Reduce the environmental impacts of our products

Achieve \$25 MILLION in sales of products that incorporate an environmental enhancement gained through innovation.

An environmental enhancement includes at least one of the following:

- ∑ 5% reduction by weight of the finished product.
- Substitute an existing product or packaging material with an alternative which has improved sustainable credentials (e.g. sustainably certified, recycled or from a renewable resource).
- Manufactured using at least 25% renewable energy (in excess of the mandatory renewable energy mix imposed by regulations).
- A change that enables all or a portion of the product to be recycled.

Improve our packaging material efficiency by *5*% by 2015.



- Material efficiency is calculated as the percentage change in packaging material savings generated from both primary and secondary packaging against a baseline year of 2011 packaging material spend.
 - * Primary packaging includes the packaging which the item sold is contained and is the packaging seen by consumers. Secondary packaging includes the packaging associated with shipping and transport of the product to retailers.

Increase the amount of recycled and sustainably-sourced paper and wood fiber in our packaging to 85% by 2015 as defined by our sustainability sourcing principles.

- Mattel sources 100% of its fiber from non-controversial sources as defined in our sustainability sourcing principles.
 - * Refer to our Sustainability Sourcing Principles for more information.

3 Decrease our Carbon Emissions

Reduce our normalized carbon emissions by 40% by 2015 and 50% by 2020.

- Q Carbon emissions includes scope 1&2 GHG emissions calculated in accordance with the GHG Protocol.
 - * Emission reductions calculated from owned and operated facilities including manufacturing, distribution and corporate locations over 20,000 square feet and normalized to sales over a 2008 baseline.

Create *opportunities* to engage employees and communities in which we operate about their role in *protecting* our environment.



Employee Engagement:

- The number of employees that participated in an environmental activity held by Mattel per year.
- The hours volunteered for environmental projects for the year.
- Number of locations that have a SEEDS (Sustainability for Employee Engagement & Development) or Green Team.

Community Engagement:

Number of local partnerships or activities where Mattel is supporting environmental awareness among children and families.









^{*} The sales target is cumulative and includes any enhancement of a product/ package from January 1, 2012.