



PRODUCT INTEGRITY POLICIES

PRODUCT INTEGRITY POLICY STATEMENT

Hallmark Cards, Incorporated, and its subsidiaries (collectively “Hallmark”) and licensees will design, produce and procure products in a manner that upholds the customer and consumer expectations associated with the brand under which they are sold or licensed and preserves Hallmark’s social license to operate. All entities will comply with all applicable laws and regulations, as well as the applicable Product Integrity Policies below.

BATTERY POLICY

Hallmark and its licensees will comply with all safety and regulatory requirements for all of its consumer products, and will apply additional requirements to anticipate future regulatory direction and reduce the potential for risks associated with batteries.

Regulations currently exist for the secure attachment of batteries in toys and specific children’s products through 16CFR1500.18 and ASTM F963. In anticipation of future regulatory change and to improve the safety of products not currently subject to these standards, Hallmark and its licensees will apply the above regulations to ALL consumer products with batteries – those intended for either children or adults.

Lithium batteries that fit completely within the small parts test cylinder are prohibited in all Hallmark products. Exceptions are only granted with full engagement of Hallmark senior management.

Hallmark is committed to being environmentally responsible and desires to increase product recyclability. All products using the Hallmark or its subsidiaries’ brands that use batteries (regardless of size or type) will be labeled as follows: “Please recycle or dispose of batteries properly.”

MAGNET POLICY

Hallmark and its licensees will apply standards for hazardous magnets as defined by ASTM F963 to all consumer products. All products and packaging that include a magnet must meet one of the following:

- The flux index of the magnet is 50 flux or less, or,
- The accessible magnet or magnetic component with a flux index >50, shall be larger than the small parts test cylinder “as received” and after use and abuse testing, or,
- The magnet or magnetic component with a flux index >50, shall not be released from the product or packaging after use and abuse testing or if released, the magnet or magnetic component shall not fit into the small parts test cylinder.

PVC POLICY

Hallmark does not permit the use of PVC in any product, including subsidiary and licensed products, and is committed to eliminating the use of polyvinyl chloride (PVC) in all raw materials, components, products, and packaging manufactured or sold by the entities.

CHEMICAL MANAGEMENT POLICY

Hallmark's goal is to offer products that do not harm, or have the potential to harm, human health or the environment. This applies to all Hallmark and subsidiary branded products and packaging manufactured or sourced from suppliers that are expected to go beyond regulatory requirements for chemical management. Suppliers are expected to identify and report the presence of Restricted Substance List (RSL) chemicals in Hallmark and its subsidiary branded products and packaging, with a goal of reducing or eliminating their use through the use of safer alternatives. Products are audited to ensure they comply with our RSL requirements.

Hallmark is committed to monitoring chemicals of concern identified at the state, federal and international levels, and looks for opportunities to encourage the identification, reporting and substitution of hazardous substances with safer alternatives using a thorough testing program to verify products compliance.

CONFLICT MINERALS POLICY

Conflict minerals include columbite-tantalite, also known as coltan (the ore from which tantalum is extracted); cassiterite (the ore from which tin is extracted); gold; wolframite (the ore from which tungsten is extracted), which directly or indirectly benefit armed groups in the Democratic Republic of the Congo and adjoining countries. These minerals are regulated under various international standards including the Dodd Frank Act Section 1502, EU Regulation on conflict minerals Regulation 2017/821, and the China conflict mineral standard.

Hallmark does not and will not directly source these minerals, and these may not be used within components or in the finished products sold under the Hallmark or its subsidiaries brands. To avoid conflict minerals, Hallmark is committed to exercising due diligence consistent with the Organization for Economic Co-operation and Development (OECD) Guidelines.

We require Hallmark's suppliers of materials and products and Hallmark's licensees to:

- Exercise appropriate due diligence to ensure their products and materials are free of conflict minerals.
- Disclose the use of any gold, tantalum, tungsten, and tin in Hallmark or Crayola products or materials and ensure these minerals were sourced from conflict-free sources.
- Provide evidence to support the conflict free nature of these minerals when requested.
- Immediately inform Hallmark or Crayola and cease the use of any conflict minerals if discovered in their supply chain.

ADDITIONAL POLICIES

Hallmark focuses on transparency in product quality, consumer product safety, and code of conduct strategies, and as part of a flexible global supply chain, it also provides a [Supplier Code of Conduct](#), a [Paper Policy](#), and a statement of adherence to the [California Transparency in Supply Chains Act of 2010](#).

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