

December 19, 2023

Christine Park-Gonzalez, Director Anna Park, Regional Attorney Equal Employment Opportunity Commission Los Angeles District Office Roybal Federal Building 255 East Temple St., 4th Floor Los Angeles, CA 90012

Re: Request for Investigation of Mattel, Inc.

Dear Director Park-Gonzales:

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 Mattel, Inc. ("Mattel") 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

Mattel is a publicly traded corporation under your jurisdiction, having its headquarters at 333 Continental Blvd., El Segundo, California. Title VII of the Civil Rights Act of 1964 prohibits Mattel from discriminating against an employee or an applicant for employment because of sex or ethnicity; 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 sex or ethnicity; or to discriminate against any individual because of his sex or ethnicity in admission to, or employment in, any program established to provide apprenticeship or other training.

However, Mattel openly acknowledges—even touts—the fact that it discriminates on the basis of sex and ethnicity in its recruitment, hiring, and employee retention programs.

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).

I. Evidence of Unlawful Employment Practices

Mattel acknowledges on its website and in corporate documents that it is using unlawful "diversity, equity, and inclusion" practices in its employment practices. Specifically, the "Diversity, Equity, & Inclusion Goals" section on Mattel's website explicitly states that it is trying to increase "representation of women" and "representation by ethnicity" at all levels of the company.²

Further demonstrating that Mattel is working to achieve those goals through unlawful discriminatory practices, it presents the year-over-year difference from 2020 to 2021 in representation of women and "ethnically diverse employees," and Mattel highlights how it is making "progress on those goals" in its most recent Form 10-K filing with the SEC. More specifically, Mattel demonstrates its quotaconsciousness in the 10-K by highlighting that it now has women comprising 58% of Mattel's global workforce and 47% of all management positions. It further highlights that it has increased "ethnically diverse employees at all levels of the organization in the United States to 44%." 5

Likewise, in its 2022 Citizenship Report, Mattel states that it "continued to make progress on its DE&I initiatives during 2022" and goes on to present year-over-year statistics from 2020, 2021, and 2022 tracking its progress in the hiring and advancement of employees based on their sex-based or ethnicity-based status.⁶

II. The Commission Should Investigate Mattel

Mattel's "Diversity, Equity & Inclusion" hiring and promotion practices facially violate 42 U.S.C. § 2000e-2(a)(2), which prohibits hiring practices that limit, segregate, or classify applicants for employment because of race, color, sex, or national origin in violation of 42 U.S.C. § 2000e-2(a)(2). Decades of case law have held that — no matter how well-intentioned — quotas and employment practices aimed to achieve such "balancing" are strictly prohibited. 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).

² Diversity, Equity & Inclusion Goals, MATTEL, https://tinyurl.com/36m5d2a4 (last visited December 5, 2023).

 $^{^3}$ Id.

⁴ Mattel, Inc., Annual Report 10 (Form 10-K) (Dec. 31, 2022) (available at https://tinyurl.com/2s3cjyzj).

⁵ Id.

⁶ MATTEL, INC. PURPOSEFUL PLAY, MATTEL INC. 2022 CITIZENSHIP REPORT, at 24-25 (Sept. 21, 2023) (available at https://tinyurl.com/2v4dex93) (last visited December 5, 2023).

Mattel's unlawful employment practices are also deeply harmful. More than fifty years ago, the Supreme Court made it clear that Title VII prohibits such balancing. Job qualifications are the only permissible "controlling factor"; "race, religion, nationality, and sex" must be "irrelevant." Discrimination based on immutable characteristics such as race, color, national origin, 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." More broadly, the discrimination highlighted in this case necessarily foments contention and resentment, it is "odious and destructive." It truly "is a sordid business, this divvying us up" by race, color, national origin, ethnicity or sex. 10

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

Sincerely,

/s/ Ian D. Prior 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

⁷ Griggs v. Duke Power Co., 401 U.S. 424, 436 (1971).

⁸ Brown v. Bd. of Education, 347 U.S. 484, 494 (1954).

⁹ Texas v. Johnson, 491 U.S. 397, 418 (1989).

¹⁰ League of United Latin Am. Citizens v. Perry, 548 U.S. 399, 511 (2006) (Roberts, C.J., concurring in part).

APPENDIX



Brand Portfolio Citizenship V Careers V

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Diversity, Equity & Inclusion Goals

Mattel is committed to fostering a culture where all employees have the opportunity to realize their full potential. Through our DE&I goals, we are cultivating a work environment that promotes equality, inclusion and empowerment.

Increase representation of women at all levels of the organization.

Representation of Women by Level (GRI 405-1)	2020	20211
Total Representation of Women ²	56%	58%
Executive Vice President	33%	33%
Senior Vice President	29%	26%
Vice President	24%	29%
Senior Director / Director	43%	45%
Senior Manager / Manager	48%	47%
Associate Manager / Supervisor	52%	52%
Professional / Staff	54%	56%
Women Board Members	30%	40%

Increase representation by ethnicity at all levels of the organization

presentation of Ethnicity by Level (GRI 405-1)	2020	2021
Total Representation of Ethnically Diverse Employees ²	42%	44%
Executive Vice President	11%	8%
Senior Vice President	19%	14%
Vice President	16%	22%
Senior Director / Director	27%	26%
Senior Manager / Manager	35%	38%
Associate Manager / Supervisor	31%	34%
Professional / Staff	38%	45%
Representation of Ethnically Diverse Board Members	30%	30%

Diversity, Equity, & Inclusion (DE&I)

Mattel is at its best when every member of our team feels respected, included, and heard. We are committed to fostering a culture where all employees can reach their full potential. By pursuing our goals on pay equity and increased workforce representation, we are cultivating an environment that promotes equality, inclusion, and empowerment.

Mattel continued to make progress on its DE&I initiatives during 2022.

Progress Toward Goals

- Maintained 100% base pay equity in 2022 for similar work performed in similar markets by gender globally and by ethnicity in the U.S.⁵⁰
- Continued to achieve a high level of representation for women, who comprised 57% of the global non-manufacturing workforce and 50% of manager and senior manager positions in 2022.⁵⁰
- Continued to achieve a high level of representation for ethnically diverse employees, who made up 45% of U.S. employees in 2022.⁵⁰
- · Recognized in 2022 for creating an outstanding workplace culture by:
 - + Forbes: World's Best Employers
 - + Forbes: World's Top Female-Friendly Companies
 - + 50/50 Women on Boards: Greater than 30% women on our Board
 - + Fast Company: 100 Best Workplaces for Innovators
 - + Great Place to Work® Certified®
 - + Human Rights Campaign Foundation: Best Places to Work for LGBTQ+ Equality
 - + Seramount: 100 Best Companies
 - + Newsweek: Most Trustworthy Companies in America
 - + Healthiest Employers: Healthiest 100 Workplaces in America
- Achieved 93% participation in the 2022 Global Pulse Survey, which invites employees to provide feedback on their experience of working at Mattel.
- Increased Global Pulse Survey measurement of diversity, equity & inclusion at Mattel to 82 in 2022 from 80 in 2021.
- Continued to increase employee engagement and satisfaction with all Global Pulse Survey scores remaining above industry benchmarks.⁶¹

Highlights on Progress

Goal	Base Pay Equity	2020	2021	2022
Achieve and maintain 100% pay equity for all employees performing similar work with comparable roles and experience in similar markets in 2022	Pay Ratio by Gender	100% ⁵²	100%53	100%53
	Pay Ratio by Ethnicity ⁶²	100%	100%	100%
Goal	Representation of Women	2020	2021	2022
Increase representation of women at all levels of the organization	Total Representation of Women ⁵³	56%	58%	57%
Goal	Representation by Ethnicity	2020	2021	2022
Increase representation by ethnicity at all levels of the organization	Total Representation by Ethnicity ⁶²	42%	44%	45%

Table covers employees, excluding manufacturing labor and temporary and seasonal employees. All figures set forth in the table above are as of December 31. Please see GRI Supplemental Data Appendix for further details.



Our Workforce in 2022

24,354⁶ manufacturing labor employees

45% employees are ethnically diverse 8,658⁷ non-manufacturing

labor employees

100% global base pay equity

35

countries in which we operate

40% of our Board members are women

57%

of employees are women

48%

of our managers and above are women



