

Mattel – HiT Modern Slavery Act Transparency Statement FOR FINANCIAL YEAR ENDING DECEMBER 31, 2016

Mattel, Inc. on behalf of its UK based entity, HiT Entertainment Ltd., and all of its other subsidiaries in scope for purposes of the UK Modern Slavery Act, is committed to responsible sourcing and combatting human trafficking and slavery in our supply chain. This statement covers Mattel, Inc. and its subsidiary Hit Entertainment Ltd.

OVERVIEW

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

Mattel adopts a zero-tolerance approach to slavery and human trafficking. We are committed to taking all reasonably practicable steps to ensure that slavery and human trafficking are not present either in our business or in our supply chains. In order to achieve this, we seek to identify and tackle slavery and human trafficking risks.

1. OUR COMMITMENT

About Mattel

The Mattel family of companies is a worldwide leader in the design, manufacture and marketing of toys and family products. Mattel's portfolio of best-selling brands includes Barbie®, Hot Wheels®, Monster High®, American Girl®, Thomas & Friends®, Fisher-Price® brands and MEGA® Brands, as well as a wide array of entertainment-inspired toy lines.

In 2017, Mattel was named as one of Corporate Responsibility Magazine's "100 Best Corporate Citizens." With worldwide headquarters in El Segundo, Calif., Mattel's companies employ approximately 32,000 people in 40 countries and territories and sell products in more than 150 nations.

Further information about our company, business and organizational structure can be found at:

- <http://corporate.mattel.com/>
- <http://citizenship.mattel.com/>

Our Standards

Since 1997, Mattel has had standards that guide our efforts to manufacture responsibly. These standards, known as the Responsible Supply Chain Standards (RSCS), establish ethical and environmental requirements that all our owned and operated sites, business partners and suppliers must achieve.

The Mattel RSCS are modeled on recognized standards such as International Labour Organization standards (ILO) and the Universal Declaration of Human Rights (UDHR) and were used as references in preparing Mattel's RSCS. Mattel is committed to eliminating forced labor and compulsory labor and to abolish child labor. This includes ILO conventions 138 & 182 on the prohibition of child labor and 29 &

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105 on the elimination of forced or mandatory labor. We are committed to working closely with our suppliers to ensure that slavery and human trafficking risks are identified and managed proactively.

The Mattel RSCS's Prevention of Forced Labor standard can be found [here](#).

Our Actions

Since the Modern Slavery Act 2015 came into force, we have built on our existing commitment by

- taking external legal advice on the steps necessary to support compliance; and
- updating our existing Prevention of Forced Labor standard and working towards implementation within Mattel.

2. OUR COMMITMENT

We are committed to ensuring that there is no slavery or human trafficking in our supply chains or in any part of our business. Our Prevention of Forced Labor standard reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to prevent slavery and human trafficking in our supply chains. Our Prevention of Forced Labor standard:

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

3. OUR NEXT STEPS

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

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This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2016.

A handwritten signature in blue ink, appearing to read 'A. Unitt'.

Andrew Unitt
Director, Finance
HIT ENTERTAINMENT LIMITED