

HALLMARK CARDS
GENDER PAY GAP REPORT

2021



Hallmark

GENDER PAY REPORT

Here at Hallmark our vision is to be the company that creates a more emotionally connected world by making a genuine difference in every life, every day, and during the course of 2021 our vision continued to keep us focussed on what is important. As the global pandemic and local lockdown restrictions continued to keep us apart from family and friends we looked for more ways to connect with those who we couldn't be with as well as helping our consumers to use our products to do the same.

Our Hallmarkers continued to work hard to bring new and innovate ways to bring people together to mark their meaningful moments with the launch of video greetings and our print on demand website, all made possible with the support and collaboration of our colleagues across the Hallmark Global business.

Working together despite the restrictions, we recognise that no matter wherever we are in the world we value each other and all our differences. We work hard to promote a culture of inclusivity, and our approach will continue to evolve as we learn from our Hallmarkers about what is important to them.

The following report contains our Gender Pay Gap information and shares some stories of our Hallmarkers who help shape our business.



UK results overview

This year we are delighted to report a marked reduction in our overall, demographic and non demographic gap.

The demographic gap is the % of the pay gap which is the amount of the gap attributable to the differences in the male and female representation across the grades.

The non-demographic gap is the amount of the gap that is due to differences in pay between grade.

We'll continue to review and evolve our people strategies; including initiatives relating to resourcing, development and reward. To do this, we'll continue to engage with Hallmarkers across our business to help us understand what is important to them, enabling us to keep on making Hallmark a great place to work.

OVERALL GAP 25.1% (-8.9%)

DEMOGRAPHIC GAP 22.5% (-7.0%)

NON DEMOGRAPHIC GAP 2.6% (-1.9%)

INCUMBENTS IN SENIOR ROLES	MALE	FEMALE
2021	42%	58%
2020	50%	50%
2019	50%	50%
2018	50%	50%
2017	59%	41%



Interpreting our pay gap

OUR PAY GAP

The reason for the gender pay gap at Hallmark remains the demographic of the Hallmark employee population and the distribution of male and female colleagues across the company, not because of our pay policies and practices.

The decrease in the gap this year has primarily been driven by demographic effect and which is brought about by an improvement in the representation of women at Hallmark in the last year. And, the improvement has also seen a positive impact of turnover, promotions and in role pay changes through the course of 2020.

OUR ONGOING EFFORTS...

We continue to seek to strike more of a balance across all pay quartiles, ensuring that both males and females are represented across all levels and this is clear in the movement in our pay quartiles.

We also remain committed to promoting opportunities where all Hallmarkers can develop both personally and within their careers. This includes initiatives such as mentoring and coaching programmes, leadership development programmes and curated online learning.

We are also continuing to see the benefits of our approach to flexible working making it accessible to all roles at all levels in the organisation wherever practical. This year, given the continuation of the global pandemic, we have even more insight into future possibilities and we are expanding our thinking about how when and where work is done, how we collaborate to ensure that we have working practices that all Hallmarkers can benefit from while continuing to advance our strategy.

HOURLY PAY GAP

MEAN HOURLY PAY GAP	25.1%	-8.9%
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MEDIAN HOURLY PAY GAP	17.7%	-4.0%
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HOURLY PAY QUANTILES

	MALE	FEMALE
UPPER	29.5%	70.5%
UPPER MIDDLE	15.3%	84.7%
LOWER MIDDLE	7.7%	92.3%
LOWER	9.3%	90.7%



Understanding the bonus gap

At Hallmark, bonus remains predominantly a percentage payment linked to salary.

However, in 2021 we also rewarded some colleagues who wouldn't traditionally participate in the bonus scheme using a different approach. As a result more employees in total received a bonus payment than in the previous year.

This, combined with the demographic effects, has had a significant impact on both the proportion of employees who received a bonus and the mean and median bonus gap.

BONUS GAP

MEAN BONUS GAP

1.4% (-56.9%)

MEDIAN BONUS GAP

0.0% (-32.2%)

PROPORTION OF EMPLOYEES WHO RECEIVED A BONUS

MALE

47.8%

FEMALE

19.1%

MEAN BONUS GAP

1.4%

DEMOGRAPHIC BONUS GAP

-17.2%

NON-DEMOGRAPHIC BONUS GAP

18.6%



How we're advancing our strategy - meet some of our talent

At the very heart of who we are and what we do are our amazing Hallmarkers. This has been another extraordinary year and our teams have responded in a truly exceptional way.

Even during a pandemic we have been innovating, changing, advancing our strategy and leading through change. Here are just a few of our team talking about their Hallmark experience...



Emma
Dickens

HEAD OF GROCERY



EMMA HAS PLAYED AN IMPORTANT
ROLE IN SHAPING OUR NEWS WAYS
OF WORKING AND HER PASSION,
HONESTY AND LEADERSHIP IS HELPING
US DRIVE FORWARD.



*Here's how Emma is
making her mark...*

I've worked in various customer-facing roles in Hallmark over the last few years and I love the variety and challenge my role brings, but until recently, it's fair to say that I was very much in my comfort zone and had some very fixed ideas about other areas of the business. When my Commercial Director approached me about being part of a working group looking at bringing in a totally new cross-functional way of working, I was initially quite sceptical, but I had a word with myself and decided to embrace having a key role in shaping the future of the business. I can honestly say that once I had embraced the idea of change, everything fell into place and I was totally engaged in the process.

Developing what the ways of working would look like and actually putting them into practice were two different things, though. When we actually formed our new team - the Grocery squad - many of us had never worked together before and all of us carried some kind of preconceptions about each other's areas. To overcome this, we had an in-person meeting early in the year where we simply shared

our feelings, our concerns and our 'baggage' about other departments. As the squad lead, I knew that if I could share my anxieties and vulnerabilities first, it would be so much easier for the rest of the team to do so, and this is what happened. This meeting was a true watershed moment, where we moved from being a group of colleagues to being a team which appreciated the expertise, and the challenges of each member. Losing that tension has meant that we are all able to focus on our common goals so much more effectively.

I know that we have a long way to go, and it's not all perfect, but I feel so excited to be part of such a great team and we're looking forward to achieving great things together!



*Kate
Van Spall*

HEAD OF CREATIVE



**KATE IS USING INSIGHT TO DRIVE
CREATIVITY AND SEEING REAL BENEFITS
FOR OUR CUSTOMER AND THEIR
CONSUMERS.**



*Here's how Kate is
making her mark...*

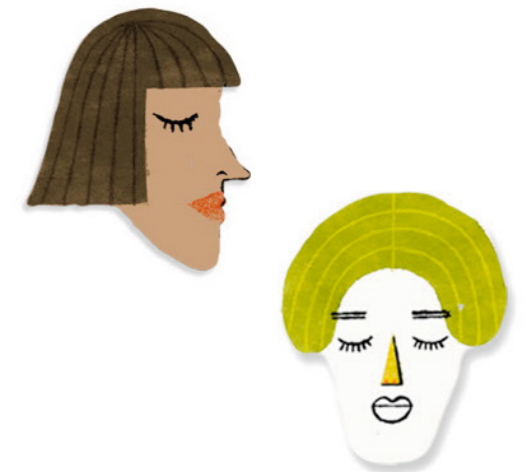
I joined Hallmark six years ago as Art Director of Trend and Illustration, after ten years in babywear design. What really excited me about a move into such a different area was the prospect of being able to translate not only visual trends but also focus on customer behaviour and lifestyle shifts, which I find fascinating. As I found my feet at Hallmark, it became my mission to explore and express the societal and psychological drivers of consumer behaviour in a way that our retail customers could relate to and my colleagues could interpret into product that a consumer wants to buy.

My current role as Head of Creative for one of our larger retail customers has allowed me to develop a close relationship with their buying team. The card category initially feels like it should be a straightforward, purely aesthetic field of design, however there is a fair amount of science and emotional connection to consider. So for many buyers, new to the category it's about conveying that science and emotional connection in a simple, approachable way. I make it my aim to speak to buyers in language they understand, relating trends to their

own real-life situations, so that they can see the purpose of every card we put on a fixture.

Most recently it has been interesting to watch the proliferation of small, independent brands on the internet and the impact this has had on consumer behaviour and expectations of retail. Not only do consumers now demand more newness, but there is also so much choice out there that it can be overwhelming to shop. Part of my role in this is to cut through this and to help consumers by curating a range that they will understand and be delighted with. My vision is for the consumer to stand in front of a fixture and feel like they are in a sweet shop; they buy cards they need AND feel compelled to buy more!

I am so proud to be part of a team which constantly strives to be the very best it can and uses market-leading insight to provide a gold star service to customers and consumers alike.



*Jo
Clark*

JO IS ONE OF OUR AMAZING WOMEN
IN A LEADERSHIP ROLE



**IN A NUTSHELL, I AM WHERE I WANT TO
BE. I WANT TO GET INVOLVED, SUPPORT
MY TEAM AND DELIVER ON MY TARGETS.
THAT'S WHAT I COME TO WORK TO DO.**



*Here's how Jo is
making her mark...*

During my 23 year career with Hallmark, I've worked in a number of areas of manufacturing and spent the last 8 years in distribution. For me, as I've made my way up through the ranks from a temp to a shift manager at our distribution centre, it's always been about the challenge of learning new things and about driving for results. I have never experienced any issues around being a woman leader in a predominantly male environment. Hallmark have always recruited the people who are best qualified to do the role, rather than by gender.

I'm really motivated by being amongst the team on the 'shop floor' - I don't want to be stuck behind a desk and would rather spend my time engaging with the team and motivating them to get the results we need.

Distribution is not an easy environment to work in; we have lots of people in the team, many of whom are temporary, and we have high expectations of them. On top of that, most of the team can't access the company intranet easily so could become disengaged, but I see it as my role to build that engagement through

constant communication, mentoring and training. I take pride in having a team which feels part of a wider business and which understands our targets and why we have them.

Over the years I have learned to use my emotional intelligence as a leader so that my team knows that I manage fairly and treat them with respect. In a nutshell, I am where I want to be. I want to get involved, support my team and deliver on my targets. That's what I come to work to do.





Jamie Allcock

REPORTING MANAGER

Joe Tipper

DATA ANALYTICS MANAGER



JAMIE AND JOE ARE PART OF OUR NEWLY FORMED DATA AND ANALYTICS TEAM AND REALLY ARE QUITE THE DOUBLE ACT (MOVE OVER ANT & DEC) HERE'S HOW JAMIE AND JOE ARE MAKING THEIR MARK

Here's how Jamie is making his mark...

Throughout my somewhat nomadic 6 year career at Hallmark (I've worked in numerous customer teams, latterly supporting our on-line business), I have always been a data champion, developing excel training for colleagues and producing reports which are still used business-wide, so when the opportunity to join the D&A team came, I jumped at the chance!

For me, data is fascinating because it can be interpreted so differently; from a single set of data, two people might draw two very different conclusions. It's down to us to break down that ambiguity by close engagement with all stakeholders, understanding what important questions need answering and presenting the data in a way which is usable by anyone in the business, at any level.

No two days are the same in the D&A team - every day is a learning curve, and we make sure that our team mantra; 'learning and delivery' runs through everything we do. As well as spending shared learning time with the team on a weekly basis, I have found that my networking skills and my knowledge of the company have developed hugely in the last 6 months.

I feel like the possibilities for the D&A team to add value are endless, and I am thrilled to be part of something that will fundamentally change the way we work at Hallmark.

Here's how Joe is making his mark...

I've been with the company for nearly 9 years now, and during that time I've worked in a number of areas, including Operations and Range Merchandising, for various retail customers,. During that time, I discovered a real passion for data, so I'm delighted to be part of our newly-formed Data & Analytics (D&A) team.

It is so important to use the data you have in business to best effect.. When you start to combine data from different sources and different parts of the business, you start to unlock insights that you wouldn't have seen before, all of which helps you make informed and insightful decisions, create new opportunities and solve problems too.

Being part of a new team is so exciting. The whole team genuinely believes that we are going to make a real difference to Hallmark. We have a strong learning culture in the team; we know that the more skilled we are, the better we can deliver to the business. As a team, we measure our successes all of the time! We have a virtual 'fish tank' in the D&A team which gets a fish added to it each time we can show that our insight has increased sales, saved time or saved cost. I am so excited to see the fruits of our labour and I don't think it will be long before we need another fish tank!



Rachel Goodman

CREATIVE, PRODUCT & MARKETING DIRECTOR



RACHEL IS BRINGING TOGETHER 3 OF OUR KEY DISCIPLINES AND SHOWING US ALL CREATIVE LEADERSHIP IS AT THE HEART OF WHAT WE DO



Here's how Rachel is making her mark...

From a young age I knew I wanted to do something creative – it's always been a passion. My dad used to carry a note in his wallet that I wrote when I was 12 saying "I promise that when I go to art college, I won't come back talking posh"!

I've been lucky to use that creativity in many ways during my 25 year career at Hallmark. I'm driven by a love of learning and an incessant curiosity, and Hallmark has always allowed me to exploit that by giving me so many opportunities to try new things. That constant stimulus, coupled with a natural affinity with Hallmark's strong values have kept me highly motivated and engaged through the years.

I think it's really important that as a company whose sole purpose is creativity, we reflect this in everything we do, across the whole business. Creativity manifests itself in many ways, from the development of products to the way we approach problem solving, so it's not just limited to the Creative team!

My mission is to create the kind of environment that allows creativity to flourish across the whole business; giving our teams the physical and

mental tools to allow them to approach issues in a collaborative, measured way, encouraging challenge and lateral thinking at every stage and giving people the freedom to take risks. Hallmark's brand values thread through everything we do here; and those values, coupled with our rich heritage help create a unique sense of creative community and identity that I don't think you would find anywhere else.



Continuing to make our mark...

Inclusive events - as our local and Hallmark Global town halls are virtual events more Hallmarkers can participate. Added to this, at our enterprise town halls, where we hear from our leaders in Crayola and Crown Media too, we know what is happening across the wider business, and hear how our strategies and culture are supporting our brand visions. As the time difference can be a challenge in a global business our global and enterprise town halls are recorded so everyone can catch up at a time that works for them.

Hybrid working - Through the course of the pandemic we have been learning more about what is important to our Hallmarkers and how we work together into the future. We have introduced hybrid working for our office based colleagues, where the role supports it, allowing them to find the balance that works for them. Whether this means they prefer to be more in the office or work a couple of days from home we are finding a balance that works for our team and the business and we are sure this will evolve further as we continue to learn.

D&I - we are working with designers and influencers to enhance our range of products to bring to life, in an authentic way, products that represent all of us including working on our first braille range in our everyday and Christmas products in 2021.

Our OD Governance process has continued to be reviewed and developed to ensure we are fair and consistent in our decision making in relation to appointments and reward decisions.

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



Claire Reid
HR Director - UK & Ireland

