



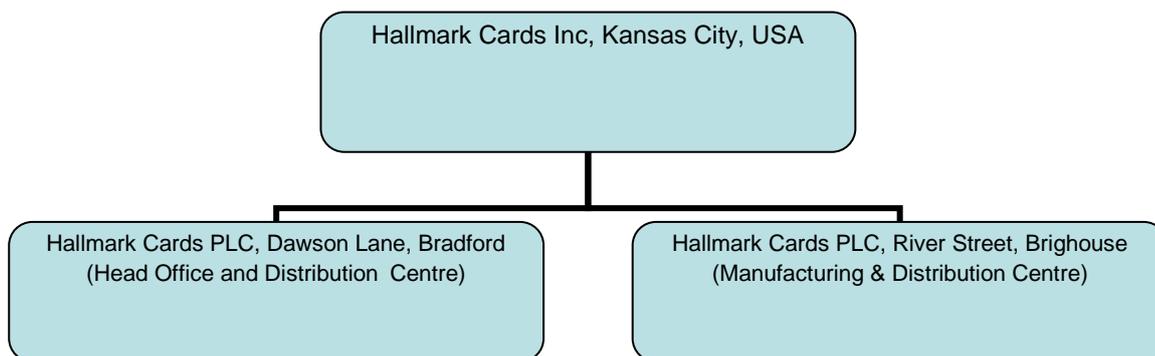
## Hallmark Cards PLC Modern Slavery and Human Trafficking Statement 2018/19

### Introduction

Hallmark Cards PLC is a market leader in the greetings product industry. For over 100 years innovation, creativity and great craftsmanship has been at the heart of everything we do. As a company we are passionate that each and every one of our products leaves its mark time after time; and that we maintain our careful stewardship of the environment we work in from both a human and material perspective.

This is Hallmark's annual modern slavery and human trafficking statement. Its aim is to detail the ongoing commitment we have to ensuring that modern slavery and human trafficking is not taking place in our business and supply chains; and details the work we have carried out since our last statement to meet this commitment.

### Hallmark Cards PLC (UK) Organisational Structure



### How we manage the risk of modern slavery

#### **Policies and Procedural Controls**

Hallmark's Anti-Slavery and Trafficking Policy is used to set out our stance with respect to the prevention of modern slavery and in particular:

- The expectations that it has of its employees, the third parties with which it contracts (e.g. for the supply of labour, goods and services) and those operating within Hallmark's wider supply chain;
- The commitments that Hallmark itself makes to ensure that modern slavery is not taking place within the organisation or its supply chains.

This policy is reviewed at least annually and communicated to internal employees via our internal website; and is also available in the public domain via [hallmark.co.uk](http://hallmark.co.uk).

Furthermore Hallmark has its Ethical Policy which outlines Hallmarks ethical code of compliance and expected ethical performance; and the employee Whistleblowing Policy.

The Anti-Slavery and Trafficking Policy, Ethical Policy and Whistleblowing Policy all include reference to how employees or interested parties can report any issues or concerns. This includes



reference to 'The Network'. Anyone may call The Network and report any concerns. Callers can remain anonymous if preferred. The Network is an organisation, independent of Hallmark, who help businesses deter unethical and illegal acts, including business conduct violations. The Networks toll free (US) number operates 24 hours a day, seven days a week on 1-800-241-5689.

Hallmark contracts with suppliers for goods and services include the requirement that they must be compliant with Modern Day Slavery legislation within their own companies.

### **Recruitment Practices**

Recruitment of colleagues at Hallmark is professionally managed with clear processes and standards from sourcing to on-boarding. Excellent recruitment practices are in place and a recruitment policy is actively used and updated for relevance.

Effective HR systems are in place to manage Right to Work checks.

All colleagues receive employment contracts and salary payments are paid into a bank account that is held in the colleagues own name.

### **Agency Colleagues**

Our use of agency labour services is proactively managed ensuring compliance with recognised standards and ensuring that risks are assess and mitigated. There is a continual drive to improve the working loves of our agency workers. Our agency labour provider is Gangmaster & Labour Abuse Authority licensed.

- Recruitment processes are objective and free from discrimination.
- Robust right to work checks and process is in place.
- All agency colleagues have an employment contract, which is compliant with Agency Worker regulations.
- All agency colleagues receive an induction to Hallmark and H&S specific training.
- All agency colleagues are informed about the Modern Day Slavery Act and receive information relating to Modern day Slavery as part of their Hallmark induction. Additionally, Stronger Together posters are on display around our sites in various languages. These posters contain information on how to report any concerns regarding Modern Day Slavery.
- Agency colleagues rates of pay are integrated into the company pay structure to ensure a fair pay rate for all.



### **Due diligence activities around the risk of supply chain slavery**

Hallmark is a member of the Supplier Ethical Data Exchange (SEDEX) and has annual ethical trade audits (SMETA) within its own facility.

We encourage our suppliers to be SEDEX members and to carry out annual semi-announced ethical trade audits. The use of ethical trade audits assists Hallmark in mitigating the risk of modern day slavery within our supply chain.

We work with strategic suppliers to understand what level of ethical audits are taking place within their facility, and would draw on our own internal Supplier Code of Compliance teams to carry out internal supplier audits and progress suppliers to meet our internal Code of Conduct.

### **Training**

Hallmark recognises the benefits of training and development in the workplace.

All new employees receive an induction to the business. Modern Day Slavery and Human Trafficking is included as part of this induction.

Learning and development initiatives are on offer throughout the year and are communicated to colleagues via our internal intranet system.

Health & safety training is available for all employees, and compulsory activity specific Health & Safety training is given to colleagues identified as working in higher risk operational areas.

### **Engaging Colleagues**

Open communication channels is vitally important to the success of our business. We carry out an annual engagement survey with colleagues – the results of which are published internally and reviewed by our leaders, their teams and employee engagement champions.

A colleague representative group is in place to support communication and engagement. Colleagues from across all business areas are represented to support communication and engagement.

Health & Wellbeing initiatives are featured heavily and promoted via our internal intranet site. A key focus is mental wellbeing and a mental Wellness program has been launched with the clear goal of removing the stigma around mental health. A full calendar of activities has been planned including guest speakers.

Robust HR policies underpin all activities.



### **What have we done since our last statement:-**

- Continued our focus on monitoring and managing our supply partners. We continue to work with our supply partners to ensure they are meeting our ethical trade requirements. This includes membership to Sedex, maintenance of their Self-Assessment Questionnaires via Sedex and participation in annual ethical audits. These audits are monitored and graded and we continually work with suppliers to ensure they are closing out any non-conformances and are working to continually improve their operations.
- Increased focus of transparency within our supply chain; specifically in areas where the product has been identified as higher risk. We appreciate the requirement to improve visibility within our supply chain and have raised this as an area of focus.
- In 2018 the HR Team delivered training on handling Disciplinary and Grievance within the workplace. This also covered how to deal with colleague communications and complaints.

### **2019 Global Product Integrity Supplier Summit -**

Annually we organise a Global Product Integrity Supplier Summit, which is held in China.

Supply Partners, audit bodies and interested parties from across the Far East attend this summit. The aim of the summit is to provide an opportunity for our supply partners to come together and learn and share; and is an invaluable tool for Hallmark to cohesively communicate areas of focus to its supply base.

The 2019 Global Product Integrity Supplier Summit message was Beyond Compliance. Supply Partners who had started working on projects with the aim of going beyond standard compliance requirements provided information on how they had introduced these activities and the benefits they had seen from the introduction of beyond compliance projects such as those detailed briefly below -

- ❖ Family Friendly Spaces via the ICTI Ethical Toy Program - Family-Friendly Spaces (FFS) has reunited domestic migrant workers with their left-behind children by creating safe, secure and well-equipped spaces at factories for children to learn and play while their parents work. The program has helped to increase worker satisfaction and demonstrate factories' commitment to social compliance.
- ❖ BSR™ HER project – BSR is a global non-profit organization. The mission of the HER Project is to unlock the full potential of women working in global supply chains through workplace-based interventions on health, financial inclusion, and gender equality; with the aim to increase well-being, confidence and economic potential.



### **Our ongoing commitment**

Hallmark will continue to raise awareness both internally; and with its supply partners to ensure the risks of Modern Day Slavery are recognised, managed and mitigated.

Signed by John Franey, Supply Chain Director

August 2019