



**HALLMARK CARDS**  
GENDER PAY GAP REPORT  
**2018**



IT'S THE LITTLE THINGS!  
THIS IS HOW WE'LL LEAVE OUR MARK



## DIVERSITY AND INCLUSION



**At Hallmark we pride ourselves on our people;** we always consider the individual and never take a one size fits all approach. Diversity and Inclusion is really important to us and we work hard to create an environment where everyone can flourish regardless of background, race, age, sex, gender, marital status, sexual orientation, religion or disability.

In addition we make sure we are aware of our legal responsibilities, particularly in regard to recruitment and disciplinary procedures. To make sure we give the right training and support to anyone making decisions where equal opportunity considerations are likely to arise.



# CREATIVITY

## IT'S IN OUR BLOOD

and we know that the best ideas flourish in a diverse environment.

**Our approach to diversity embraces the following:**

**We aim to foster an environment in which individual differences and contributions are recognised and valued.**

**We offer a working environment that promotes dignity and respect to everyone.**

**We generate opportunities where training, development and progression is available for those that want it.**

**We recruit, develop and retain the best people, recognising and realising potential along the way.**

**We work hard in developing our colleague and customer base in a way that reflects the different communities in which Hallmark operates.**

## UNDERSTANDING THE PAY GAP

The mandatory gender pay gap reporting regulations, as defined in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (“the Regulations”), require all companies with 250 or more employees on 5 April 2018 to publish details of their gender pay and bonus gap.

### What is the gender pay gap?

The Gender Pay Gap is the difference in the *average* pay and bonus of all men and all women across an organisation, expressed as a percentage of men’s earnings.

The gap is reported as a mean average and a median average (mid-point) figure and is calculated from individuals hourly rates as at April 2018.

It is important to note that the gender pay gap covered here, is different from an equal pay comparison. Equal pay means that men and women performing equal work should generally receive the same pay.

### MEAN AVERAGE



Add the male hourly rates and divide by the total number of male employees

Vs



Add the female hourly rates and divide by the total number of female employees

### MEDIAN MID POINT

Line up everyone in order from the lowest to the highest hourly rate and the Median is the middle number



Lowest Paid



The Median (mid point)



Highest Paid

## UK RESULTS

Hallmark continues to have a small number of International roles, which given their broad remit, are compensated for appropriately. These roles continue to have an impact on our median hourly pay gaps as at the time of reporting they were filled by men.



While we review our resourcing and reward strategies in the coming months we will engage with Hallmarkers throughout our business. We will be speaking to our colleague forum representatives to help us continue to make the right choices and strategic decisions. We will continue to make Hallmark a great place to work, and attractive to potential new Hallmarkers by continuing our drive to be an inclusive and diverse employer.

The demographic effect relates to the amount of the pay gap which is attributable to the difference in male / female representation across grades.

The non-demographic effect relates to the amount of the pay gap which is attributable to the difference in pay between men and women within each grade in our business.

OVERALL GAP	<b>33.8%</b>
DEMOGRAPHIC GAP	<b>30.0%</b>
NON-DEMOGRAPHIC GAP	<b>3.8%</b>

### INCUMBENTS IN SENIOR ROLES

		
January 2018	<b>50%</b>	<b>50%</b>
January 2017	<b>59%</b>	<b>41%</b>
January 2016	<b>66.7%</b>	<b>33.3%</b>
January 2015	<b>69.2%</b>	<b>30.8%</b>

(using data from top two grades within our business Jan 2015 to Jan 2017)

## UK RESULTS

### Interpreting our Pay Gap

It is important for us at Hallmark that we look for opportunities to support the career and personal development of all Hallmarkers, and continue to create an environment and culture that supports diversity in the workplace.

Historically, in many organisations there has been a challenge to strike a demographic balance at senior levels in organisations and Hallmark has been no different. Therefore, it's pleasing to be able to show a trend of moving to a more balanced senior team.

That said, the main reason for the gender pay gap is an imbalance in the distribution of male and female colleagues across the company, not because of our pay policies and practices.

At Hallmark we continue to offer and promote our approach to flexible working and working flexibly. What we find is that we have a high proportion of women in our lower quartile roles and our field merchandising population, which are roles that can really embrace our working flexibly best practices.

### HOURLY PAY GAP

MEAN HOURLY PAY GAP **33.8% (+0.4%)**

MEDIAN HOURLY PAY GAP **26.6% (-5.9%)**

### HOURLY PAY QUANTILES

UPPER (HIGHEST PAID) **32.1%** **67.9%**

UPPER MIDDLE **12.3%** **87.7%**

LOWER MIDDLE **8.1%** **91.9%**

LOWER (LOWEST PAID) **7.9%** **92.1%**

Our quartiles are created by ranking all employees by hourly rates of pay from lowest to highest and dividing them into 4 equal groups. We then express the proportion of males and females in each group as a percentage.



## UK RESULTS

### Bonus Pay Gap Analysis

At Hallmark, bonus remains predominantly a percentage payment linked to salary and the amount therefore increases as colleagues become more senior. It continues to be worth noting that incentives not attributed to our annual scheme are included in our calculations. These may be things like one off incentive payments.

We have seen some changes in the past 12 months and this year have looked into the demographic effects on our bonus figures.

Our non-demographic bonus gap shows the differences between men and women in the same grade and marginally contributes to the overall mean bonus gap.

The bonus gap calculations, as set out in the regulations, do not make a provision to adjust for part-time working and many of our Hallmarkers choose to take advantage of our hugely popular approach to flexible working. This means that our mean bonus pay gap largely reflects the challenges in representing this figure appropriately, due to a high number of female part-time workers.

As before, the Median bonus pay gap is derived by lining up all the Hallmarkers who received any form of bonus from the most to the least, then taking the middle Hallmarker in the line. The gap is then expressed as a % of men's earnings.

### BONUS PAY GAP

MEAN BONUS PAY GAP **55.3%**

MEDIAN BONUS PAY GAP **-3598%**

### PROPORTION OF EMPLOYEES WHO RECEIVED BONUS PAY



**48.7%**



**14.6%**

MEAN BONUS GAP **55.3%**

DEMOGRAPHIC BONUS GAP **45.7%**

NON-DEMOGRAPHIC BONUS GAP **9.6%**

## OUR TALENT

**Faraha Kahn**  
**Finance Manager**

I joined Hallmark at the end of 2016 as a Finance Analyst working flexibly, which enabled me to fit work around studying for my accounting qualification.

The flexibility at Hallmark has enabled me to get involved in a variety of external events and expand my knowledge. Last year I attended the 'Be Inspired' conference which offers women working in retail a unique opportunity to come together, network, learn, find inspiration and discover how to reach their career goals. Alongside the opportunity to attend these inspirational events, I have access to role models across the business through the Hallmark mentor programme.

The tremendous support and flexibility I have received from Hallmark has allowed me to develop and learn. I am thrilled that all my hard work has led to me recently accepting a management position at Hallmark within the International financial shared service centre.

*"The tremendous support and flexibility I have received from Hallmark has allowed me to develop and learn."*



## OUR TALENT

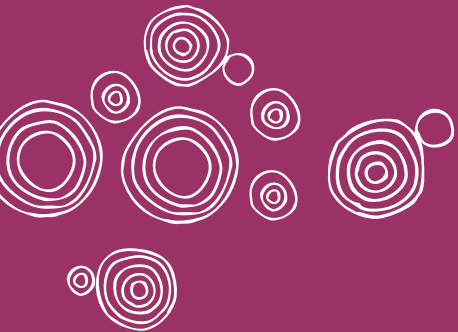
### **Leona Bamford** **Head of Business Partnering (Finance)**

Since starting with Hallmark in 2012, I have been fortunate enough to take on a variety of roles. Working in finance at Hallmark you get the opportunity to understand and work on projects across the whole value chain. The business is continually evolving, providing lots of opportunity to support major initiatives and have a tangible impact. The breadth of experience I have gained here has been invaluable in my career progression and personal development.

In 2017 I took some time out after having my daughter; Ada. I knew that returning to work would be challenging, trying to balance a demanding role and do the best for my daughter. I love being a Mum but it's also important to me to continue to progress my career and hopefully be a strong role model for her. I do a 9 day fortnight and take every other Friday out of the business. My husband has a similar arrangement with his workplace taking the alternate Friday to myself so that our daughter has an extra day a week with her Mum or Dad. This doesn't always work perfectly, there are times when activity in the business means I need to flex on this arrangement but having this day in the diary means that I get to have some regular quality time with my girl, whilst still balancing the requirements of my job.

Recently I have taken on a more senior position within finance; leading the UK Finance business partnering team. This is an exciting opportunity and not one I was expecting so soon after returning to work. I have found at Hallmark that gender or being a working parent is not a factor in progression. There are several women in finance in senior roles and likewise in more junior roles adding real value to the business on an equal footing to male counterparts, making Hallmark a great place to progress your career and a great culture to work in.

*“The breadth of experience I have gained here has been invaluable in my career progression and personal development.”*





## OUR TALENT

### **Keeley Cromwell**

#### **Head of Business Partnering (HR)**

I began my career at Hallmark just over a year ago. The number one attraction for me was the company's approach to flexible working. I have a young family and wanted to make a move that not only helped me maintain a fulfilling career but that truly allowed me to find the elusive balance between work and my family.

Often company websites and policies can 'talk a good talk' but the reality can be very different. I'm really pleased to say that I have found the opposite working at Hallmark. I was offered a part time role in a senior position, working alongside peers who also work in flexible ways and my working arrangements have never felt like a barrier to my delivery or my progression.

Subsequently I have also been able to undertake the option to regularly work remotely – cutting down on the time I take to commute to the office. This enables me to turn some fairly long commuting hours into far more productive time and also means once I close my laptop I'm home and ready to spend time with my family without battling the traffic at the end of the day!

As a working parent I've always been passionate about flexible working, so it's fantastic to be part of an organisation that shares that passion and recognises the benefits (personally and commercially) that a committed, flexible workforce can bring.

*“As a working parent I've always been passionate about flexible working, so it's fantastic to be part of an organisation that shares that passion and recognises the benefits.”*



## OUR TALENT

**Matthew Tillie**  
**Head of Field Merchandising**

I have worked at Hallmark for almost 19 years in a variety of roles, each offering new and different opportunities and challenges. I have recently taken on the role of Head of Field Merchandising UK and Ireland. Before that most of my career to date has been within operational roles, starting within manufacturing and then moving into logistics. I would definitely define myself as a "Hallmarker" and genuinely enjoy my role and the people I work with.

Hallmark has always provided me with flexibility in the workplace. As a single father with a young daughter, flexibility has been essential in balancing my role at Hallmark with school drop off, pick up, dance classes (not for me), brownies and countless other activities. As I moved into a more field-based role I was able to agree to changes in expectations to ensure I was able to maintain the balance.

It is fantastic to be part of a business that champions a work life balance across all departments and roles.

*The people of Hallmark are our company's most valuable resource. Each and every one of us is here to make a difference & enhance a moment, sharing the pride in the difference that our cards can make.*



*"It is fantastic to be part of a business that champions a work life balance across all departments and roles."*





## OUR PLANS

We know there is always more we can do to strengthen our position and these gender pay insights provide us with a valuable resource to help our focus.



### ACTION TAKEN

#### DEVELOPING NETWORKS

We run regular coffee-sessions for parents heading off on, or returning from maternity leave – not only understanding needs and addressing concerns, but also encouraging sharing of what works well when supporting people navigating through maternity leave and the return to work. This encourages a support network for new parents and helps them understand the variety of options and support available to them throughout their leave and beyond.



#### FOCUS ON DEVELOPING OUR TALENT

We have introduced a programme to enable all people leaders to excel – regardless of gender. The development programme focuses on helping line managers coach and develop their teams to reach their full potential. All colleagues with line management responsibility are automatically invited to attend.

We also have refreshed the way we manage our talent here at a Hallmark, with a consistent way of measuring current performance alongside future potential. This way we can identify our future leaders and help nurture them in a way that is meaningful to them – regardless of gender, working hours, personal circumstances or grade.

#### SUPPORTING INITIATIVES

Throughout 2018 we were proud to support Women in Leadership which was launched in 2018 by Leeds Beckett University for female students with an interest in leadership. Hallmark supported a speed networking session and provided a mentor for aspiring women leaders. We look forward to continuing to support the programme during 2019. We also continue to be active members of the government led Working Forward initiative – seeking to understand external trends, themes and best practise relating to supporting parents in the workplace.

### FUTURE FOCUS

#### TARGETED SUPPORT AND MENTORING

We are exploring potential solutions to provide coaching and mentoring to future talent – including returning parents and their line managers, to help them transition back into the workplace and maximise their strengths and potential. Our existing mentoring scheme will act as a conduit for identifying suitable mentor partnerships. We are also developing a coaching culture to ensure that all line managers have a clear understanding of their team members' aspirations and development goals and can work with individuals to achieve these.

#### ATTRACTION & REWARDING TALENT

Here at Hallmark we pride ourselves on our creativity, strong relationships and flexible approach – we seek to bring this to life in all areas, particularly when attracting and rewarding our talent. Moving forwards, we are committed to developing our approach to attracting and rewarding all of our talent. Understanding what is important to them and providing a flexible offering which meets these needs.

#### SHARING BEST PRACTISE

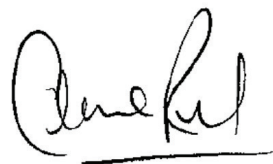
We will continue to build on our internal parenthood networks, as well as creating centralised resources for both parents and line managers, to ensure that we learn from and emulate the best possible support, whilst maintaining a focus on tailored and individualised solutions. Easy to access information for individuals and line managers, along with streamlined processes, will make it easier for meaningful communication around leave, returning and flexible working requests for all.

By continuing to review our data, talk to our fellow Hallmarkers, monitor trends and eliminate any unconscious bias in our reward and resourcing strategies. We continue to strive to make Hallmark an attractive and compelling place to make a career whatever someone's background, whilst improving our gender pay gap.

This year we have also appointed our first female Managing Director, Amanda Del Prete and new female International CEO, Cindy Mahoney (based in our Kansas City Head Office).

The shared commitment of the Senior Leadership Team is to create a culture and environment where we can all succeed.

As HR Director for Hallmark UK & Ireland, I, Claire Reid, can confirm that the information contained herein is accurate.



**Claire Reid**  
HR Director - UK & Ireland

If you have any queries regarding anything contained in this report, please contact [connected@hallmark-uk.com](mailto:connected@hallmark-uk.com)

