

December 19, 2023

Feng K. An, Director Jeffrey Burstein, Regional Attorney Equal Employment Opportunity Commission Boston District Office JFK Federal Building 15 New Sudbury Street, Room 475 Boston, MA 02203-0506

Re: Request for Investigation of Hasbro, Inc.

Dear Director An:

America First Legal Foundation ("AFL") is a national, nonprofit organization working to protect the rule of law, due process, and equal protection for all Americans.

We write according to 29 C.F.R. § 1601.6(a), which provides that, "[a]ny person or organization may request the issuance of a Commissioner charge for an inquiry into individual or systemic discrimination." AFL hereby requests the Equal Employment Opportunity Commission ("EEOC") open an investigation into Hasbro, Inc. ("Hasbro") for engaging in unlawful employment practices in violation of Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e-2.¹

Hasbro is a publicly traded corporation under your jurisdiction, having its headquarters at 1027 Newport Avenue, Pawtucket, Rhode Island.

Title VII of the Civil Rights Act of 1964 prohibits Hasbro from discriminating against an employee or an applicant for employment because of race, color, religion, sex, ethnicity, or national origin; to limit, segregate, or classify employees or applicants in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of race, color, religion, sex, ethnicity, or national origin; or to discriminate against any individual because of his race, color, religion, sex, ethnicity, or national origin in admission to, or employment in, any program established to provide apprenticeship or other training.

 $^{^1}$ Copies of this letter are also addressed to each Member of the Commission and AFL makes the same request of them according to 29 C.F.R. § 1601.6(a).

However, as demonstrated in greater detail below, Hasbro openly acknowledges even touts—the fact that it discriminates on the basis of race, color, ethnicity, and sex in its recruitment and hiring programs.

I. Evidence of Unlawful Employment Practices

Hasbro acknowledges in its most recent 10-K filing that it is on track to achieve its "2025 DE&I goals for the organization, including: [i]ncreasing female representation in leadership (Director +) roles globally to 50% *** Increasing ethnically and racially diverse employee representation in the U.S. to 25%."²

Hasbro further details its unlawful use of race, national origin, and sex hiring and promotion quotas in its 2021-22 "diversity, equity & inclusion report," which explicitly states that it set unlawful hiring goals in 2017 and has actively been working to fulfill those unlawful hiring goals over the past five years. It lists its 2017 baselines as 38% for women in leadership" and 17% for racially and ethnically diverse representation in the U.S.³ The report goes on to measure progress as of 2021, noting that women in leadership increased to 43% and racially and ethnically diverse employee representation grew to 22%.⁴ These numbers are tracked alongside Hasbro's stated goals for 2025 - 50% women in leadership globally and a 25% racially and ethnically diverse workforce in the U.S.⁵ In 2019, "racially and ethnic diversity" new hires represented approximately 25% of all new hires; in 2020, approximately 30% of all new hires; and in 2021, approximately 35% of all new hires.⁶ Hasbro also states that it has established a "50% diverse slate requirement for all open positions in the U.S." and that "[d]iversity in this context" includes race, ethnicity, gender identity, and sexual orientation.⁷ Finally, the evidence is that Hasbro also discriminates based on race and sex with respect to training program admissions; the summer 2022 internship program was "both 50% gender and racially diverse."8

II. The Commission Should Investigate Hasbro.

Hasbro's employment practices facially violate 42 U.S.C. § 2000e-2, which prohibits hiring practices that limit, segregate, or classify applicants for employment or training because of race, color, sex, or national origin. Decades of case law have held

² Hasbro, Inc. Annual Report 24 (Form 10-K) (Dec. 31, 2022) (available at https://tinyurl.com/2tpjfhae).

³ HASBRO, INC., DIVERSITY, EQUITY, AND INCLUSION REPORT 2021-2022, at 5 (Dec. 19, 2022) (https://tinyurl.com/4arj5vx9) (last visited Dec. 6, 2023).

 $^{^{4}}$ Id.

⁵ *Id*.

⁶ Id. at 14.

⁷ DIVERSITY, EQUITY, AND INCLUSION REPORT at 10, *supra* note 3.

⁸ Id.

that — no matter how well-intentioned — quotas and employment practices aimed to achieve racial or other "balancing" are strictly prohibited.⁹

Hasbro's unlawful employment practices are also deeply harmful. Discrimination based on immutable characteristics such as race, color, ethnicity, or sex "generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely to ever be undone."¹⁰ More broadly, the discrimination highlighted in this case necessarily foments contention and resentment, it is "odious and destructive."¹¹ It truly "is a sordid business, this divvying us up" by race, color, ethnicity, or sex.¹²

Thank you in advance for your consideration. Please feel free to contact me if you have any questions.

Sincerely,

<u>/s Ian D. Prior</u> Senior Advisor America First Legal Foundation

Cc: The Honorable Charlotte A. Burrows, Commission Chair The Honorable Jocelyn Samuels, Commission Vice Chair The Honorable Keith E. Sonderling, Commissioner The Honorable Andrea R. Lucas, Commissioner The Honorable Kalpana Kotagal, Commissioner

⁹ Students for Fair Admissions, Inc., v. President & Fellows of Harvard Coll., 600 U.S. 181 (2023); Bostock v. Clayton County, Georgia, 140 S. Ct. 1731 (2020); see also Johnson v. Transp. Agency, 480 U.S. 616, 621, 632 (1987); United Steelworkers of America v. Weber, 443 U.S. 193, 208 (1979).

¹⁰ Brown v. Bd. of Education, 347 U.S. 484, 494 (1954).

¹¹ Texas v. Johnson, 491 U.S. 397, 418 (1989).

¹² League of United Latin Am. Citizens v. Perry, 548 U.S. 399, 511 (2006) (Roberts, C.J., concurring in part).

Our Commitment is Solid

Five years ago, we set public-facing priorities and goals to drive a more diverse and inclusive leadership team, workforce and culture.

Our Priorities Include:

1

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Fostering a culture of inclusion where all employees are welcome and empowered to be themselves and make their most significant contribution, unified in the shared joy of storytelling and play

2 Building a diverse workforce that reflects the consumers and communities we serve

Supporting employees in our workplace, including women, with an ongoing commitment to gender balance in leadership positions and pay equity

We employ many strategies to help us achieve our goals. Outlined in this report, you will see how we acquire and retain diverse talent, how we offer tools to help employees mitigate bias in the workplace and how we create products and content that are inclusive and diverse by design. We're proud of our progress to date and continue to drive toward the following goals:

GROW WOMEN IN LEADERSHIP ROLES* GLOBALLY ACROSS ALL BUSINESS AREAS TO 50% BY 2025.

2017 Baseline 2021 Progress



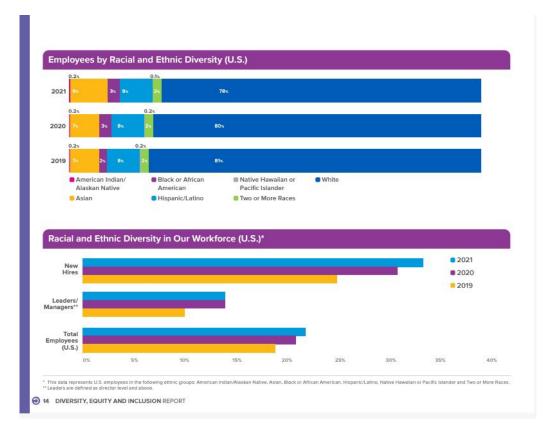
GROW RACIALLY AND ETHNICALLY DIVERSE EMPLOYEE REPRESENTATION IN THE U.S. TO 25% BY 2025.

2017 Baseline 2021 Progress



We are on track to meet our 2025 objectives, but the work is ongoing. We have established a cross-functional team led by our Senior Vice President of Diversity, Equity and Inclusion and Multicultural Strategy to identify the next phase of goal-setting for 2030. As part of this effort, we are exploring additional KPIs such as gender identity, sexual orientation and regionally-specific demographics.

* Leaders are defined as director level and above.



S DIVERSITY, EQUITY AND INCLUSION REPORT

	2018	2019	2020	2021	2022
Diversity, Equity and Inclusion				_	
Women in Our Workforce (Global)					
> Female Employees	55%	55%	54%	55%	53%
> Female Leaders/Managers ³⁴	41%	42%	43%	46%	45%
> Female Executive Leadership	-	-	2 (18%)	3 (30%)	4 (44%)
> U.S. Female Employees	55%	53%	52%	52%	50%
> U.S. Female Leaders/Managers ³⁴	41%	42%	41%	43%	44%
Racial and Ethnic Diversity in Our Workforce (U.S.)					
> Racially/Ethnically Diverse Employees	18%	19%	21%	22%	22%
> Racially/Ethnically Diverse Leaders/Managers	10%	10%	14%	14%	15%
> Racially/Ethnically Diverse New Hires	26%	25%	31%	34%	31%
Employees by Ethnic Group (U.S.)					
> American Indian/Alaskan	0.2%	0.2%	0.2%	0.2%	0.2%
> Asian	7%	7%	7%	8%	8%
> Black or African American	2%	2%	3%	3%	3%
> Hispanic/Latino	8%	8%	8%	8%	8%
> Native Hawaiian or Pacific Islander	0.2%	0.2%	0.2%	0.1%	0%
> Two or More Races	1%	2%	2%	2%	3%
> White	82%	81%	80%	78%	78%
Diversity by Employment Type (Global) ³⁵					
otal Number Non-Contingent Employees	-	-	6,402	6,239	6,300
> % Total Non-Contingent Employees – Female	-	-	54%	54%	52%
> % Total Non-Contingent Employees – Minority (U.S. only)	-	-	21%	22%	22%

We pride ourselves on our inclusive culture where current and prospective employees see Hasbro as a great place to work. For the past several years, Hasbro has been recognized as one of America's top corporations for LGBTQ+ workplace equality by earning a high score on the Human Rights Campaign (HRC) Corporate Equality Index Survey. The HRC is America's largest civil rights organization working to achieve LGBTQ+ equality. The HRC Corporate Equality Index (CEI) is the national benchmark for LGBTQ+-related policies and practices in America's top corporations. Hasbro is a five-time perfect score recipient of 100 points on the HRC Index. We have received continuous recognition for our sexual orientation and gender identity workforce protections across all operations and our inclusive benefits and culture.

expansive. By implementing these and other strategies, we have seen an increase in hiring rates of racially and ethnically diverse employees from 25% in 2017 to 34% in 2021 in the U.S. For our internship program, we are proud to report that the talented group of individuals who joined team Hasbro in the summer 2022 were both 50% gender and racially diverse.

eOne and Black Young Professionals Network Partnership

In 2022, the team at eOne joined BYP (Black Young Professionals Network), an organization that empowers Black professionals around the world to connect with each other and global corporations. Founded in 2016 and based in the UK, the BYP Network was created to harness the power of the Black community. We are thrilled to support the incredible work the BYP Network does to (1) present Black professionals with the best career opportunities, (2) improve Black role model visibility and (3) work with a network of corporations to reduce bias in their hiring processes. One of the key drivers for joining the BYP Network was to strengthen eOne's position as an inclusive organization that champions Black talent and works proactively to address issues of underrepresentation within our industry.