our brand portfolio. In the mid-to-long term, we continue to make progress on capturing the full value of our IP through franchise management and online retail and e-commerce.

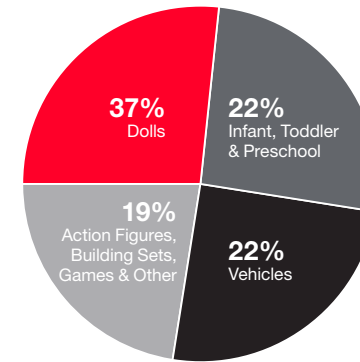
Our evolved strategy reflects our confidence in the momentum of our Power Brands, the appeal of our incredible catalog of IP, and the strength of our entertainment partnerships, all of which are fueled by innovation and cultural relevance.



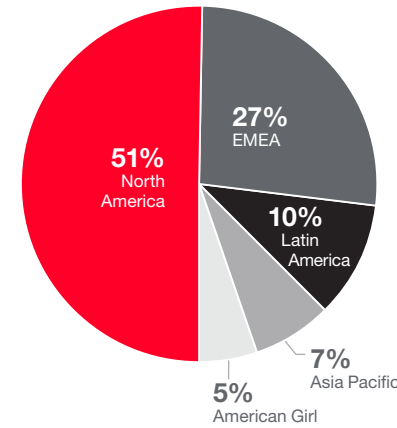
Mattel At A Glance

FY2020 unless otherwise noted

Worldwide Gross Billings¹ by Category



Gross Billings¹ by Region



>\$4.5B
net sales



150+
countries where products sold



470K+
stores sell our products

Core Owned Brands



Top Global Property 2020² by The NPD Group



Our Workforce

22.8K³
manufacturing labor employees

9.3K³
non-manufacturing labor employees

35+
countries in which we operate

58%⁴
of employees are women

49%⁴
of our managers and above are women

42%⁴
of our U.S. employees are ethnically diverse



100%⁵
global base pay equity

600K
hours of global workforce training in 2020

Forbes

On lists of best employers for women and diversity in 2020

100%
Corporate Equality Index 2 years running (2020-2021)

Environmental and Social Performance in 2020

11%⁶
Reduction in absolute scope 1 & 2 GHG emissions versus 2019

B-
2020 CDP score

\$14.8M
in toy donations in 2020

0.11⁶
total recordable incident rate, a 45% improvement since 2017

71%⁶
landfill diversion in 2020

\$32.4M
in support for UCLA Mattel Children's Hospital since 1998

1. Gross Billings is a key performance indicator under the SEC's rules. Please see Definition of Key Performance Indicator and Reconciliations on Page 69.
2. Source: The NPD Group/Retail Tracking Service/G12/JAN-DEC 2020/Total Toys/Projected USD.
3. Approximate figures are as of December 31, 2020 and include temporary and seasonal employees.
4. Representation as of April 23, 2021 (excludes manufacturing labor). Please see GRI Supplemental Data Appendix for further details.

5. By Gender and by Ethnicity. Representation as of April 23, 2021 for employees performing similar work with comparable roles and experience in similar markets, excluding manufacturing labor and temporary and seasonal employees. Please see GRI Supplemental Data Appendix for further details.
6. Please see GRI Supplemental Data Appendix for further details.



Our Brand Promise: Trust

“Trust is foundational to everything we do. Our relationship with our people, consumers, customers, business partners, and communities is built on their belief that we will do the right thing and live up to our commitments. We take our heritage as a trusted partner to parents and families very seriously. This requires that we act as a responsible corporate citizen, pursue social, economic, and environmental sustainability, and promote diversity, equity, and inclusion. We earn trust by operating with integrity and transparency and being true to our mission and purpose. This is essential for our reputation, competitive advantage, and long-term success.”

Ynon Kreiz, Chairman and Chief Executive Officer, Mattel



About This Report

This Citizenship Report outlines Mattel’s updated ESG strategy and goals and covers our progress in 2020 related to key economic, environmental, and social topics. The data in this report, unless otherwise indicated, relates to the calendar year ended December 31, 2020, and includes information on Mattel-owned and/or -operated manufacturing facilities, distribution centers, and administrative sites globally.

This report also includes information and data regarding various activities from prior years, as well as certain information through June 2021 that provides more comprehensive and current insights into our citizenship program. Throughout the report, we guide readers to additional sources of information on our corporate website. Website references are provided for convenience only. The content on the referenced websites is not incorporated into this report, nor does it constitute a part of this report. We assume no liability for any third-party content contained on the referenced websites.

Our reporting is guided by frameworks such as the Global Reporting Index (GRI) Standards. Additional information regarding the GRI Standards can be found in the Appendix and Index to this report. Throughout this 2020 Citizenship Report, “Mattel” refers to Mattel, Inc. and/or one or more of its family of companies.

Safe Harbor Statement

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, with respect to the Company’s expectations, plans, or goals related to corporate responsibility, employees, sustainability and environmental matters, policy, business, procurement, and other risks and opportunities. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. The use of words such as “anticipates,” “commit,” “expects,” “intends,” “plans,” “goal,” “target,” “confident that,” “will,” and “believes,” among others, generally identify forward-looking statements. These forward-looking statements are based on currently available operating, financial, economic, and other information and assumptions that are subject to change in the future, as well as standards for measuring progress that are still in development and are subject to a number of significant risks and uncertainties. Forward-looking statements are also aspirational and not guarantees or promises such expectations, plans, or goals will be met. A variety of factors, many of which are beyond Mattel’s control, could cause actual future results to differ materially from those projected in the forward-looking statements, and are currently, and in the future may be, amplified by the COVID-19 pandemic. Specific factors that might cause such a difference include, but are not limited to, assumptions not being realized, evolving ESG strategies, scientific or technological developments, changes in carbon markets, or other changes in circumstances, as well as the factors described in Mattel’s periodic filings with the SEC, including the “Risk Factors” section of Mattel’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020, and Quarterly Report on Form 10-Q for the quarter ended [March 31], 2021 [Update to June 30 if report is issued after filing of Q2 10-Q], as well as in Mattel’s other public statements. Mattel does not update forward-looking statements and expressly disclaims any obligation to do so, except as required by law.

Note: Materiality, as used in this report, and our sustainability materiality assessment process is different than when used in the context of Securities and Exchange Commission (SEC) disclosure obligations. Issues deemed material for purposes of this report and for purposes of determining our ESG strategy may not be considered material for SEC reporting purposes, nor does inclusion of information in this report indicate that the subject or information is material to Mattel’s business or operating results.

Our Response To COVID-19

The global COVID-19 pandemic had a significant impact on our company, our employees, our consumers, our customers, and our business partners. Our team persevered through a tumultuous period and demonstrated strong innovation, collaboration, and execution. We prioritized protecting the health and safety of our employees and supporting parents, families, caregivers, and children, while also mitigating the disruption of the pandemic to our business. We assembled a cross-functional team of Mattel management, including our executive officers, to continuously monitor the impact of the pandemic on our business operations and implement necessary measures to appropriately manage risk. We also leveraged our resources to support frontline healthcare workers and their families.

Protecting Our Employees

In order to protect the health and safety of our people, we transitioned employees who could work remotely to a work-from-home system and increased the use of virtual meeting technologies. We temporarily closed our *American Girl* retail stores and certain manufacturing facilities and distribution centers. When these locations were permitted by government authorities to reopen, we implemented stringent health and safety measures, process controls, operating procedures, and training that incorporated recommendations from global health organizations, including wearing facial coverings and maintaining safe physical distancing. In addition, for employees who returned to the workplace, we:

- Established COVID-19 safety and prevention programs, including a return-to-work playbook, and contingency plans and processes for exposure and confirmed cases.
- Provided extensive training on COVID-19 procedures and protocols.

- Enhanced disinfecting and sanitization routines and air filtration systems.
- Implemented mandatory screenings, including temperature checks, and free on-site testing in high-risk communities.

Where possible, we also emphasized schedule flexibility to assist employees challenged with balancing work and life during the pandemic and working from home. To supplement our comprehensive health and wellness programs, we promoted specific programs targeted at the unique issues arising during the pandemic, including working from home, maintaining work/life balance, and improving health and happiness.

Supporting Those Who Support Us

During the pandemic, we leveraged our resources to support doctors, nurses, emergency medical technicians (EMTs), delivery drivers, and other essential services workers. We manufactured personal protective equipment, including cloth face masks and face shields, to help meet the significant demand for these supplies.

To honor the individuals leading the fight against COVID-19, as well as the everyday heroes working to keep our communities going, Mattel launched the #ThankYouHeroes campaign. This multi-brand campaign is part of our broader 'Play It Forward' platform, which leverages Mattel's iconic brands to drive awareness, cultural conversations, advocacy, and action in support of important societal issues, causes, and communities in need.



#ThankYouHeroes kicked off in April 2020 with a special-edition line of collectible action figures and *Little People* Community Champions. All net proceeds from the line were donated to #FirstRespondersFirst, an initiative created to support first-responder healthcare workers as they serve on the front lines of the pandemic. In May 2020, the line expanded to include items from *Matchbox*, *Mega Construx*, and *UNO*.

As part of #ThankYouHeroes, Mattel also unveiled an initiative from *Barbie* in support of the First Responders Children's Foundation's Toy Express Program, benefiting the children of first responders leading the fight against COVID-19. Mattel donated a *Barbie* doll for every eligible career *Barbie* doll sold at participating retailers. In total, we donated more than 30,000 dolls. Beyond *Barbie*, Mattel Children's Foundation donated an estimated \$1.75 million in toys to children of first responders through First Responders Children's Foundation.

"For 75 years, purposeful play has been at Mattel's core, and we know that toys can have a significant positive impact, particularly in unprecedented times. Our Play It Forward platform leverages our brands to drive awareness for, and give back to, important causes and communities in need. The #ThankYouHeroes campaign helped us spotlight and support frontline healthcare workers and everyday heroes."

Richard Dickson, President and COO, Mattel

Play Is Never Canceled

With COVID-19 having such an impact on people's lives, play became even more essential.

Recognizing the pressing need among consumers, in March 2020, we launched the [Mattel Playroom](#), a free online platform featuring play-from-home activities and content from Mattel's portfolio of brands, along with educational offerings developed in collaboration with learning experts, to help parents and caregivers encourage kids to #KeepPlaying. The site averaged approximately 50,000 monthly visitors during the height of the pandemic



in 2020, and since its launch through December 31, 2020, attracted more than 500,000 unique visitors, demonstrating its tremendous utility for parents and caregivers.

The Mattel Playroom also provides options for children and families to give back. For example, UNICEF's dance, yoga, and activity videos, accessible via the Mattel Playroom platform, unlock free 'coins' kids can give to causes they care about.



Our Citizenship Approach



We are committed to being a responsible corporate citizen and actively supporting the communities in which we live, work, and play. We believe that Mattel can be a force for good by creating value for our stakeholders and at the same time contribute to a better future for the next generation.

Governance

Mattel's Board of Directors (Board) serves the Company's stockholders through a strong commitment to the effective and ethical management of the Company in a manner that optimizes sustainable long-term profitability and is responsive to the legitimate interests of other corporate constituencies, such as employees, investors, consumers, customers, suppliers, and the communities in which Mattel operates. The Board selects, monitors, evaluates, and supports the Chief Executive Officer and oversees the development and pursuit of corporate policies and strategies.

Our Board is composed of global leaders from various fields and industries, with a diverse range of experience, skills, and perspectives that provide the collective expertise, diversity, and independence necessary for sound governance.

Our Bylaws, Guidelines on Corporate Governance, Committee Charters, Director Nominations Policy, and other policies are available on our [corporate website](#).

Risk Management

Mattel's Board is responsible for overseeing the ongoing assessment and management of material risks impacting our business and has established four Board Committees with specific oversight responsibilities:

- The Governance and Social Responsibility Committee oversees and reviews with management risks relating to governance and social responsibility matters, including environmental health and safety compliance; sustainability, corporate citizenship, community involvement, global responsible supply chain standards; diversity and equal opportunity; philanthropy and charitable contributions; and public policy and government relations.
- The Audit Committee oversees the assessment and management of risks impacting Mattel's business, including those relating to financial reporting, accounting, information technology security, and compliance risk, which includes risk relating to Mattel's compliance with laws and regulations.



- The Finance Committee oversees and reviews with management risks relating to capital allocation and deployment, including Mattel's credit facilities and debt securities; capital expenditures, dividend policy, mergers, acquisitions, dispositions, and other strategic transactions; and third-party financial risks, which include risks arising from customers, vendors, suppliers, subcontractors, creditors, debtors, and counterparties in hedging transactions, mergers, acquisitions, dispositions, and other strategic transactions.
- The Compensation Committee oversees and assesses material risks associated with Mattel's compensation plans, policies, and programs generally, including those that may relate to pay mix, selection of performance measures, the goal-setting process, and the checks and balances on the payment of compensation.

Each year, Mattel's risk evaluation process is performed by its internal audit team, with Mattel's most senior executive officers providing input regarding material risks facing the business group or function that each manages. These risks are presented to the Audit Committee and the full Board along with Mattel's strategy for managing and mitigating such risks. Mattel believes that this process is effective in making all directors aware of Mattel's most material risks and engaging the Board in addressing those risks. For more information on Mattel's approach to risk oversight, please refer to page 41 of our [2021 Proxy Statement](#).





ESG Management at Mattel

Mattel has established an ESG Executive Committee, which is chaired by Mattel’s Chairman and CEO and comprised of key members of executive management. Its primary roles are to:

- Define ESG strategy and goals and improve overall performance.
- Evaluate and approve ESG programs and plans that advance Mattel’s practices in support of the Company’s purpose and goals.
- Support the integration of sustainability values into Mattel products, content and experiences, supply chain, operations, and business practices.
- Unlock resources necessary to advance the strategy and achieve goals.

There are 15 priorities that support the ESG strategy, as shown in the table under ESG Strategy and Goals, each of which is chaired by a member of the Committee and supported by the Project Manager Office (PMO). The Committee aims to meet monthly, to provide updates on progress toward goals and review new programs, plans, and recommendations on various ESG workstreams.

It reports to the Governance and Social Responsibility Committee on a periodic basis.

Sustainability Materiality Assessment

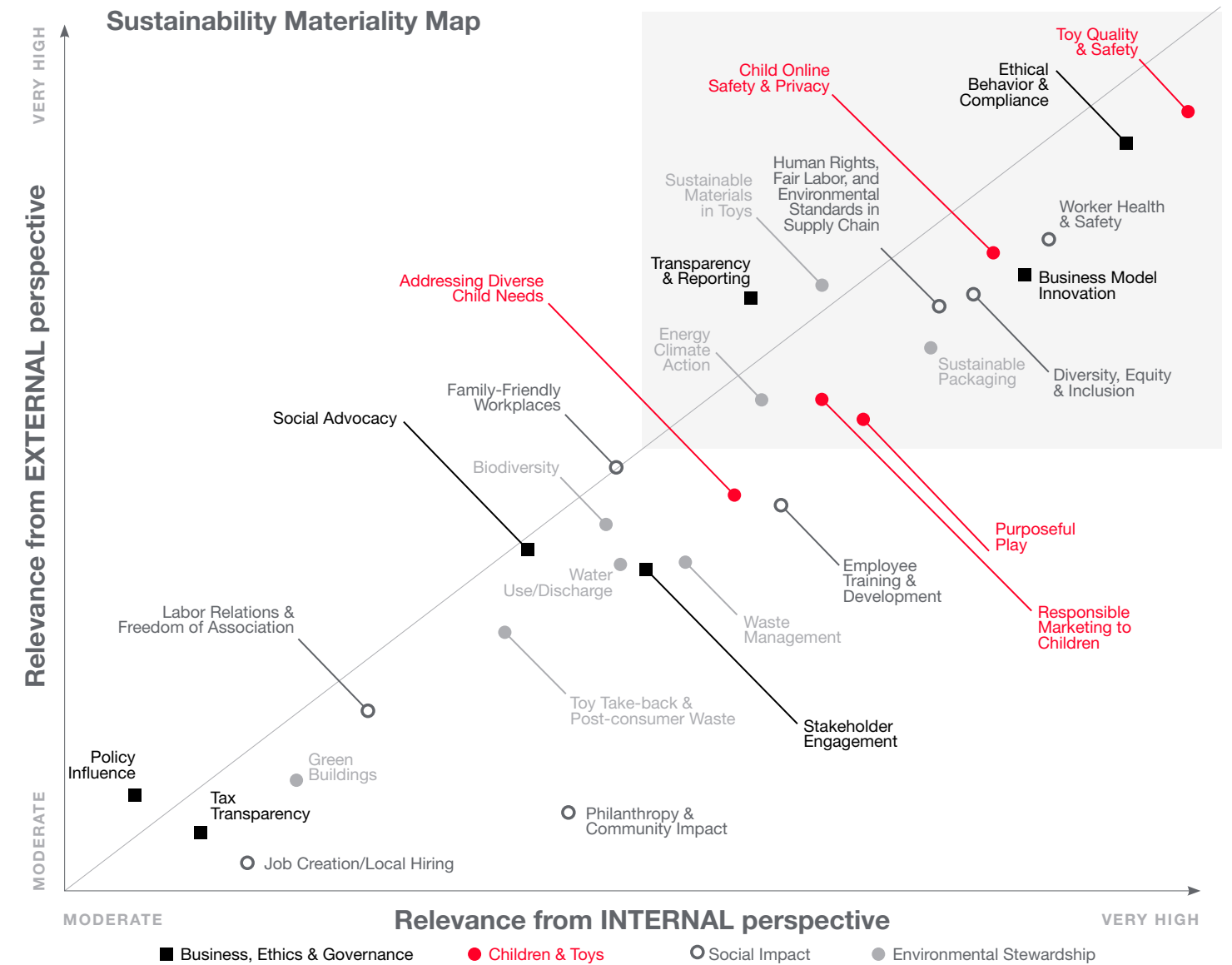
In 2020, Mattel conducted a sustainability materiality assessment to better understand the ESG topics that are most important to our stakeholders. Through extensive stakeholder engagement, we sought to determine critical priorities, opportunities, risks, and trends in our industry, in line with our commitment to advancing our practices and enhancing ESG transparency.

The primary method for collecting stakeholder feedback was through an online survey. The design of the survey was informed by a comprehensive review of the societal trends and global macro-forces that we believe will influence our business, industry best practices, and citizenship reporting.

The survey was completed by more than 140 stakeholders, including investors, customers, suppliers, regulators, thought leaders, non-governmental organizations (NGOs),

and Mattel employees and management. The survey covered four primary impact areas: (1) business, ethics, and governance; (2) children and toys; (3) social impact; and (4) environmental stewardship. The survey addressed more than 30 sustainability topics and measured stakeholders’ perceived importance of these impact areas. One-on-one video conversations with key stakeholders helped us further understand the results.

The sustainability materiality assessment matrix presented below provides a comprehensive overview of the key ESG topics related to our industry and company. While all of the topics identified in the assessment matrix are considered, our focus is primarily on the topics in the top-right quadrant to inform the core of our ESG strategy, given their significance to stakeholders and relevance to our business.



ESG Strategy and Goals



Sustainable Design and Development

What we do

Strategy:

Develop innovative products and experiences that are better for our world by integrating sustainable materials and principles of product stewardship and circular design.

Goals:

- Achieve 100% recycled, recyclable, or bio-based plastic materials in our products and packaging by 2030
- Achieve and maintain 95% recycled or Forest Stewardship Council (FSC)-certified content in the paper and wood fiber used in our products and packaging

Priorities:

- Product Quality and Safety
- Sustainable Materials in Toys
- Sustainable Packaging
- Business Model Innovation



Responsible Sourcing and Production

How we do it

Optimize our resource use in operations to reduce environmental effects and promote ethical sourcing practices and worker health and safety throughout our supply chain.

- Reduce absolute Scope 1 + 2 GHG Emissions 50% by 2030 (versus 2019 baseline)*
- Achieve Zero manufacturing waste** by 2030

- Ethical Sourcing, Human Rights, Fair Labor, and Environmental Standards in the Supply Chain
- Worker Health and Safety
- Energy/Climate Action
- Waste Management
- Ethics and Compliance



Thriving and Inclusive Communities

Those we impact

Create positive social impact through purposeful play and by supporting diverse, equitable, and inclusive communities where we live, work, and play.

- Achieve and maintain 100% pay equity for all employees performing similar work globally
- Increase representation of women at all levels of the organization
- Increase representation of ethnicity at all levels of the organization

- Purposeful Play
- Diversity, Equity & Inclusion
- Family-Friendly Workplace
- Philanthropy
- Child Online Safety and Privacy
- Responsible Marketing to Children



In 2021, we updated our ESG strategy and goals to address the most relevant dynamics in a rapidly changing world based on a comprehensive analysis of the key socioeconomic, technological, and sustainability trends that affect our company. As part of this analysis, we evaluated ESG benchmarking of our peers, customers, and licensed-in partners; the survey and assessment; and a gap analysis comparing our current practice against our future ambition.

Our updated strategy and goals are organized in three pillars to represent the ESG areas where Mattel believes it can have the greatest impact: Sustainable Design and Development, Responsible Sourcing and Production, and Thriving and Inclusive Communities.

Sustainable Design and Development



Sustainable Design and Development

Develop innovative products and experiences that are better for our world by integrating sustainable materials and principles of product stewardship and circular design.

Product Quality and Safety

Product quality and safety are key to the bedrock of trust we establish with millions of families who buy and play with our products every day. The development and construction of new products involves numerous disciplines and multiple areas of expertise devoted to ensuring the quality and safety of our products before they go to market, as well as ensuring they meet or exceed all applicable standards.

Our Global Quality, Product Safety & Regulatory Team (Quality Team) is responsible for ensuring product compliance with consumer product safety requirements and regulations enacted by national, state, and worldwide government agencies and is involved across a product's life cycle.

Mattel's Quality Team is comprised of approximately 450 professionals and overseen by our Head of Product Quality, Safety, and Compliance. It includes engineers, product safety specialists, compliance experts, test laboratory personnel, child development experts, and others involved in product development and manufacturing. They are responsible for the overall Mattel quality system, safety complaint management, product risk management, governmental safety reporting, recall management, auditing of quality systems, regulatory assurance, and ethical and social compliance.

The Quality Team documents the requirements and specifications that each product must meet, including regulatory and voluntary standards, as well as internally developed safety and testing standards that are based on years of experience producing children's products.

A separate group of external safety experts, including researchers, designers, engineers, physicians, and scientists, provide additional perspective to ensure that our products meet or exceed the highest required safety standards anywhere our toys are sold. We take into consideration the materials we use, how the product may be used, how the pieces fit, how the parts move, and how the electronics function, among other factors.

Proactively Addressing Safety Concerns

Mattel provides consumers with comprehensive information, instructions, and safety warnings to help keep children safe when using our products. We actively monitor how our products stand up to real-life use and play. Before a product is marketed, we conduct observational research of children and parents interacting with products, packaging, instructions, and safety warnings in our Play Labs. This information helps the Product Development Team make any pre-launch product or packaging changes to enhance the overall consumer experience.

Once a product is in the market, the Quality Team conducts post-market surveillance, analyzes consumer response, and provides additional information to our designers and development engineers to improve the safety, quality, reliability, and durability of future products. We evaluate and review consumer comments and complaints, individually and in aggregate, while analyzing trends, tracking comments on social media, and setting goals for improvement.

Our review process also includes monitoring customer comments, regulatory developments and guidelines, and other feedback to identify potential safety issues. Mattel notifies regulatory authorities of safety incidents and other reportable information and coordinates actions, including issuing safety warnings and conducting product recalls, when appropriate.

The Medical and Scientific Safety Council

Mattel has established a Medical and Scientific Safety Council (MSSC) comprised of leading pediatricians with experience in early childhood development, pediatric disaster response, pediatric health policy, behavioral pediatrics, adolescent medicine, pediatric clinical education, and parent education.

The role of the MSSC is to provide professional opinions, advice, and recommendations related to product safety, as well as the safe and proper use of products. The MSSC also provides insights into parents' challenges, the latest trends in child health and development, and advises on actions parents and caregivers can take to ensure productive and safe play. For additional information regarding the MSSC and its members, please see our [corporate website](#).

Our Five Phases of Product Safety

PHASE 1

Concept Review

Mattel's Quality Team guides our product designers on quality and safety standards based on applicable regulations, consumer feedback, incident reports, and internally developed protocols. This becomes the basis of our product requirements documents, which the Product Development Team uses to develop future products. Our Medical and Scientific Safety Council provides insights into parental and pediatric concerns to ensure safety while fostering innovation and creativity.

PHASE 2

Design and Development

The Quality Team provides direction to the Product Development Team on safety, quality, reliability, and durability, and oversees product testing. This includes evaluating prototypes and conducting studies with children to understand their use of, and ability to play with, the product. The Quality Team works with the Product Development Team early in the design process using predictive analytics to identify and solve potential issues.

PHASE 3

Product Qualification

Before production begins, a series of pilots are conducted, during which products are tested at various stages of completeness. At each stage, samples are drawn and tested against safety and quality requirements and, when necessary, adjustments are made to the product design and/or manufacturing process.

PHASE 4

Production

Each Mattel manufacturing facility frequently tests products that it produces. This testing ensures that products continue to meet the high standards established during the design and development process and verified during product qualification. In addition to the audits performed at the source of production, the Quality Team also randomly samples products from distribution centers and retailers, and provides test data to quality engineers and manufacturing sites for continuous improvement.

PHASE 5

After-Sales Support

Once our products have been purchased by consumers, the Quality Team has an ongoing role in supporting customer satisfaction. Mattel Global Consumer Support (Consumer Services), an extension of our Quality Team, is responsible for post-market surveillance and provides feedback from consumers to our internal teams, including feedback regarding product safety, quality, reliability, and durability.



Mindful of Materials

All materials used in the development of Mattel's products are tested for human and environmental health and safety, and must meet applicable regulatory standards and requirements. Many of our internal standards go beyond mandated regulations to ensure the materials in our products are safe.

During a product's development, we conduct a comprehensive chemical safety assessment and review the chemical substances for all new materials, gathering detailed information about their composition and comparing that to our Chemicals Management Database of more than 3,000 restricted substances.

The database reflects chemical regulations worldwide, and we are actively phasing out the use of substances

determined to be chemicals of concern as identified by applicable laws and regulations. For more information, please visit our [corporate website](#).

Consumer Services

Consumer Services provides customer support and services on a range of topics, including customer questions, technical assistance with proper product use, broken or missing parts replacement, product instruction sheets, direct-to-consumer sales support, product registration and warranties, safety notifications, and product recalls. The team responds to consumer inquiries online, through email, and using a toll-free number in all countries where our products are sold. We aim to anticipate, meet, or exceed our consumers' expectations for product quality, safety, and service.



Quality, safety, and value define our products.

Quality

We put the consumer experience at the center of our innovation by creating products with purposeful play. We focus heavily on how our toys look, how they function, what materials they are made of, and how they are packaged. Our products are designed to deliver on their purpose and withstand the test of time.

Safety

Our products are designed and developed to meet or exceed all applicable safety standards and are constructed with consumer safety in mind. When parents and families choose to buy our products, they can be assured that the safety and well-being of their children is a top priority.

Value

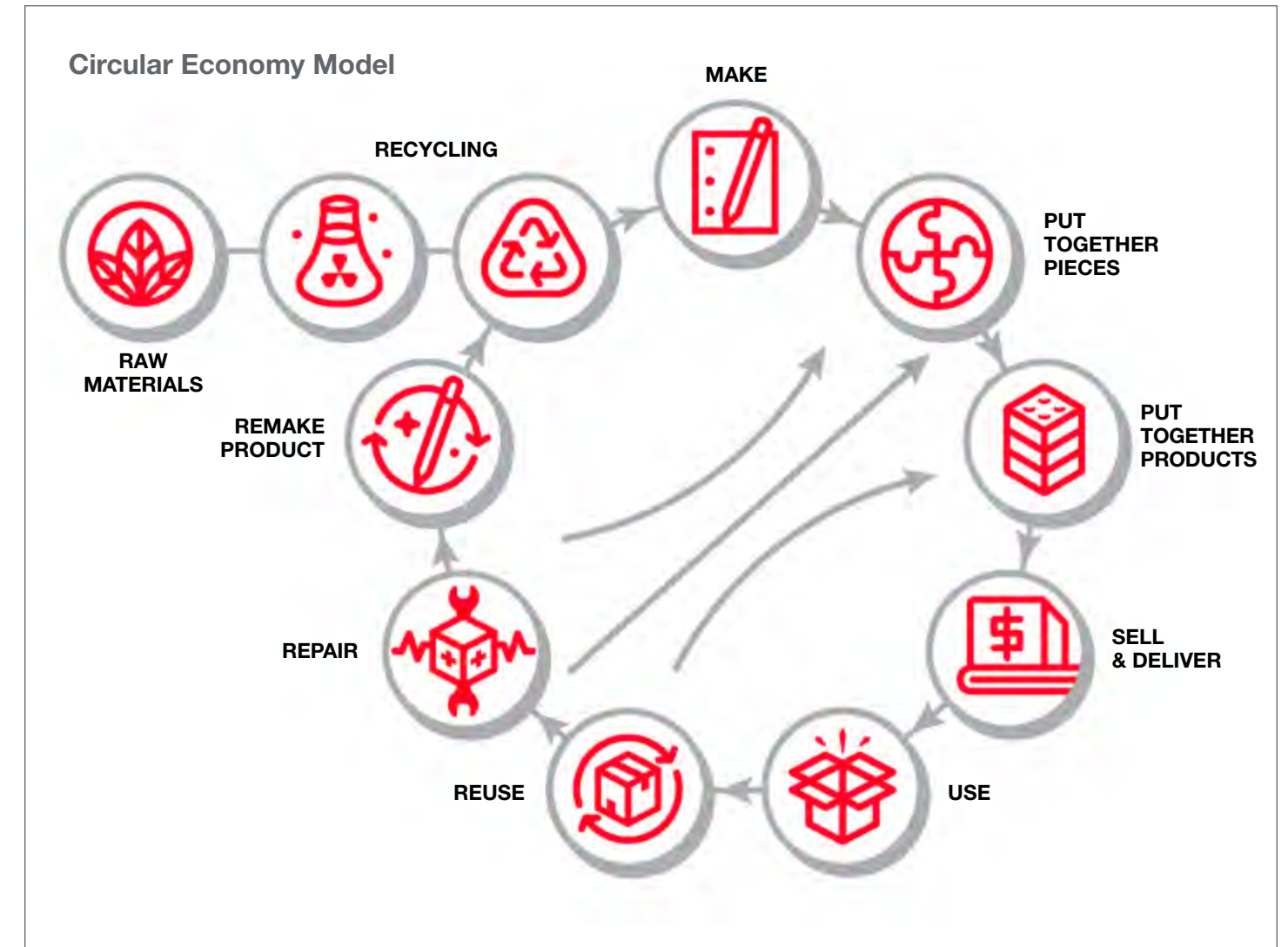
We create innovative products that are accessible to many. Our commitment to our consumers is to make their investment worthwhile. We aim to ensure that parents and families get the most from their play budget by designing and building products that meet their expectations at the right cost.

Rigorous Safety Standards in Material Selection

As part of our rigorous safety protocols, we apply strict guidelines to select materials that will be used in our products and packaging:

- We do not use polycarbonate (which may contain traces of bisphenol A) in any product intended to be mouthed or to touch food.
- We do not add chemicals to our products as flame retardants, except when required by law, and we carefully restrict which flame retardants we use when they are required.

- We clearly label products that contain latex, such as *Fisher-Price* teethingers, in case of allergies.
- We test for lead and other heavy metals in our raw materials before using them in products.
- We sample materials used in our products to ensure they do not contain polycyclic-aromatic hydrocarbons (PAHs), formaldehyde, or other substances of concern, as required by regulations worldwide, such as EU regulations like Registration, Evaluation, Authorization and Restriction of Chemicals (REACH).



Eco-Design and Circularity

Mattel is committed to reducing waste and resource consumption in its value chain. We implement various eco-design and circular economy principles in the development of our products and packaging. Eco-design principles consider the environmental impact of the product or package during its entire life cycle, while circular design principles aim to create products that no longer have a life cycle with a beginning, a middle, and an end. Circular design principles support products that aim to be made and remade again.

With these principles in mind, we are designing more of our products for durability, recycling, recovery, and to reuse products, components, and materials. We also aim to make effective use of recycled content and other more sustainable materials that help support a circular economy.

Leveraging in-house and third-party life cycle assessment (LCA) tools, we are working to optimize product design and development choices to help reduce our environmental impact. We are also identifying solutions to advance a circular economy, including by collaborating with other companies on these solutions.



Highlights on Progress

- Achieved 94.5% recycled or Forest Stewardship Council (FSC)-certified content in the paper and wood fiber used in our products and packaging in 2019. Internal data shows that this percentage is expected to be at least 95% in 2020, with the final percentage expected to be validated by the Rainforest Alliance in September 2021.
- Transitioned most of our window cartons and blister packs to 25% recycled PET (polyethylene terephthalate) plastic.
- Changed the design of our master cartons from double-wall to single-wall corrugates, which are sourced from more than 90% recycled fiber.
- Expanded the use of the How2Recycle label, a standardized labeling system in the United States and Canada, on our packaging.

Examples of our progress toward our product/packaging goals include:

- Launched *Fisher-Price Rock-a-Stack* and *Baby's First Blocks* toys made from bio-based plastic, both of which are packaged in 100% recycled or sustainably sourced material.
- Introduced three *Mega Bloks* building sets made from bio-based plastics and packaged in 100% recycled or sustainably sourced material.
- Launched *UNO Nothin' But Paper!*, a 100% recyclable edition of the card game, in which the cellophane wrapping around the deck was replaced with FSC-certified paper.
- Achieved zero-waste packaging for *Mega Bloks Big Building Bag*, *MEGA's* top-selling product.
- Introduced *American Girl* catalogs on 100% FSC-certified paper, and also started using compostable packing peanuts in direct-to-consumer shipments for *American Girl* products.

The Mattel Sustainable Material Assessment Funnel

[Mattel's Sustainable Material Assessment Funnel](#) is an internal process used to identify new or alternative materials and assess if they meet our quality and safety standards. It is also used to determine if they are sustainable and can replace some conventional materials that are not sustainable. Any new materials must adhere to our technical specifications to ensure the product will meet our requirements for aesthetics (how the product looks), functionality (how the product works), and durability (how the product withstands rigorous play). There are four stages to the Sustainable Material Assessment Funnel:

- **Materials Scouting:** We aim to source materials to use in our products to reduce the environmental impact associated with using certain conventional materials.
- **Technical Review:** Once a material is identified, we review the technical specifications, perform a regulatory screen, and assess the material's sustainability, including the environmental impact throughout the material's life cycle

and how the material will perform with existing processes and technologies.

- **Manufacturing Trial:** We evaluate the material and perform extensive quality and safety testing.
- **Availability for Use:** If the material passes our testing, it is approved for use in Mattel products.

After we have evaluated a material and its suitability for use in a particular product, we use LCA tools to evaluate the environmental impact and tradeoffs of conventional and sustainable materials. The LCAs we conduct are aligned with ISO14040/ISO14044 standards and measure five environmental impact categories: greenhouse gas (GHG) emissions, primary energy demand, eutrophication, acidification, and photochemical oxidation potential.

Mattel is developing more sustainable products with bio-based resins and chemically and mechanically recycled resins, all of which are lower carbon alternatives to conventional fossil fuel-derived resins.

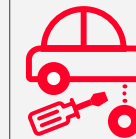
Mattel's Guiding Principles for a Circular Economy

The circular economy is a model aimed at eliminating waste and promoting the continual use of resources.



Mindful of Materials

We are designing more of our products and packaging with renewable, recycled, recyclable, and bio-based materials.



Built to Last

Our products are designed to be durable and withstand rigorous play so they can have a long, useful life and be passed down to younger family members and friends. Some of our products are designed with modular components and repairable parts so they can be refurbished and kept in play even longer.



Recycle Ready

We aim to make our products and packaging from materials that are easily recyclable so that consumers are more inclined to recycle them in regular waste streams, such as curbside recycling, and to utilize programs that inform consumers on how to responsibly recycle, like How2Recycle labeling.



Responsible Recovery

The materials we recover once a product reaches the end of its life can be reused for new products. By moving toward closed-loop design, we are helping to divert toys from landfills and extend their material value.



A Classic Card Game Goes ‘Green’

In 2020, *UNO* went ‘green,’ with the 100% recyclable *UNO* Nothin’ But Paper! edition. We replaced the cellophane wrapping around the deck with FSC-certified paper and made the packaging entirely recyclable.

This joins *UNO*’s use of soy-based ink and water-based glue, both of which are nontoxic, and we have committed to eliminating cellophane from all *UNO* standard card decks by the end of 2021.

Circularity in Packaging

We are applying principles of circular design to our packaging in support of the circular economy. Our enhanced efforts are concentrated in four principles of circularity:

- Reduce: Use less material.
- Replace: Substitute virgin, nonsustainable materials with post-consumer recycled materials or materials derived from renewable sources.
- Reuse: Develop packaging that is part of the play pattern of the product or can be used for storage.
- Recover: Optimize our process for materials recovery and reuse, including adding consumer communications on packaging on how to responsibly recycle.

In recent years, we have introduced the Mattel Packaging Toolkit as a resource for our packaging engineering and design teams to use as guiding principles for circular design. These include recommendations to reduce or right-size packaging, implement closed-box designs, and more.

We are specifically targeting blister packs and windowed cartons for reduction by minimizing the size of plastic windows in boxes where possible or eliminating them

entirely. In 2020, the vast majority of our blister packs and window cartons contained 25% recycled PET (polyethylene terephthalate) plastic. We have also eliminated all PVC (polyvinyl chloride) in packaging and reduced the use of solvents and other undesirable chemicals.

The master cartons in which our packaged products are delivered to our retail partners have also been enhanced with a view to reducing our environmental footprint. We have changed the design of our master cartons from double-wall to single-wall corrugates, which are sourced from more than 90% recycled fiber.

The Rainforest Alliance, an international nonprofit organization that uses social and market forces to protect nature and improve the lives of farmers and forest communities, works with our paperboard suppliers, providing valuable training to help them prepare for, achieve, and maintain FSC certification. In addition, the Rainforest Alliance audited Mattel’s annual paper packaging and wood fiber use by source, volume, and type.

Making an Iconic *Fisher-Price* Toy More Earth Friendly

For millions of children, their first toy was the iconic *Fisher-Price Rock-a-Stack*. More than 60 years after it was first introduced, the toy is just as popular.

To mark the 90th anniversary of *Fisher-Price* in 2020, Mattel announced that *Rock-a-Stack* toys would be made with bio-based plastics and packaged in 100% recycled or sustainably sourced materials.



Managing End-Of-Life Disposal

Our products are built to last, but we are also seeking responsible end-of-life solutions and to keep valuable materials in use and out of landfills. We want to make it easier for consumers to recycle our products and packaging.

To help our consumers understand how they can participate in recycling and the circular economy, in 2019 we adopted the How2Recycle label, a standardized labeling system in the United States and Canada. The How2Recycle label clearly communicates to consumers recycling instructions for the recyclable components of our products and packaging. Our aim is to include the How2Recycle label on all our recyclable packaging by the end of 2021, to the extent possible.

In 2020, we worked with recycling leader TerraCycle Canada, ULC to pilot a program that enables consumers to recycle *MEGA* products. Through the *MEGA* Blocks and Bricks Recycling Program, consumers send in their *MEGA* toys to TerraCycle to be recycled at no charge. Once collected, the blocks and bricks are cleaned, melted into hard plastic, and remolded to make new products from the recycled materials, which may include playgrounds, picnic tables, and park benches.

“We are striving to advance our strategy to create innovative products and experiences that are better for our world by integrating sustainable materials and principles of product stewardship and circular design, while also working to optimize our resource use in operations. Our aim is to contribute to a more diverse, equitable, inclusive, and sustainable future.”

Pamela Gill-Alabaster, Head of Global Sustainability



Business Model Innovation

Mattel is exploring a variety of new circular economy and business model innovations to extend product life and keep products and materials in use longer through resource recovery. While we build our products to be durable so they can be handed down or shared for further use, we also offer certain services to extend the life of our toys.

American Girl Doll Hospital

At the *American Girl* Doll Hospital, consumers can ‘admit’ their beloved dolls in-store or online to be repaired and restored. By maintaining replacement parts for at least 15 years after a doll model’s retirement date, we can fix most parts that are broken, worn, or need replacement. Common services include removing stains, reattaching limbs, and replacing eyes. We also offer a ‘wellness visit’ to clean the dolls, restyle their hair, and get their ears pierced or a hearing aid installed. When services are complete, we send the doll on its way with a Certificate of Good Health. In 2020, the *American Girl* Doll Hospital

repaired more than 28,000 dolls, extending the play and lifetime of each. Nearly a quarter of the dolls we repair are 10 years old or older.



Mattel PlayBack

We launched *Mattel PlayBack* in May 2021, our own in-house toy takeback program, covering additional markets and brands. This program is designed to allow us to take back, recycle, and responsibly dispose of our products when they have reached the end of their useful life.

Mattel PlayBack is offered at no charge and is initially available to consumers in the United States, Canada, France, Germany, and the United Kingdom. The program currently accepts *Barbie*, *Matchbox*, and *MEGA* toys for recycling, and we intend to add other brands in the future. Our aim is to recover the maximum amount of materials captured via this process and reuse those materials as recycled content in new products so that the fun can come full circle.

Mattel PlayBack is designed to provide a sustainable alternative to the disposal of outgrown toys.

To participate, consumers follow a simple three-step process:



1

Visit [Mattel.com/PlayBack](https://www.mattel.com/playback) to learn more about the program and start a return.



2

Complete the mailing form and print a free, prepaid shipping label.



3

Package the toys and send them back to Mattel.

Responsible Sourcing and Production



Responsible Sourcing and Production

Optimize our resource use in operations to reduce environmental effects and promote ethical sourcing practices and worker health and safety throughout our supply chain.

Ethical Sourcing

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.

Setting the Standard

The International Council of Toy Industries (ICTI) is a worldwide toy industry association, and its membership includes national toy associations from 20 countries. ICTI established the ICTI Ethical Toy Program (IETP) in 2004 as an industry-wide initiative to promote safe and just working conditions. Mattel is a member of the IETP and supports its mission to build better lives for workers through the ethical production of toys.

The IETP now exists as a separate, independent, not-for-profit organization dedicated to improving ethical standards at toy factories around the world. Its services include far-reaching and specialized audits, a robust ethical certification scheme, capability building, and training programs and education, as well as peer-to-peer learning. The program also provides a free, confidential worker helpline for factory workers to report grievances directly to the IETP, which escalates issues as appropriate for further investigation. In addition to offices in Asia, Europe, and North America, the IETP works with a global network of four independent audit firms to implement its certification program and other industry partners on worker health, safety, and well-being.

We will also accept other social compliance audit programs, including the following:

- Responsible Business Alliance (formerly EICC)
- Business Social Compliance Initiative (Amfori BSCI)
- Sedex Members Ethical Trade Audit (SMETA)
- Social Accountability International (SA8000)
- Worldwide Responsible Accredited Production (WRAP)
- Better Work Program

We require finished goods manufacturers and certain other suppliers to be part of the IETP or provide equivalent social audit data.

In cases of noncompliance, if satisfactory corrective actions are not implemented by the supplier within a specified time frame, Mattel may cease or restrict new business, prohibit the supplier from using any noncompliant subcontractor, or, if all other efforts have failed, terminate its relationship with the noncompliant supplier.

Mattel views termination as a last resort because it prefers to first work with its suppliers to identify and remedy the root cause of noncompliance to improve the workplace environment. Third-party manufacturing facilities and Mattel-owned and/or -operated facilities with critical findings are re-audited to evaluate whether the issues have been properly corrected.

Human Rights and Social Compliance

Mattel operates in some regions of the world where social, economic, and political factors could introduce risks to human rights and working conditions. As such, our [Human Rights Principles](#) 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 Work.

We also 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.

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. Please also see our [Modern Slavery Act Transparency Statement](#).

Assessing Supplier Risk

Mattel's supplier qualification and monitoring processes are informed by risk screening and management, which has two fundamental components.

Geographical Risk: We reference the World Bank's Worldwide Governance Indicators (WGIs) to identify geographies with a higher risk of noncompliance. The indicators are based on the following six dimensions of governance:

- Voice and Accountability
- Political Stability and Absence of Violence
- Government Effectiveness
- Regulatory Quality
- Rule of Law
- Control of Corruption



Critical Supplier Risk: We identify large-volume suppliers, single-source suppliers, and certain suppliers who manufacture products with identifiable Mattel IP for additional risk mitigation.

More information regarding our ethical supply chain practices is included throughout this report and on our [corporate website](#).

New Supplier Qualification

Before we begin production of our products with any finished goods manufacturer, we require them to undergo a rigorous due diligence process, which includes:

- Reviewing compliance practices – including product quality, labor, health and safety, and environmental stewardship – to ensure they meet our requirements.
- Reviewing relevant environmental impact assessment documents submitted by suppliers.
- Communicating our expectations for ethical sourcing performance, including the RSCC standards, beyond compliance with local laws, and addressing safe and just working conditions in the country or countries where the supplier does business.

Health and Safety of Our Employees

A safe and healthy workplace is key to protect workers from injury and illness. It can also reduce absenteeism and turnover, increase productivity, and boost employee morale. At Mattel, we invest in ongoing training and facility improvements to ensure employee health and safety in the workplace.

Our documented health and safety management system covers all our owned and/or operated supply chain sites and includes processes for assessing hazards and risks, reporting on investigations, tracking corrective actions, and managing change. This system guides us in establishing annual injury reduction targets, monthly and annual performance reporting, and developing site improvement plans.

The effectiveness of our Environmental Health & Safety (EHS) management is evaluated through internal cross-site peer assessments, third-party regulatory assessments (three sites per year), and a self-assessment process. More information is available on our [corporate website](#).

Continuous Improvement in Health and Safety

To provide a safe and healthy workplace in our owned and/or operated manufacturing facilities and distribution centers, we:

- Annually update and implement site safety improvement plans.
- Track near-miss reporting.
- Conduct leadership safety walks across all sites.
- Convene all site line leaders and EHS leaders at Mattel’s annual safety summit, and host monthly EHS leadership roundtable meetings for site leaders.
- Equip two employees at each manufacturing facility with a Certified Machine Safety Expert certification.
- Conduct intermediate and advanced machine and equipment training through third-party safety experts for extended technical and EHS employees.
- Require a four-year training curriculum for associate managers and above based on UL courses.
- Provide annual refresher training on 10 core lifesaving topics.
- Offer employee health programs, including mental health and employee assistance initiatives.
- Enforced comprehensive health and safety procedures and training for protection from COVID-19 and other airborne contaminants.

Measuring Worker Health and Safety

Mattel-owned and/or -operated manufacturing facilities and distribution centers track and report total injuries and illness, which includes lost-time incidents. We use total recordable incident rate (TRIR), a measure used by the U.S. Occupational Safety and Health Administration (OSHA) to gauge a company’s safety performance, rather than lost time only, to provide a more transparent and complete view of our safety performance.

TRIR is validated each year at the site level and by Mattel’s global EHS function. There have been no work-related employee fatalities at our owned and/or -operated sites within the past three years.⁷ Our TRIR has significantly decreased over the past four years.

Highlights on Progress

Total Recordable Incident Rate*	
2017	0.20
2018	0.18
2019	0.19
2020	0.11

- Reduced the number of recordable incidents from 57 in 2019 to 39 in 2020
- Achieved 85% completion rate of annual advanced safety training for associate managers and above

*TRIR is expressed as the number of recordable incidents per 100 full-time workers during a one-year period and covers all Mattel employees, contingent workers, and independent contractors performing tasks on-site at Mattel-owned and/or -operated manufacturing facilities and distribution centers. The calculation is based on a total of 200,000 hours/year, which is the benchmark established by OSHA.



7. Does not include any fatalities caused by communicable diseases.

Taking Action for Climate Protection

We are committed to improving the efficiency of our energy use in operations, shifting toward renewable energy sources, reducing our GHG emissions, and communicating our progress.

Mattel has updated its operating footprint goals to reduce absolute Scope 1 and Scope 2 GHG emissions 50% by 2030 (versus our 2019 baseline) in support of

Almost three in five children are worried about the impact that climate change will have on their lives.⁸

the Paris Agreement. To achieve this, we plan to use multiple levers, which may include reducing the amount of energy we consume through building and equipment upgrades, more automated controls, as well as purchasing electricity from renewable sources. We will also consider purchasing renewable energy certificates (RECs) that provide more renewable energy to the grid, and carbon offsets or credits. We will prioritize demand reduction and low or no carbon energy sources over carbon sequestration or capture.

Enhancing ESG Transparency

To enhance our ESG-related disclosure, we engage with a variety of third-party ESG rating agencies that measure and rate Mattel's performance on key performance indicators and against peer companies. For example, we report annually to CDP (formerly the Carbon Disclosure Project), a leading sustainability reporting platform, which provides stakeholders a view into how companies are incorporating sustainability into their business strategy and practices. Through enhanced disclosures in 2020, we increased our CDP Climate Change management score from a D to a B-



Improving Sustainability in Logistics

Mattel participates in the U.S. Environmental Protection Agency's SmartWay Program, which aims to reduce transportation-related emissions by helping companies assess their environmental performance, set improvement goals, and calculate associated GHG emissions and cost savings.

In the U.S., over 99% of Mattel's freight volume is transported to our customers with SmartWay-certified transportation partners. We also achieve efficiencies and decrease fuel usage by leveraging our larger customer relationships to secure freight arrangements that consolidate our shipments in their larger networks.



Highlights on Progress

Energy

Absolute Energy Consumption by Type (in MWh)	2019	2020
Total Absolute Energy Consumption by Type*	375,140	320,641
Direct Absolute Energy Consumption (Fuel)	60,442	49,179
Indirect Absolute Energy Consumption (Electricity)	314,697	271,462

*Total absolute energy consumption is calculated based on information derived from energy bills and consumption reports for nearly all Mattel-owned and/or -operated sites, including manufacturing facilities, distribution centers, and corporate locations over 20,000 square feet; due to rounding, amounts may not sum.

Absolute Greenhouse Gas (GHG) Emissions

Absolute GHG Emissions by Scope (in Metric Tons of CO ₂ e)	2019	2020
Total Absolute GHG Emissions (Scope 1+2)*	186,366	166,097
Scope 1 Absolute GHG Emissions	13,034	13,499
Scope 2 Absolute GHG Emissions	173,332	152,598

*Scope 1 and 2 GHG emissions are calculated in accordance with the GHG Protocol. Emissions are calculated for nearly all Mattel-owned and/or -operated sites, including manufacturing facilities, distribution centers, and corporate locations over 20,000 square feet.

8. Source: Savanta-Comres survey for BBC Newsround (<https://www.bbc.co.uk/newsround/51451737>, March 2020).



Reducing Waste in Operations

As part of our approach to waste management, we are conducting on-site waste audits of our owned and/or operated sites to determine the causes, sources, types, volumes, and costs of waste being generated.

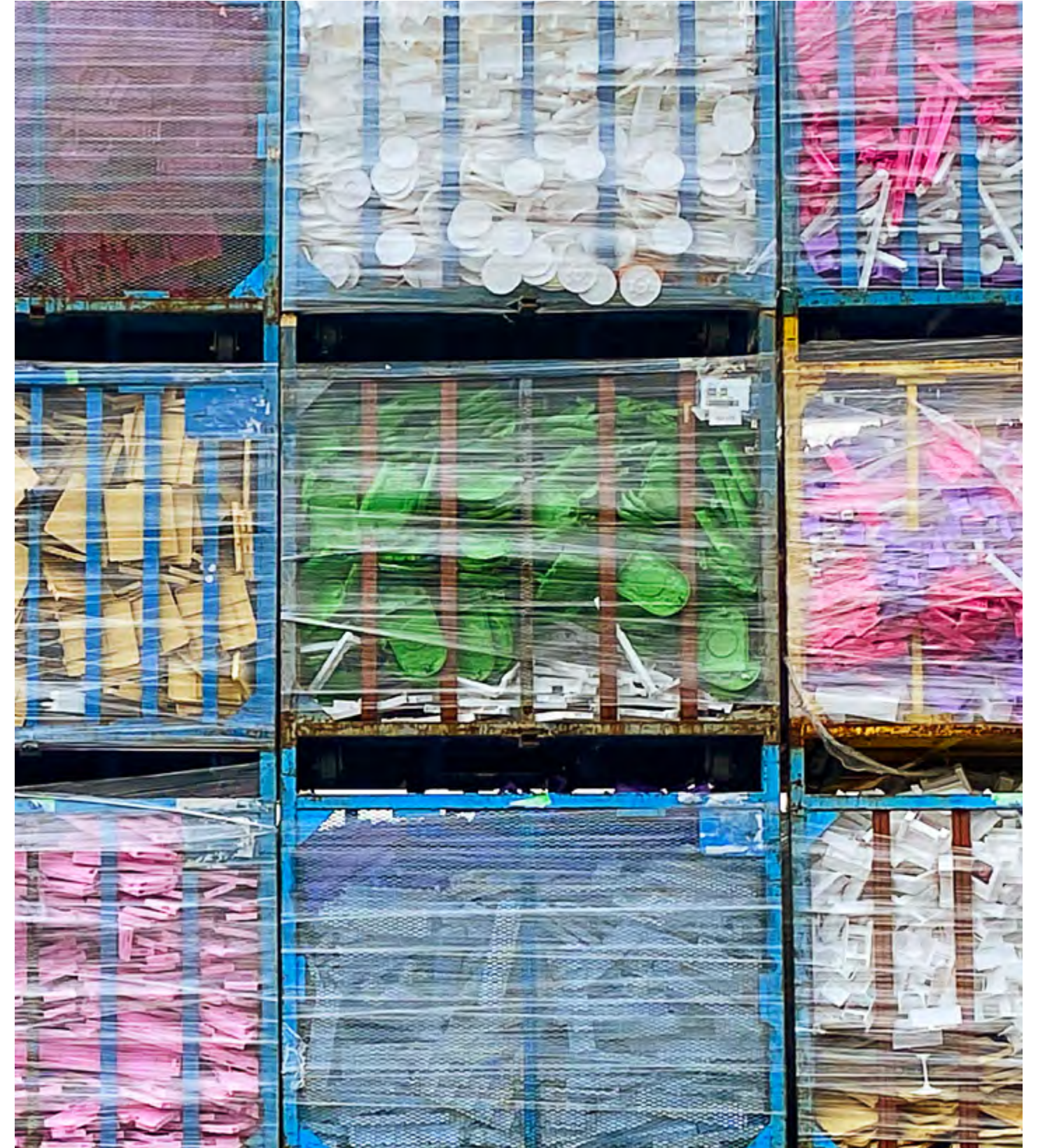
Equipped with this information, we are developing site-specific strategies with a focus on a waste-minimization hierarchy – reduce, reuse, and recycle – and looking for opportunities to share best practices across our sites. Our ambition is to reduce the amount of waste generated at each site and increase waste diversion from landfills.

Highlights on Progress

Waste by Type (in Metric Tons)	2019	2020
Total Waste Generated in Operations by Type*	20,886	16,671
Non-Hazardous Waste	18,698	14,455
Hazardous Waste	2,189	2,216

Waste Diversion Rate (in %)	2019	2020
Total Waste Diversion Rate*	76%	71%
Non-Hazardous Waste Diversion Rate	78%	71%
Hazardous Waste Diversion Rate	65%	68%

*Total estimated waste generated in operations and waste diversion is based on information and categorization from loading documentation and is calculated for nearly all Mattel-owned and/or -operated sites, including manufacturing facilities, distribution centers, and corporate locations over 20,000 square feet; due to rounding, amounts may not sum.



Thriving and Inclusive Communities



Thriving and Inclusive Communities

Create positive social impact through purposeful play and by supporting diverse, equitable, and inclusive communities where we live, work, and play.

Purposeful Play

We treat play as if the future depends on it – because it does. Play is our language, and we speak to our consumers authentically by representing the world as they see and imagine it.

At Mattel, each of our products and experiences is designed to deliver an intrinsic value that inspires, entertains, and develops children through play. This is made possible by the high level of engagement and emotional connection consumers have with our brands. More than seven decades of this pursuit as a trusted partner to parents and families has informed a perspective on toy innovation that we call Purposeful Play.

Through Purposeful Play, we harness the cultural impact of our brands to promote and influence behavior on key social and environmental issues to create a better world.

How Mattel Products Inspire, Entertain and Develop Children Through Play

Mattel creates toys appropriate for children at various developmental stages, designing products to match their current abilities while challenging them so they can learn and grow. Examples for each of our main product categories include:

- Dolls, including *Barbie* and *American Girl* dolls, encourage pretend play, self-expression, and

imagination. Playing with dolls empowers children to develop empathy and social skills such as caregiving, friendship, collaboration, and conflict resolution.

- Games, such as *UNO* and *Apples to Apples*, promote social bonding and inspire fun and laughter while stimulating the minds of young players. They also support confidence and exercise important skills such as memory, logic, pattern recognition, strategic thinking, time management, and fair play.
- Vehicles, like a *Hot Wheels* or *Matchbox* car, are an exciting way to play and experiment with energy, force, scale, and motion. Kids practice problem solving and spatial reasoning as they design tracks and construct their own play patterns.
- Action figures, such as characters from *Masters of the Universe*, empower role play that fosters imagination, self-expression, independence, and social skills. This type of play also develops fine motor skills, technical aptitude, and hand-eye coordination as figures and accessories are activated and manipulated.
- Construction toys, such as *MEGA* building sets, offer open-ended play experiences that are both individual and collaborative, nurturing the creative potential of every child. Shapes, measurement, and engineering skills are exercised along with fine motor skills.
- Preschool toys, such as *Fisher-Price* ride-on vehicles and playsets, support sensory development and awareness, fine and gross motor skills, problem solving, cooperation, and emotional intelligence. These products offer young children open-ended opportunities to learn, laugh, and explore on their own terms.



Insight: Playing with Dolls Develops Empathy and Social Skills

Our *Barbie* team, working with neuroscientists from Cardiff University’s Centre for Human Developmental Science, collaborated on a study and published new research that, for the first time, used neuromapping as evidence to explore the effects of doll play.⁹ The resulting research showed that doll play activates brain regions that allow children to develop empathy and social information processing skills, even when playing by themselves.

The 18-month study, which concluded in 2020, used neuroimaging technology to test the benefits of doll play at a neurological level. The brain activity of 33 boys and girls between the ages of four and eight was monitored as they played with a range of *Barbie* dolls. The team found that the posterior superior temporal sulcus (pSTS), a region of the brain associated with social information processing such as empathy, was activated even when the child was playing alone.

“This is a completely new finding,” said Dr. Sarah Gerson, lead researcher. “We use this area of the brain when we think about other people, especially when we think about another person’s thoughts or feelings. The fact that we saw the pSTS to be active in our study shows that playing with dolls is helping children rehearse some of the social skills they will need in later life.”

To understand the relevance of these neuroscience findings, our *Barbie* team independently commissioned a global survey of 15,000 parents of children aged three to 10 years old in 22 countries. Results showed 91% of parents ranked empathy as a key social skill they would like their child to develop, but only 26% were aware that doll play could help their child develop these skills.

With children spending more time at home during the COVID-19 pandemic, parents participating in the survey were increasingly worried about their children’s social development skills, with 70% expressing concern about how isolation might affect their child and how their child interacts with others.

Together with a leading empathy expert and educational psychologist, Mattel created an online hub, [Barbie.com/BenefitsOfDollPlay](https://www.barbie.com/BenefitsOfDollPlay), featuring resources and additional information for enhancing and applying social processing skills through play. Cardiff University and Mattel are continuing to study the topic in 2021.

9. The study was conducted with 42 children (20 boys and 22 girls) aged from four to eight years old, with full data captured from 33 children. Findings were published in a research article titled “Exploring the Benefits of Doll Play Through Neuroscience” in the October 1, 2020, edition of the journal “Frontiers in Human Neuroscience.”



Addressing Our Consumers' Needs

We incorporate diversity into our product portfolio and create products and experiences that reflect the diversity of our consumers themselves. Our Global Consumer Insights Group and Imagination Center have greatly expanded their research into race and ethnicity, deepened their understanding of unconscious bias through supplemental training, and developed a kids' DE&I advisory board.

Making *UNO* Available to the Blind

In late 2019, Mattel and the National Federation of the Blind collaborated to create a Braille edition of *UNO*, the iconic family card game. *UNO* has always prided itself on being a card game for everyone, but often blind and low-

vision people found it difficult to participate. With easily readable Braille dots on every card in this edition, blind and low-vision players can now participate in the fun.

Braille is prominent on the packaging, and includes a link to UNOBraille.com for play instructions in downloadable Braille files. Voice-enabled instructions are also available through Amazon Alexa and Google Home. When playing the Braille edition of *UNO*, all players call out the cards they play, and blind and low-vision players can touch the discard pile to verify the card in play or call for a 'card check' to determine how many cards are in each player's hand.

Inspiring Girls' Limitless Potential

For over 60 years, *Barbie* has been inspiring girls to be anything they want to be. From princess to president, astronaut to zoologist, there isn't a plastic ceiling that *Barbie* hasn't broken. *Barbie* creator Ruth Handler said, "My whole philosophy of *Barbie* was that, through the doll, the little girl could be anything she wanted to be. *Barbie* represented the fact that a woman has choices."





Barbie Is the Most Diverse Doll Line on the Market

The *Barbie Fashionistas* fashion doll line highlights the brand’s representation of global diversity by showcasing a multi-dimensional view of beauty and fashion. Since its inception, the line has evolved to include greater body-type diversity and more than 150 distinct looks.

The broad variety of *Barbie* dolls and accessories inspire girls to tell their own stories and find the doll that represents and connects with them, with *Barbie* dolls available in five unique body types, 18 skin tones, 19 eye colors, and 72 different hairstyles. *Ken* dolls have also become more diverse than ever and are available in three body types, nine skin tones, and 20 hairstyles, but we are not stopping there.

In 2020, we introduced a *Barbie* doll with vitiligo, an autoimmune condition that causes patches of skin to lose melanin. Mattel designers worked with a dermatologist

to ensure vitiligo was accurately represented and also included a doll with no hair, reflective of hair trends seen from the catwalk to the sidewalk. Additionally, if a girl is experiencing hair loss for any reason, she can see herself reflected in the line.

The vitiligo doll was one of the top five sellers in the *Barbie Fashionistas* line in the United States in 2020 and in the top 10 worldwide, and we added a second vitiligo *Barbie* doll in 2021.

We offer *Barbie* dolls that have a prosthetic limb, and both *Barbie* and *Ken* dolls are available with a wheelchair and ramp. The prosthetic-limbed *Barbie* doll was created with the help of then 12-year-old Jordan Reeves of the Born Just Right nonprofit, which works to develop creative solutions to help kids born with differences live a more enjoyable life. These additions underscore *Barbie*’s position as the most diverse doll line in the marketplace



“Since 1959, *Barbie* has inspired the limitless potential in every girl, and we believe that empowering them at a young age is a catalyst to unlocking their full potential. The goal of the Barbie Dream Gap Project is to leverage the *Barbie* brand’s global platform to educate society on gender biases and inspire any supporter of girls to join us, as we cannot do this alone.”

Lisa McKnight, General Manager and Senior Vice President, *Barbie*

Barbie Role Models and Representation

We know that hearing stories of inspirational women and their journeys encourages the next generation to pursue bigger dreams.

Barbie is committed to shining a light on empowering role models past and present to inspire more girls. As a key part of this ongoing global initiative, the brand is introducing girls to the stories of women from all walks of life to show them they can do or be anything, #MoreRoleModels.

To date, this has featured the likeness of outstanding role models in *Barbie* such as a surfer, entrepreneur, designer, photographer, cosmonaut, and para-athlete. Role models introduced in 2020 included actress and activist Yara Shahidi and activist and model Adwoa Aboah.

The *Barbie Inspiring Women* series pays tribute to incredible women who took risks, changed rules, and

paved the way for generations of girls to dream bigger than ever before. The *Barbie Inspiring Women* series has included tennis legend Billie Jean King, singer Ella Fitzgerald, scientist and astronaut Sally Ride, activist Rosa Parks, and poet Maya Angelou.

In addition, *Barbie* is making her own voice heard, serving as a role model to her fans through her vlog and tackling subjects as challenging as racism and the feelings of isolation during the COVID-19 pandemic. For example, in October 2020, *Barbie* invited her friend Nikki onto her vlog to discuss racism from the perspective of a person of color, covering everything from microaggressions to systemic issues. The video has received more than 1.8 million views to date. On an ongoing basis, *Barbie* uses her YouTube channel, which includes her vlog, to speak directly to her over 5 million subscribers about believing in themselves. At the end of every vlog, *Barbie* makes a peace sign and says ‘pace,’ which stands for ‘positive attitude changes everything.’



Barbie Dream Gap

Gender stereotypes about intellectual ability emerge early and influence children's interests. Research shows that, starting at age five, many girls begin to develop limiting self-beliefs. Representation in the media, cultural stereotypes, and unconscious biases that suggest women are 'not as smart as men' deepen this issue.

The dream gap describes a phenomenon where young girls, due to social constructions that portray women as less capable and valuable than men, are at risk of not living up to their full potential, negatively affecting and inhibiting their futures and careers.

As the original girl empowerment brand, *Barbie* launched the Barbie Dream Gap Project in 2018 to level the playing field for girls globally by giving them the resources, inspiration, and support they need to believe that they can do or be anything.

- In 2019, *Barbie* helped raise funds through a campaign hosted by GoFundMe to support nonprofit partners with a mission to fuel girls' equality through education and mentorship opportunities.

- In 2020, *Barbie* directed its annual donation to NAACP Youth Programs to directly make a difference in Black communities and fund additional research to identify actionable solutions to close the dream gap for Black, Indigenous, and people of color girls.

In collaboration with New York University (NYU), *Barbie* funded a two-year fellowship awarded to a NYU postdoctoral fellow who is researching what the dream gap means for girls and how we can work to close it. Preliminary findings are expected later in 2021.

Barbie has also collaborated with the Center for Scholars and Storytellers at UCLA to develop a curriculum that addresses issues perpetuating the dream gap. This was initially tested in an elementary school and implemented in the Los Angeles area, but, more recently, is being developed into a digital curriculum to be deployed at various test sites at schools or after-school programs across the United States.



Diversity, Equity & Inclusion at Mattel

At Mattel, we believe we are at our best when every member of our team feels respected, included, and heard – when everyone can show up as themselves and do their best work every day. We are committed to fostering a culture where all employees have the opportunity to realize their full potential. We value and share an infinite range of ideas and voices that evolve and broaden our perspectives with a reach that extends to all our consumers, customers, business partners, and suppliers.

With a woman cofounder and women’s representation in leadership throughout our history, Mattel has a proud heritage of being a company that values DE&I. Mattel’s

legacy includes many key milestones, including in 1998 being one of the first companies in the United States to introduce same-sex and domestic partner benefits.

We believe in the tremendous business and societal value of promoting a diverse, equitable, and inclusive workplace. In fact, much of our success is grounded in being a richly diverse organization that is committed to fostering a culture of inclusion and valuing and sharing an infinite range of ideas and voices.

Our Board and Governance and Social Responsibility Committee are actively involved in the oversight of how we foster a culture of inclusion and receive regular updates on our workforce management and DE&I programs.

Highlights on Progress

Goal	Global Pay Equity	2020	2021**
Achieve and maintain 100% base pay equity for all employees performing similar work with comparable roles and experience in similar markets	Pay Ratio by Gender	100%*	100%**
	Pay Ratio by Ethnicity	100%*	100%†
Goal	Representation of Women	2020	2021*
Increase representation of women at all levels of the organization	Total Representation of Women	56%***	58%**
Goal	Representation of Ethnicity	2020	2021*
Increase representation by ethnicity at all levels of the organization	Total Representation of Ethnically Diverse Employees	42%*	42%†

Table covers employees, excluding manufacturing labor and temporary and seasonal employees

**As of December 31, 2020; U.S. employees only.*

***As of April 23, 2021; worldwide employees.*

****As of December 31, 2020; worldwide employees.*

† As of April 23, 2021; U.S. employees only. Please see GRI Supplemental Data Appendix for further details.

Taking a Stand Against Systemic Racism

In 2020, we introduced Play Fair, a multi-faceted initiative that articulates the actions we are taking to address the racism, injustice, and violence against the Black community. Our Play Fair initiative was launched with the following commitments:

- We will continue to build a workforce that reflects the diversity of our community, focusing on the development and recruitment of Black talent.
- We will invest in the next generation of the Black community with intention, by providing access and opportunities.
- We will offer product, content, and experiences built on the foundation of diversity – ensuring that the stories of the Black community are seen and heard.

We are strengthening our relationships with historically Black colleges and universities (HBCUs), as well as other schools and professional organizations. We will also continue to sponsor and attend career fairs for Black professionals and seek candidate slates, as well as interview panels, that are diverse in composition.

We regularly engage our employees in open and honest conversations about race through a variety of formats, including Conscious Inclusion: Understanding Bias training. This interactive training analyzes biases and how they shape decisions, behaviors, career experiences, and team dynamics in the workplace.

Our stand against systemic racism will be ongoing and will continually evolve based on our understanding of the issues and needs of the community. Each of our brands has an important role to play and will be outlining actions to support this critical endeavor.



Q&A with Amy Thompson, Executive Vice President and Chief People Officer, on the Play Fair initiative

Q. Why did Mattel launch Play Fair?

As a company, we are deeply committed to addressing racism and injustice. We know we have to do our part to drive essential and meaningful change. But words without action are empty. Racial injustice will not go away on its own. We must confront it head on. Play Fair is designed to do just that.

Q. How will Play Fair address racism and inequities that exist today?

Through Play Fair, Mattel is taking action where we believe we can have the greatest impact. Specifically, we are:

- Striving to build a workforce that reflects the diversity of our community, focusing on the development and recruitment of Black talent.
- Investing in the next generation of the Black community with intention by providing access and opportunities.
- Offering product, content, and experiences built on the foundation of diversity, ensuring that the stories of the Black community are seen and heard.

Q. How is Mattel operationalizing these commitments?

Mattel's purpose is to empower the next generation to explore the wonder of childhood and reach their full potential. Children cannot reach their full potential when the playing fields are unequal, unbalanced, and unfair. Each of our brands has an important role to play and is outlining actions to support Play Fair. *Barbie* is the first Mattel brand to announce a [Play Fair](#) commitment. The brand has pledged to increase Black representation across products and content, spotlight more Black role models, and dedicate resources to further support Black children.

Q. When will the initiative end?

Our commitment to taking a stand against systemic racism will be ongoing, including the *Barbie* brand's pledge to donate \$250,000 to NAACP youth programs. Additionally, *Barbie* will donate proceeds from future product sales and initiatives of at least \$250,000 to educational programs focused on supporting Black girls.

Bringing Our Diversity to Life through Employee Resource Groups

Mattel employees have created and lead eight voluntary Employee Resource Groups (ERGs). These affinity groups are designed to foster an inclusive workplace, enhance engagement, and bring together colleagues across the global organization. Our ERGs organize learning opportunities that elevate important issues and encourage open, honest conversations. They also inspire and facilitate positive change in our corporate culture and operations.



Black at Mattel (BAM), founded in 2008, was Mattel's first ERG and strives to be a prominent internal source of information, insight, and celebration of Black culture within Mattel.



Latinx en Mattel provides a network that empowers, celebrates, and promotes diversity and inclusion of the Latinx talent and culture at Mattel. It focuses on the professional development of its members and seeks to inspire them to make a positive and meaningful impact at Mattel and in our local communities.



Mattel Asian Diversity Exchange (MADE) creates awareness of relevant Asian American issues, shares cultural insights, and celebrates a rich and diverse Asian heritage at Mattel. MADE also engages in community outreach and volunteering.



Mattel Playmakers' mission and vision is to bring wonder to Mattel employees and their families inside and outside of the workplace. Its goal is to provide a wide range of entertainment and fun that includes in-house events, outing opportunities, and a variety of exciting giveaways. Its priority is to facilitate collaboration, the sharing of ideas, innovation, entertainment, and best practices across all Mattel campuses.

Our ERGs:

- Partner with Human Resources to ensure progressive policies and practices are in place to support DE&I and work/life balance.
- Support our DE&I efforts, including initiating important conversations among colleagues.
- Help attract, engage, onboard, and retain diverse talent.
- Provide diverse cultural insights in product development and marketing.
- Accelerate talent development through mentoring, networking, and bridging knowledge gaps.



Our Proud Employee Network (OPEN@Mattel) is geared toward addressing the needs of LGBTQ+ employees and members of the external LGBTQ+ communities in which Mattel works and plays.



PARENTS aims to build a company-wide network of employees committed to giving Mattel parents a voice, providing meaningful resources and information, and, ultimately, helping parents achieve work/life harmony.



Sustainability for Employee Engagement & Development (SEEDs) sows an inclusive culture of sustainability at Mattel to reap a future in which we all can play. SEEDs focuses on integrating sustainable practices and behaviors at Mattel, at home, and in the community.



Women of Mattel (WoM) exists to foster community, provide enrichment and inspiration to its members, and assist in attracting, retaining, and promoting female talent. The group focuses on providing a structured mentorship program for employees, hosting an annual women's conference, and connecting with employees in real time on relevant cultural, personal, and professional growth issues.



Diversifying Our Talent Pipelines

In recent years, we have expanded our recruiting process to ensure that we are drawing the best and most diverse talent available. We have added HBCUs to our target school portfolio, and we have created partnerships with veteran, LGBTQ+, Black, Latino, and women-focused affinity groups at our targeted schools.

In addition, we have strengthened our partnerships with organizations supporting underrepresented populations, including HBCU 20x20, Hamilton Scholars, Management Leadership for Tomorrow, ADCOLOR, and more. We sponsor and attend conferences like Women of Color in STEM and Here Are All the Black People to gain additional access to diverse talent.

We are providing internships in partnership with schools that offer accessibility programs for their students. We are also creating programs for Black marketing, engineering, and design freshmen and sophomores, offering professional development and on-the-job training.

These efforts supplement our ongoing recruiting efforts, which include advertising on job boards that target underrepresented talent and developing diverse candidate slates, by requiring at least one interview candidate from an underrepresented population for every opening at or above the director level.

Removing Barriers to Equity

Lack of access to higher education is one of the most common obstacles faced in many communities and is an obstacle that can take generations to overcome. In the U.S., we removed educational requirements for many of our roles in order to expand both opportunity and reach for talent that may not have had a traditional education or career path. This has helped us refocus our requirements on life and work experience, providing us a broader reach when it comes to recruitment and access to a more diverse talent pool.



A Family-Friendly Employer

We aim to create family-friendly workplaces that make it possible for employees to more easily balance family life and their work at Mattel. We provide employees at all locations worldwide with various family-friendly benefits. In the United States, some of the more commonly used/more popular benefits include:

- **Paid Parental Leave:** Employees receive up to six weeks of paid time off after the birth, adoption, or foster placement of a child.
- **Phased Back-to-Work program:** New parents are offered the opportunity to work a part-time schedule at full pay for the first month after returning to work to help transition back to work after parental leave.
- **Infertility treatment:** All benefits-eligible employees and their spouse/domestic partner, regardless of enrollment, are eligible for reimbursement for infertility treatment at a coverage level of 80% of the allowed amount to a maximum lifetime benefit of \$15,000 per couple.

- **Adoption Assistance:** All benefits-eligible employees are provided with adoption assistance and up to \$10,000 reimbursement for adoption expenses.
- **Mattel's Child Development Center:** Mattel's El Segundo headquarters employees are eligible for childcare for children six weeks old through pre-kindergarten on a year-round basis.
- **Dependent Care Flexible Spending Account (FSA):** Dependent care expenses for children under age 13, disabled children of any age, and dependent adults are eligible for reimbursement under this program.
- **College Coach:** Employees have access to college preparation assistance and help researching financial aid options.

Career Action Planning

We strive to provide training and educational resources that every Mattel employee can use to create a progressive career journey.

Mattel's Career Action Planning process is designed to provide a springboard for career conversations between employees and managers, while tracking on-the-job performance and progress. As part of our annual talent review process, high-potential employees are given accelerated development plans to close gaps and build new skills that prepare them to lead Mattel into the future.

Mattel offers access to more than 3,000 online classes on topics ranging from selling techniques to software solutions to unconscious bias, to help our employees develop their capabilities and advance in their careers. These courses are supplemented by on-site training to provide deeper, hands-on instruction and personalized engagement to advance career development. We also review turnover data and promotion rates for specific programs, such as our high-potential director program, to strengthen retention efforts and develop diverse internal talent.

Going Beyond What Is Expected with Comprehensive Benefits

We take a holistic approach to employee well-being. Our comprehensive benefits package is designed to keep our employees happy and healthy – physically, mentally, and financially. Non-union, regular employees scheduled to work at least 30 hours per week, and their eligible dependents, have access to Mattel's health benefits program. Below are some of the benefits we offer in the United States, as well as in many other Mattel work locations worldwide.

- Flexible work hours: We offer flexible work hours, and exempt employees are offered unlimited paid time off.
- Employee Assistance Program (EAP): Employees have access to free, confidential, unlimited phone support and up to five sessions with a counselor through



LifeMatters by Empathia. EAP counselors can also help with legal services, relationship concerns, child and elder care assistance, and mental health.

- Major Medical: Medical plan options are designed to fit employees' lifestyles and budgets and include medical, prescription care, dental, and vision care coverage, Health Care Flexible Spending Account (FSA), and Health Savings Account (HSA).
- Financial Future Planning: To help employees save for their future 401K retirement account plans with company matching and basic and supplemental employee life insurance.
- Fitness Centers: Employees are encouraged to keep in shape with Mattel's fitness centers at El Segundo and East Aurora sites.



Measuring and Encouraging Employee Engagement

Each year, our employees take part in our global engagement survey, which measures several aspects of the employee experience, including engagement. The survey provides a key opportunity for us to identify specific actions that can drive meaningful change and improve the employee experience.

Each year, the results of our global engagement survey are reviewed with Mattel's Board. In addition, top-line results are shared with the global workforce and Mattel managers lead action-planning sessions with their teams to address opportunities identified within the survey. In 2020, despite COVID-19 challenges, our employee engagement score was 77, a five-point increase over 2019 and above our

external benchmark. We had a participation rate of over 90%, with all scores demonstrating the progress made in strengthening our culture and morale and the pride our people have in working for Mattel.

Employee Recognition

Our global 'Rave Reviews' program allows employees of all levels to recognize achievement throughout the Company. The program includes a reward system with redemption options, including merchandise, travel, and experiences. Through Rave Reviews, employees can send recognition that awards points to a colleague for their contributions and outstanding achievements.

Giving Back: Promoting Every Child's Right to Play

We believe every child has a fundamental right to play, and we strive to leverage our corporate resources to make that happen. Through our partnerships, sponsorships, and community support, we are helping organizations overcome barriers to play and providing unforgettable memories for kids in need.

The Mattel Children's Foundation

The Mattel Children's Foundation was created more than 40 years ago with a vision of making a difference in the lives of children in need around the world. Today, it supports organizations around the world through grants, charitable contributions, and in-kind donations. The Foundation also gives Mattel employees a way to extend their efforts by matching their contributions and providing opportunities and strategic guidance for volunteer activities. The Governance and Social Responsibility Committee of Mattel's Board oversees and helps to guide the Foundation's efforts.

Key performance indicators are determined for each specific contribution, grant, and volunteer project. For details of our past philanthropic efforts, please visit our [corporate website](#).

Our Philanthropic Focus

Our philanthropic initiatives, volunteerism, and grants are focused on advancing four UN Sustainable Development Goals (SDGs) where we believe we can have the greatest impact. We focus our philanthropic efforts on four focus areas:

- **Create Access to Play** (SDG 11): We create meaningful play experiences for children in need. We do this through our toy donations, play kits, and partnerships with leading organizations and events.

- **Encourage Education and Well-Being** (SDG 3, 4): Our *Hot Wheels* Speedometry program encourages STEAM (Science, Technology, Engineering, Art, Math) development, and our partnership with UCLA Mattel Children's Hospital advances research for improving children's health.
- **Prepare the Next Generation** (SDG 4, 5): Mattel is helping girls, boys, and young professionals reach their future career potential through corporate sponsorship, projects, and mentorship programs, including the Barbie Dream Gap Project (see page 51), the Ruth Handler Mentorship program (see page 62), and the Boys and Girls Clubs of America.
- **Strengthen Communities** (SDG 3, 11): We actively support communities around the world through employee volunteerism, gifts, grants, and disaster relief support.

For more information on these and other Mattel programs that support communities, please visit our [corporate website](#).



UCLA Mattel Children's Hospital: Supporting Children's Health

Through its collaboration with UCLA Health, the Mattel Children's Foundation supports the health of children and works to create a nurturing, compassionate environment for those undergoing medical care through both financial and in-kind support.

The UCLA Mattel Children's Hospital is one of the top-ranked pediatric acute care children's hospitals in the United States. It provides state-of-the-art treatment for children, conducts research that improves the understanding and treatment of pediatric diseases, and trains the next generation of leaders in pediatrics.

With over \$30 million in support from Mattel since 1998, the hospital has expanded pediatric services in Los Angeles, broadened its global presence to enhance and improve

the health of children worldwide, and promoted the global sharing of UCLA Health's best practices and research.

Mattel's support and product donations also help child life specialists who work at the hospital ensure that pediatric patients have the same opportunities to play and socialize as kids who are not in the hospital. "With Mattel's support, the hospital has created age-appropriate playrooms for kids from infants to teens. They are meant to look as much as possible like their home playrooms or hangouts, with age-appropriate toys and activities," says Kelli Carroll, Child Life Director, UCLA Health. "We become their family and try to give them – through play – the opportunity to laugh and forget they are in the hospital. It's worth it all to see the smiles as they head to the playroom each day."

The majority of the patients Director Carroll and her colleagues work with are chronically ill and often medically fragile.

Many children stay for months at a time, including some whose families are not able to be with them on a regular basis – especially during COVID-19.

Mattel's annual toy donation includes brave *Barbie* dolls, a series of dolls without hair designed to bring hope and comfort to young patients battling cancer and illnesses that cause hair loss. To date, Mattel has donated more than 70,000 dolls to UCLA Mattel Children's Hospital and to its network of more than 200 hospitals associated with the Children's Hospital Association, CureSearch for Children's Cancer, and the National Alopecia Areata Foundation, among others.

According to Director Carroll, "Having the opportunity to incorporate Mattel products into our daily interventions is so important. To us, those products are more than toys; they are the tools that make it possible for us to support our patients and help them enjoy the life that our medical care provides. We couldn't do our job without having the tools and support that Mattel can offer."

Honoring an Icon While Supporting Women's Professional Development

In 2020, Mattel announced the creation of the Ruth Handler Mentorship Program in partnership with Women in Toys, Licensing, and Entertainment (WIT). The mentorship program, the toy industry's first for women, was launched at the 2020 Wonder Women Awards ceremony, an annual celebration of the industry's female leaders.

The program is designed to advance career growth across the toy industry through personalized one-to-one mentor/mentee partnerships that match seasoned and influential leaders with women who are focused on honing their leadership skills, building their network, and advancing their careers. It also includes coaching, professional



development, and learning. Underwritten by the Mattel Children's Foundation and named after Ruth Handler, Mattel's cofounder and creator of the *Barbie* brand, the program is designed to be company-agnostic.

"Ruth was an iconic leader who paved the way for future leaders. She was an inventor, a business owner, a creator, a marketer, and a mom. She was curious, entrepreneurial, and above all, she was a mentor to many. Ruth Handler was truly revolutionary."

Janice Ross, President, Women in Toys, Licensing & Entertainment (WIT)

Celebrating Over 75 Years of Giving Back

In 2020, we launched *Mattel Creations*, an e-commerce and content platform that features curated items for sale, highlights creator collaborations past and present, and offers a peek into Mattel's creative process. The global platform offers select Mattel brands as a canvas to some of the most innovative creators of today and tomorrow. Purpose is core to Mattel's mission, and *Mattel Creations* is dedicated to giving back to the next generation of creators.

To give back to the next generation, we are teaming up with ProjectArt, which offers tuition-free, after-school art classes to children in divested areas. In October 2020, we announced our pledge to fund the Los Angeles chapter of this award-winning national nonprofit empowering youth, emerging artists, and communities. Through ProjectArt, Mattel designers will connect with rising students to cultivate creativity and the next generation of creative talent.

Volunteerism and Disaster Relief

Volunteerism and community work are an important part of life at Mattel. Our employees donate their time to support our global communities by delivering toys, organizing beautification projects, providing skills-based mentorship, participating in fundraisers, and granting wishes.



We remain active across the globe helping those affected by natural disasters. We work alongside our partner organizations domestically and internationally to provide emergency relief funding through the distribution of grants and launch of employee-matching gift microsites. We also deliver Mattel-branded play kits to children's play spaces in temporary shelters.

Highlights on Progress

Type of Expenditure	2018	2019	2020
Toy Donations (Total Retail Value)*	\$7.2M	\$9.8M	\$14.8M
Monetary Contributions (Such as Grants and Sponsorships)	\$2.2M	\$1.5M	\$1M
Volunteerism (Total Hours Donated)	6,366 hours	5,583 hours	293 hours**

*In certain cases, no retail value was assigned to toy donations.
**Employee volunteerism was limited in 2020 due to COVID-19 pandemic.



Online Safety and Privacy

We recognize our responsibility to protect consumers and children who visit or use Mattel Services, as described in our [Online Privacy Statement](#) (Mattel Services). Online child safety and data security are very important to our company, and we have implemented effective controls to protect the online privacy of children who visit Mattel Services.

Our [Online Privacy Statement](#) sets the standard for what information we do and do not collect and how we use that information. Our [Children's Privacy Statement](#) goes further to detail how we protect the privacy of children and the steps we take to keep children from engaging in unsafe behaviors while using Mattel Services.

We do not collect personal information from children without the consent of a parent or legal guardian except in special, limited circumstances such as registering for an online scavenger hunt or club. When we do request personal information, we do not ask for more than is necessary for a child to participate in the activity. We take steps to prevent children from posting or publicly

disclosing personal information without parental consent. In addition, parents can access, and ask us to update or delete, their children's information at any time.

Mattel adheres to the Children's Online Privacy Protection Act of 1998 (COPPA) and the guidelines of the Children's Advertising Review Unit of the Council of Better Business Bureaus, Inc. In addition, Mattel is a valid licensee and participating member in good standing of the Entertainment Software Rating Board's (ESRB) Privacy Certified Program. ESRB's Privacy Certified Seal demonstrates our compliance with ESRB's rigorous program requirements.

As part of our 'Privacy By Design' process, we assess our websites, applications, and other online services before publication to determine the extent COPPA is applicable and how to best comply. As part of this process, where required by law, we also conduct a privacy impact assessment to document our data collection and processing practices. If the services of our partners and vendors are being used, we also conduct a vendor due diligence review, and we require COPPA compliance as part of our standard contract.



Responsible Marketing to Children

Mattel's advertising, packaging, point of purchase displays, promotional programs, sweepstakes, and other brand and product promotion activities must comply with all laws and uphold Mattel's reputation for honesty and integrity. We take special care in marketing and advertising to children in order to promote positive social behavior, lifestyles, and attitudes. When advertising and marketing to children, we follow the guidelines of the Children's Advertising Review Unit of the Better Business Bureau. These guidelines set standards to ensure that advertising to children is not deceptive, unfair, or inappropriate, taking into account the special vulnerabilities of children. Globally, we also take into consideration local laws, regulations, and industry best practices regarding marketing to children.

Ethical Operations and Compliance



Ethical conduct is one of the foundations of our success. Our decisions and actions, individually and collectively, are guided by our responsibility to act with integrity and maintain the highest ethical standards.

Code of Conduct

The Mattel Code of Conduct (COC) is a key foundation of our company culture. Our COC is the cornerstone of our commitment to ethics and integrity. It embodies our values, reflects our culture, and guides our relationships with each other and our business partners.

All employees globally participate in our COC training when they join Mattel. We provide employees with ongoing training on topics and policies aligned to their job duties and require annual refresher training for all employees.

The COC is available in multiple languages and applies to all of our employees, including temporary, part-time, and seasonal workers. Certain specified provisions also apply to members of the Board in their capacity as such. The COC is available on our [corporate website](#).

EthicsLine

Mattel's EthicsLine is available online and by phone 24 hours a day, 7 days a week to report conduct that may be in violation of the COC or Company policies. Employees who call the EthicsLine can choose to remain anonymous but are encouraged to

identify themselves. The EthicsLine is operated by an independent third-party provider, and translators are available for non-English speakers.

We are committed to investigating all reported concerns and dealing with each report fairly, reasonably, and discreetly, and maintain a strict non-retaliation policy protecting persons who raise a concern or question in good faith and in accordance with the COC.

Political Contributions Policy

Mattel does not make corporate political contributions. As stated in the COC, Mattel's assets should not be used to support any political campaign or any other political activity without the prior approval of the Government Affairs Department, and all political and lobbying activities should be discussed and coordinated with the Government Affairs Department and the Law Department.



Stakeholder Engagement, Transparency, and Reporting

We continue to seek our stakeholders’ perspectives on ESG through direct engagement as well as through conferences and meetings, local and regional nonprofit and civic partnerships, social media, and various employee engagement mechanisms. Mattel is also a member of [Sustainable Brands](#), [Business for Social Responsibility](#), and the [Ellen MacArthur Foundation](#), which aim to drive progress on important sustainability topics.

In addition, we continue to look for opportunities to engage and collaborate, on a non-competitive basis, with various industry peers and stakeholders through external organizations, including:

- The IETP
- The Toy Association
- Toy Industries of Europe
- Asia Toy & Play Association
- Other national toy industry associations

Mattel has also established and maintains an ongoing and active stockholder engagement program, which

helps inform our Board’s understanding of stockholder perspectives on a wide range of matters. Stockholder dialogue is a year-round practice for Mattel, facilitated by our Investor Relations team. The outreach is focused on governance (including ESG matters) and executive compensation and is led by an independent director, along with management participation, once or twice a year.

Recognizing that employee engagement is crucial to overall job satisfaction, we conduct an annual employee engagement survey designed to measure employees’ commitment, motivation, sense of purpose, and pride in their work at Mattel. In 2020, our global employee engagement survey saw the highest level on record of employee participation at 93%, a five-point increase over 2019. We have seen positive trends over the last three years in all key metrics, including engagement, excitement for Mattel’s future, understanding the company’s strategy, citizenship, ethics, confidence in leadership, removing barriers to execution, and inclusion.

We value and welcome feedback from all interested stakeholders. Please send comments or questions about this report to: Sustainability@Mattel.com



Definition of Key Performance Indicator and Reconciliations¹⁰


Gross Billings

Gross Billings represent amounts invoiced to customers. It does not include the impact of sales adjustments, such as trade discounts and other allowances. Mattel presents changes in Gross Billings as a metric for comparing its aggregate, categorical, brand, and geographic results to highlight significant trends in Mattel’s business. Changes in Gross Billings are discussed because, while Mattel records the details of such sales adjustments in its financial accounting systems at the time of sale, such sales adjustments are generally not associated with categories, brands, and individual products.

	2020
North America	
Net Sales	2,424.6
Sales Adjustments	163.2
Gross Billings	2,587.8
EMEA	
Net Sales	1,129.7
Sales Adjustments	247.4
Gross Billings	1,377.1
Latin America	
Net Sales	455.2
Sales Adjustments	82.2
Gross Billings	537.4
Asia Pacific	
Net Sales	315.8
Sales Adjustments	53.2
Gross Billings	369.0
American Girl	
Net Sales	258.4
Sales Adjustments	8.1
Gross Billings	266.5
Worldwide	
Net Sales	4,583.7
Sales Adjustments	554.2
Gross Billings	5,137.8
Categories	
Dolls	1,886.4
Infant, Toddler & Preschool	1,149.7
Vehicles	1,110.0
Action Figures, Building Sets, Games & Other	991.6
Gross Billings	5,137.8

¹⁰. Due to rounding, amounts may not sum.

GRI Supplemental Data Appendix and Index

A young boy and girl are sitting at a table, playing with colorful building blocks. The boy is on the left, holding a red block, and the girl is on the right, holding a yellow block. They are both smiling and looking at the camera. The background is a blurred indoor setting, possibly a playroom or classroom.

GRI Supplemental Data Appendix

Forward-Looking Statements

This index and the materials or websites cross-referenced herein and therein contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including with respect to the company's expectations, plans, or goals related to corporate responsibility, employees, sustainability and environmental matters, policy, business, procurement, and other risks and opportunities. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. The use of words such as "anticipates," "commit," "expects," "intends," "plans," "goal," "target," "confident that," "will," and "believes," among others, generally identify forward-looking statements. These forward-looking statements are based on currently available operating, financial, economic, and other information and assumptions that are subject to change in the future, as well as standards for measuring progress that are still in development and are subject to a number of significant risks and uncertainties. Forward-looking statements are also aspirational and not guarantees or promises such expectations, plans, or goals will be met. A variety of factors, many of which are beyond Mattel's control, could cause actual future results to differ materially from those projected in the forward-looking statements, and are currently, and in the future may be, amplified by the COVID-19 pandemic. Specific factors that might cause such a difference include, but are not limited to, assumptions not being realized, evolving ESG strategies, scientific or technological developments, changes in carbon markets, or other changes in circumstances as well as the factors described in Mattel's periodic filings with the SEC, including the "Risk Factors" section of Mattel's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 ("2020 Annual Report") and Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, as well as in Mattel's other public statements. Mattel does not update forward-looking statements and expressly disclaims any obligation to do so, except as required by law.

Sustainable Design And Development

Eco-Design and Innovation

Packaging Materials (GRI 301-1) (in % of Metric Tons)	2019 ¹	
	% of Total Volume of Materials for Packaging	% of Volume That Is Sustainable ²
Total Packaging Materials by Type	100%	95.4%
Paper	84.5%	47% recycled 48% FSC-certified
Plastic	15.5%	35% recycled ³ 99.5% recyclable 0% bio-based

1. Data is not yet available for 2020. Due to delays resulting from the COVID-19 pandemic, we expect that 2020 data relating to paper will be validated by the Rainforest Alliance in September 2021.

2. For the purposes of this table, "sustainable" means: (a) for paper: recycled or FSC-certified content (virgin content only; content that bears the FSC controlled wood certification has been excluded due to associated high risk of deforestation); and (b) for plastic: recycled, recyclable, or bio-based content, where "recycled" content includes both pre-and post-consumer recycled content and where "recyclable" is based on a "recycle ready" definition.

3. For the purposes of this calculation, recycled plastic includes plastic packaging materials containing 25% or more recycled materials.

Sustainable Wood Fibers in Products and Packaging

Sustainable Wood Fiber ¹ (GRI 301-1, GRI 301-2)	2018	2019 ²
Total Consumption of Timber-Based Materials - Wood Raw Material Equivalent (in % of WRME)³	405,425	419,530
From Sustainable Origin	93%	94%
FSC-certified Original Content	45%	48%
100% Recycled Content	48%	45%
Other Certified Origin	2%	0%
PEFC (Programme for the Endorsement of Forest Certification) Certified	1%	0%
FSC Controlled Wood Certified	1%	0%
Not Sustainable or No Certification	5%	5%

1. For the purposes of this table, "sustainable" means recycled or FSC-certified content (virgin content only; content that bears the FSC controlled wood certification has been reported under other certified origin due to associated high risk of deforestation). Due to rounding, percentages may not sum.

2. Data for 2020 is not yet available. Due to delays resulting from the COVID-19 pandemic, we expect 2020 data will be validated by the Rainforest Alliance in September 2021.

3. Total consumption of timber-based materials (in WRME) was estimated based on Mattel internal procurement data, which was provided to a third-party sustainability service software provider for aggregation and reporting; data for 2018 and 2019 has been validated by the Rainforest Alliance.

Responsible Sourcing and Production

Responsible Sourcing

Supplier Information (GRI 102-9)	2020
Direct suppliers	
Finished Goods Suppliers	35
Suppliers of Raw Materials, Components, etc.	688
Indirect Suppliers¹	22,805

1. Total number of indirect suppliers estimated based on Mattel internal procurement data; may consolidate multiple affiliate entities into one entry.

Ensuring the Health & Safety of Our Employees

Total Recordable Incident Rate (GRI 403-9, GRI 403-10)	2018	2019	2020
Total Recordable Incident Rate (TRIR) ¹	0.18	0.19	0.11

1. TRIR is expressed as the number of recordable incidents per 100 full-time workers during a one-year period and covers all Mattel employees, contingent workers, and independent contractors performing tasks on-site at Mattel-owned and/or -operated manufacturing facilities and distribution centers. The calculation is based on a total of 200,000 hours/year, which is the benchmark established by the U.S. Occupational Health and Safety Administration.

Taking Action for Climate Protection

Energy

Absolute Energy Consumption by Type (GRI 302-1) (in MWh)	2019	2020
Total Absolute Energy Consumption by Type¹	375,140	320,641
Direct Absolute Energy Consumption	60,442	49,179
Indirect Absolute Energy Consumption	314,697	271,462

1. Total absolute energy consumption is calculated based on information derived from energy bills and consumption reports for nearly all Mattel-owned and/or -operated sites, including manufacturing facilities, distribution centers, and corporate locations over 20,000 square feet. Due to rounding, amounts may not sum.

Absolute Greenhouse Gas (GHG) Emissions

Absolute GHG Emissions by Scope (GRI 305-1, GRI 305-2) (in metric tons of CO ₂ e)	2019 ¹	2020
Total Absolute GHG Emissions (Scope 1+2)¹	186,366	166,097
Scope 1 Absolute GHG emissions	13,034	13,499
Scope 2 Absolute GHG emissions	173,332	152,598

1. Scope 1 and 2 GHG emissions are calculated in accordance with the GHG Protocol. Emissions are calculated for nearly all Mattel-owned and/or -operated sites, including manufacturing facilities, distribution centers, and corporate locations over 20,000 square feet.

Reducing Energy Use and GHG Emissions (GRI 302-4, GRI 305-5)

Mattel is committed to improving the efficiency of our energy use in operations, shifting toward renewable energy sources, and reducing our GHG emissions as necessary. Our local EHS teams and site managers are responsible for increasingly implementing various energy and GHG emission reduction initiatives at their sites.

In 2020, we implemented more than a dozen conservation measures and improvements, which contributed to a company-wide reduction of 54,499 MWh in our use of energy and of 20,269 metric tons of CO₂e in our Scope 1 and Scope 2 GHG emissions. Improvements included a range of enhancements such as including HVAC upgrades, cooling tower maintenance, and transformer replacements.

Currently, we are working to harmonize local efforts into a global emission reduction program.

Reducing Waste in Operations

Mattel works with waste management and recycling companies that dispose of and recycle waste from Mattel's operations. The information in the three tables below is provided by these service providers.

Waste by Type (GRI 306-3) (in Metric Tons)	2019	2020
Total Waste Generated in Operations by Type¹	20,886	16,671
Non-Hazardous Waste	18,698	14,455
Hazardous Waste	2,189	2,216

1. Total waste generated in operations is estimated based on information and categorization from loading documentation and is calculated for nearly all Mattel-owned and/or -operated sites, including manufacturing facilities, distribution centers, and corporate locations over 20,000 square feet.

Waste by Disposal Method (GRI 306-5) (in Metric Tons)	2019	2020
Total Waste Generated in Operations by Disposal Method¹	20,886	16,671
Waste Disposed	4,960	4,844
Waste Recycled, Used or Exported	15,926	11,827

1. Total waste generated in operations is estimated based on information and categorization from loading documentation and is calculated for nearly all Mattel-owned and/or -operated sites, including manufacturing facilities, distribution centers, and corporate locations over 20,000 square feet.

Waste Diversion Rate (GRI 306-4) (in %)	2019	2020
Total Waste Diversion Rate¹	76%	71%
Non-Hazardous Waste Diversion Rate	78%	71%
Hazardous Waste Diversion Rate	65%	68%

1. Total estimated waste diversion is based on information and categorization from loading documentation and is calculated for nearly all Mattel-owned and/or -operated sites, including manufacturing facilities, distribution centers, and corporate locations over 20,000 square feet.

Efficient Use of Water (GRI 303)

As a toy manufacturer, our water consumption is relatively small compared to many other companies, and none of our owned and/or operated manufacturing facilities are located in an area of severe water stress. Nevertheless, we strive to reduce water consumption through efficient operations and continuous improvement.

Water Withdrawal (GRI 303-3) (in Cubic Meters)	2019	2020
Total Water Withdrawal¹	1,981,959	1,618,455

1. Estimated total water withdrawal is calculated for all Mattel-owned and/or -operated manufacturing facilities.

Thriving and Inclusive Communities

Workforce

Employees by Type (GRI 102-8)	2020
Total Number of Employees¹	32,070
Employees (Non-Manufacturing) ²	9,290
Manufacturing Workers	22,780

1. Worldwide as of December 31, 2020. Includes temporary and seasonal employees.

2. Excluding temporary and seasonal employees, equal to 8,234 employees.

Unless otherwise specified below: The data set forth in the tables covers worldwide employees, excluding manufacturing workers and temporary and seasonal employees (Worldwide Employees); 2020 figures are as of, or for the year ended, December 31, 2020 (as applicable); and 2021 figures are as of April 23, 2021.

Employees, Non-Manufacturing

Employees by Region (GRI 102-8)	2020
Total Employees in all Regions	8,234
Asia Pacific	2,961
Europe, Middle East & Africa	748
Americas	4,525

Employees, New Hires (GRI 401-1)	2020
Total Employee New Hires	780
Men	310
Women	448
Did Not Disclose	22

Total Employees, New Hires by Region	
Asia Pacific	174
Europe, Middle East & Africa	60
Americas	546

Employees by Age (GRI 102-8, GRI 405-1)	2020
Total Employees of all Ages	8,234
Under 30 Years	1,066
30-50 Years	5,429
51 Years and Older	1,677
Age Information Unavailable	62

Turnover (GRI 401-1) (in %)	2019	2020
Turnover Rate	12.9%	11.1%
Voluntary Turnover Rate	7.7%	5.5%

Employee Engagement	2019	2020
Employee Engagement Score	72	77

Diversity & Inclusion in the Workplace

Representation of Women by Level (GRI 405-1) (in %)	2020	2021
Total Representation of Women¹	56%	58%
Executive Vice President	33%	33%
Senior Vice President	29%	29%
Vice President	24%	27%
Senior Director / Director	43%	45%
Senior Manager / Manager	48%	49%
Associate Manager / Supervisor	52%	52%
Professional / Staff	54%	56%
Women Board Members	30%	40%

1. Due to rounding, percentages may not sum. Workforce composition metrics are derived from data as collected in connection with EEO-1 reporting.

Representation of Ethnicity by Level (GRI 405-1) (in %)	2020	2021
Total Representation of Ethnically Diverse Employees¹	42%	42%
Executive Vice President	11%	8%
Senior Vice President	19%	17%
Vice President	16%	21%
Senior Director / Director	27%	27%
Senior Manager / Manager	35%	36%
Associate Manager / Supervisor	31%	33%
Professional / Staff	38%	42%
Representation of Ethnically Diverse Board Members	30%	30%

1. U.S. employees only. Due to rounding, percentages may not sum. Workforce composition metrics are derived from data as collected in connection with EEO-1 reporting.

Representation by Ethnicity (GRI 405-1) (in %)	2020	2021
Total Representation of Ethnically Diverse Employees¹	42%	42%
White	57.5%	57.5%
Hispanic / Latino	21%	21%
Black / African American	8.5%	9%
Asian	10.5%	8.5%
Two or More Races	2.5%	2.5%
Native Hawaiian / Pacific Islander	0.1%	0.1%
American Indian / Alaskan Native	0.5%	0.2%

1. U.S. employees only. Due to rounding, percentages may not sum. Workforce composition metrics are derived from data as collected in connection with EEO-1 reporting.

Base Pay Equity (GRI 405-2) ¹ (in %)	2020 ²	2021
Pay Ratio by Gender	100%	100% ³
Pay Ratio by Ethnicity	100%	100% ²

1. Workforce composition metrics are derived from data as collected in connection with EEO-1 reporting. For all employees performing similar work with comparable roles and experience in similar markets.

2. U.S. employees only.

3. Worldwide employees.

A Family-Friendly Workplace

Parental Leave (GRI 401-3)	2020
Employees who took parental leave (Headcount)¹	112
Men (Headcount)	47
Women (Headcount)	65
Employees who returned to Mattel after parental leave (in %)¹	98%
Men (in %)	100%
Women (in %)	97%

1. U.S. employees only.

Training

Training (GRI 404-1)	2020 ¹
Total Estimated Training Hours	600,000
Estimated Average Hours of Training per Employee	18.7

1. Worldwide employees and manufacturing workers.

Global Reporting Initiative (GRI) Index

Our Global Reporting Initiative (GRI) Index contains information guided by the reporting recommendations set forth in the GRI Sustainability Reporting Standards. Please note that while we have responded in part to a number of items contained in the standards set forth by GRI, we have not responded to all such items, nor have we responded in full to all such specified items. The responses in this index are provided with respect to Mattel and its consolidated subsidiaries, unless otherwise noted. All information in this index is related to the fiscal year 2020, unless otherwise specified. This index cross-references the specific GRI Standards to related sections in Mattel's 2020 Citizenship Report (the "Citizenship Report"), as well as other sources of information.

Forward-Looking Statements

This index and the materials or websites cross-referenced herein and therein contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including with respect to the company's expectations, plans, or goals related to corporate responsibility, employees, sustainability and environmental matters, policy, business, procurement, and other risks and opportunities. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. The use of words such as "anticipates," "commit," "expects," "intends," "plans," "goal," "target," "confident that," "will," and "believes," among others, generally identify forward-looking statements. These forward-looking statements are based on currently available operating, financial, economic, and other information and assumptions that are subject to change in the future, as well as standards for measuring progress that are still in development and are subject to a number of significant risks and uncertainties. Forward-looking statements are also

aspirational and not guarantees or promises such expectations, plans, or goals will be met. A variety of factors, many of which are beyond Mattel's control, could cause actual future results to differ materially from those projected in the forward-looking statements, and are currently, and in the future may be, amplified by the COVID-19 pandemic. Specific factors that might cause such a difference include, but are not limited to, assumptions not being realized, evolving sustainability strategies, scientific or technological developments, changes in carbon markets, or other changes in circumstances as well as the factors described in Mattel's periodic filings with the SEC, including the "Risk Factors" section of Mattel's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 ("2020 Annual Report"), and Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, as well as in Mattel's other public statements. Mattel does not update forward-looking statements and expressly disclaims any obligation to do so, except as required by law.

GRI 102: General Disclosures	References and Notes
Organizational Profile	
102-1 Name of the organization	Mattel, Inc.
102-2 Activities, brands, products, and services	Citizenship Report – Introduction – Company Overview
102-3 Location of headquarters	333 Continental Blvd. El Segundo, CA 90245-5012
102-4 Location of operations	Citizenship Report – Introduction – Company Overview 2020 Annual Report, Item 1, p. 4-8 (link)
102-5 Ownership and legal form	2021 Proxy Statement (link) Mattel, Inc. Amended & Restated Bylaws (link) 2020 Annual Report: Item 5, p. 25 (link)
102-6 Markets served	2020 Annual Report, Item 1, p. 4-10 (link)
102-7 Scale of the organization	Citizenship Report – Introduction – Company Overview 2020 Annual Report, Item 1, p. 4-10 (link)
102-8 Information on employees and other workers	Citizenship Report – GRI Supplemental Data Appendix and Index – GRI Supplemental Data Appendix (“Supplemental Data Appendix”) 2020 Annual Report, Item 1, p. 9 (link)
102-9 Supply Chain	Citizenship Report – Responsible Sourcing and Production – Ethical Sourcing Our products are manufactured and packaged in several countries including China, Indonesia, Malaysia, Thailand, India, Vietnam, Canada, Mexico, and the United States. These manufacturing operations take place in facilities owned and/or -operated by Mattel as well as in our network of vendors.
102-10 Significant changes to the organization and its supply chain	2020 Annual Report (p. 8) (link)
102-11 Precautionary principle or approach	Citizenship Report – Sustainable Design and Development; Responsible Sourcing and Production Environmental, Health & Safety Statement (link) Responsible Supply Chain Commitment (link)
102-12 External initiatives	Mattel supports many external initiatives, including the United Nations Sustainable Development Goals. Notably, Mattel is a member to the ICTI Ethical Toy Program, the Mekong Club, and other external initiatives.
102-13 Membership of associations	Citizenship Report – Ethical Operations & Compliance – Stakeholder Engagement, Transparency, and Reporting. Other memberships are also mentioned throughout the Citizenship Report.
GRI 102: General Disclosures	
References and Notes	
Strategy	
102-14 Statement from senior decision maker on the importance of sustainability	Citizenship Report – Introduction – Letter from Our Chairman and CEO

Ethics and Integrity	
102-16 Values, principles, standards, and norms of behavior	Code of Conduct (link) Citizenship Website – Responsible Sourcing and Production/Ethics & Compliance (link) Careers Website – Working Here (link)
102-17 Mechanisms for advice and concerns about ethics	Code of Conduct (link) Citizenship Website – Responsible Sourcing and Production/Ethics & Compliance (link)
Governance	
102-18 Governance structure	2021 Proxy Statement, Corporate Governance at Mattel, p. 19-46 (link) Citizenship Report – Our Citizenship Approach – ESG Management at Mattel
Stakeholder Engagement	
102-40 List of stakeholder groups	Citizenship Report – Our Citizenship Approach –Sustainability Materiality Assessment; Ethical Operations & Compliance - Stakeholder Engagement, Transparency, and Reporting
102-42 Identifying and selecting stakeholders	Citizenship Report – Our Citizenship Approach –Sustainability Materiality Assessment; Ethical Operations & Compliance - Stakeholder Engagement, Transparency, and Reporting
102-43 Approach to stakeholder engagement	Citizenship Report – Our Citizenship Approach –Sustainability Materiality Assessment; Ethical Operations & Compliance - Stakeholder Engagement, Transparency, and Reporting
102-44 Key topics and concerns raised	Citizenship Report – Our Citizenship Approach – Sustainability Materiality Assessment; Ethical Operations & Compliance - Stakeholder Engagement, Transparency, and Reporting
Reporting Practice	
102-45 Entities included in the consolidated financial statements	See introductory note to this GRI Index
102-46 Defining report content and topic boundaries	Citizenship Report –Our Citizenship Approach –Sustainability Materiality Assessment
102-47 List of material topics	Citizenship Report – Our Citizenship Approach –Sustainability Materiality Assessment
102-48 Restatements of information	This is Mattel's first Citizenship Report published since its 2012 Global Citizenship Report.
102-49 Changes in reporting	This is Mattel's first Citizenship Report published since its 2012 Global Citizenship Report.
102-50 Reporting period	Citizenship Report – Introduction – About This Report
102-51 Date of most recent report	Mattel's most recent report, 2012 Global Citizenship Report, was published on October 23, 2012.
102-52 Reporting cycle	Citizenship Report – Introduction – About This Report
102-53 Contact point for questions regarding the report	Sustainability@Mattel.com
102-55 GRI content index	Citizenship Report – GRI Supplemental Data Appendix and Index – GRI Index

GRI 300: Environmental Indicators		References and Notes
GRI 301: Materials (2016)		
103-1 Explanation of the material topic and its Boundary		Citizenship Report – Sustainable Design and Development
103-2 The management approach and its components		
103-3 Evaluation of the management approach		
301-1 Materials used by weight or volume		Supplemental Data Appendix
301-2 Recycled input materials used		Citizenship Report – Sustainable Design and Development – Circularity in Packaging; Managing End-of-Life Disposal Supplemental Data Appendix
GRI 302: Energy (2016)		
103-1 Explanation of the material topic and its Boundary		Citizenship Report – Responsible Sourcing and Production – Taking Action for Climate Protection
103-2 The management approach and its components		
103-3 Evaluation of the management approach		
302-1 Energy consumption within the organization		Citizenship Report – Responsible Sourcing and Production – Taking Action for Climate Protection Supplemental Data Appendix
302-4 Reduction of energy consumption		Citizenship Report – Responsible Sourcing and Production – Taking Action for Climate Protection Supplemental Data Appendix
302-5 Reductions in energy requirements of products and services		Citizenship Report – Responsible Sourcing and Production – Taking Action for Climate Protection
GRI 303: Water and Effluents (2018)		
103-1 Explanation of the material topic and its Boundary		Supplemental Data Appendix
103-2 The management approach and its components		
103-3 Evaluation of the management approach		
303-3 Water withdrawal		Supplemental Data Appendix
GRI 305: Emissions (2016)		
103-1 Explanation of the material topic and its Boundary		Citizenship Report – Responsible Sourcing and Production – Taking Action for Climate Protection Citizenship Website – Responsible Sourcing and Production/Operating with Care (link)
103-2 The management approach and its components		
103-3 Evaluation of the management approach		

305-1 Direct (Scope 1) GHG emissions		Citizenship Report – Responsible Sourcing and Production – Taking Action for Climate Protection Supplemental Data Appendix
305-2 Energy indirect (Scope 2) GHG emissions		Citizenship Report – Responsible Sourcing and Production – Taking Action for Climate Protection Supplemental Data Appendix
305-5 Reduction of GHG emissions		Supplemental Data Appendix Citizenship Website – Responsible Sourcing and Production/Operating with Care (link)
GRI 306: Waste (2020)		
103-1 Explanation of the material topic and its Boundary		Citizenship Report – Responsible Sourcing and Production – Reducing Waste in Operations
103-2 The management approach and its components		
103-3 Evaluation of the management approach		
306-1 Waste generation and significant waste-related impacts		Citizenship Report – Responsible Sourcing and Production – Reducing Waste in Operations
306-2 Management of significant waste-related impacts		
306-3 Waste generated		Citizenship Report – Responsible Sourcing and Production – Reducing Waste in Operations Supplemental Data Appendix
306-4 Waste diverted from disposal		Citizenship Report – Responsible Sourcing and Production – Reducing Waste in Operations Supplemental Data Appendix
306-5 Waste directed to disposal		Citizenship Report – Responsible Sourcing and Production – Reducing Waste in Operations Supplemental Data Appendix
GRI 400: Social Indicators		References and Notes
GRI 401: Employment (2016)		
103-1 Explanation of the material topic and its Boundary		Citizenship Report – Responsible Sourcing and Production – Ethical Sourcing Citizenship Report – Thriving and Inclusive Communities – Our Workplace Citizenship Report – Ethical Operations and Compliance
103-2 The management approach and its components		
103-3 Evaluation of the management approach		
401-1 New employee hires and employee turnover		Supplemental Data Appendix
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		Citizenship Report – Thriving and Inclusive Communities – Our Workplace – A Family-Friendly Employer Career Website – Benefits (link)
401-3 Parental leave		Citizenship Report – Thriving and Inclusive Communities – Our Workplace – A Family-Friendly Employer Supplemental Data Appendix

GRI 403: Occupational Health and Safety (2018)	
103-1 Explanation of the material topic and its Boundary	Citizenship Report – Responsible Sourcing and Production – Health and Safety of Our Employees
103-2 The management approach and its components	Environmental Health & Safety Statement (link) Citizenship Website – Responsible Sourcing and Production – Health and Well-Being – Health and Safety of Our Employees (link)
103-3 Evaluation of the management approach	Code of Conduct – Employee Health and Safety (link)
403-1 Occupational health and safety management system	Citizenship Report – Responsible Sourcing and Production – Health and Safety of Our Employees Citizenship Website – Responsible Sourcing and Production – Health and Well-Being – Health and Safety of Our Employees (link) Environmental Health & Safety Statement (link)
403-2 Hazard identification, risk assessment, and incident investigation	Citizenship Website – Responsible Sourcing and Production – Health and Well-Being – Health and Safety of Our Employees (link) Environmental Health & Safety Statement (link)
403-3 Occupational health services	Citizenship Report – Responsible Sourcing and Production – Health and Safety of Our Employees Citizenship Website – Responsible Sourcing and Production – Health and Well-Being – Health and Safety of Our Employees (link) Environmental Health & Safety Statement (link)
403-4 Worker participation, consultation, and communication on occupational health and safety	Citizenship Website – Responsible Sourcing and Production – Health and Well-Being – Health and Safety of Our Employees (link) Environmental Health & Safety Statement (link) Code of Conduct – Employee Health and Safety (link)
403-5 Worker training on occupational health and safety	Citizenship Report – Responsible Sourcing and Production Citizenship Website – Responsible Sourcing and Production – Health and Well-Being – Health and Safety of Our Employees (link)
403-6 Promotion of worker health	Careers Website – Working Here (link)
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Citizenship Report – Responsible Sourcing and Production – Ethical Sourcing Responsible Supply Chain Commitment (link)
403-9 Work-related injuries	Citizenship Report – Responsible Sourcing and Production – Health and Safety of our Employees
GRI 404: Training and Education (2016)	
103-1 Explanation of the material topic and its Boundary	Our approach to training is discussed periodically throughout the Citizenship Report.
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
404-1 Average hours of training per year per employee	2020 Annual Report, p. 10 (link) Supplemental Data Appendix
404-2 Programs for upgrading employee skills and transition assistance programs	Citizenship Report – Thriving and Inclusive Communities – Our Workplace – A Family-Friendly Employer - Career Action Planning 2020 Annual Report, p. 10 (link)

GRI 400: Social Indicators	References and Notes
GRI 405: Diversity and Equal Opportunity (2016)	
103-1 Explanation of the material topic and its Boundary	Citizenship Report – Thriving and Inclusive Communities – Diversity, Equity & Inclusion at Mattel Code of Conduct – Respect and Diversity (link) Citizenship Website – Thriving and Inclusive Communities – Diversity, Equity & Inclusion (link)
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
405-1 Diversity of governance bodies and employees	Citizenship Report – Thriving and Inclusive Communities – Diversity, Equity & Inclusion at Mattel Citizenship Website – Thriving and Inclusive Communities – Diversity, Equity & Inclusion (link) Supplemental Data Appendix 2021 Proxy Statement (link) , p. 13
405-2 Ratio of basic salary and remuneration of women to men	Citizenship Report – Thriving and Inclusive Communities – Diversity, Equity & Inclusion at Mattel Citizenship Website – Thriving and Inclusive Communities – Diversity, Equity & Inclusion (link) Supplemental Data Appendix
GRI 406: Non-Discrimination (2016)	
103-1 Explanation of the material topic and its Boundary	Citizenship Report– Ethical Operations and Compliance Citizenship Report – Thriving and Inclusive Communities – Diversity, Equity & Inclusion at Mattel Code of Conduct – Respect and Diversity (link)
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
GRI 408: Child Labor (2016)	
103-1 Explanation of the material topic and its Boundary	Citizenship Report – Responsible Sourcing and Production – Ethical Sourcing Human Rights Principles (link) Modern Slavery Statement (link)
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
408-1 Operations and suppliers at significant risk for incidents of child labor	Citizenship Report – Responsible Sourcing and Production – Ethical Sourcing Modern Slavery Statement (link)
GRI 409: Forced or Compulsory Labor (2016)	
103-1 Explanation of the material topic and its Boundary	Citizenship Report – Responsible Sourcing and Production – Ethical Sourcing Human Rights Principles (link) Modern Slavery Statement (link)
103-2 The management approach and its components	
103-3 Evaluation of the management approach	

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Citizenship Report – Responsible Sourcing and Production – Ethical Sourcing Human Rights Principles (link) Modern Slavery Statement (link)
GRI 412: Human Rights Assessment (2016)	
103-1 Explanation of the material topic and its Boundary	
103-2 The management approach and its components	Citizenship Report– Ethical Operations and Compliance Citizenship Report – Responsible Sourcing and Production – Ethical Sourcing
103-3 Evaluation of the management approach	
GRI 414 Supplier Social Assessment (2016)	
103-1 Explanation of the material topic and its Boundary	
103-2 The management approach and its components	Citizenship Report – Responsible Sourcing and Production – Ethical Sourcing
103-3 Evaluation of the management approach	
GRI 415: Public Policy (2016)	
103-1 Explanation of the material topic and its Boundary	
103-2 The management approach and its components	Citizenship Report – Ethical Operations and Compliance – Political Contributions Policy Code of Conduct – Political Activity (link) Corporate Governance Website – Corporate Political Expenditures Related Disclosures (link)
103-3 Evaluation of the management approach	
415-1 Political contributions	Citizenship Report– Ethical Operations and Compliance Corporate Governance Website – Corporate Political Expenditures Related Disclosures (link)
GRI 416: Customer Health and Safety (2016)	
103-1 Explanation of the material topic and its Boundary	
103-2 The management approach and its components	Citizenship Report – Sustainable Design and Development – Product Quality and Safety
103-3 Evaluation of the management approach	
GRI 417: Customer Privacy (2016)	
103-1 Explanation of the material topic and its Boundary	Citizenship Report – Thriving and Inclusive Communities – Our Consumers – Online Safety & Privacy
103-2 The management approach and its components	
103-3 Evaluation of the management approach	Corporate Governance Website – Corporate Political Expenditures Related Disclosures (link)

