

CSR at Cartamundi

# Global Business Ethics Principles

Cartamundi, together with its subsidiaries and affiliates strives to conduct its business in accordance with high ethical and business standards, and seeks to have its vendors, suppliers and licensees conduct themselves in the same manner. Cartamundi has long recognized concerns about the quality and character of working conditions around the world. We are continually striving to improve the working environment for those involved in the production of our cards and games. Cartamundi wants its consumers to have confidence that products manufactured by Cartamundi, or its vendors, suppliers and licensees, are produced in accordance with the principles set forth herein and are not made under inhumane or exploitative conditions. Implementation of the Global Business Ethics Principles enables Cartamundi to ensure that manufacturing facilities involved in the production of Cartamundi products ("Facilities") understand and adhere to Cartamundi's requirements in this area. Participation in this program and adherence to these principles is mandatory for all Facilities.

- 1. Forced Labor** - There will not be any use of forced, prison or indentured labor in the production of Cartamundi products (\*1). All employment, including overtime, shall be on a voluntary basis.
- 2. Child Labor** - The use of child labor is prohibited. No person shall be employed in a factory that produces or manufactures any Cartamundi product at an age younger than sixteen (\*2), or younger than the age for completing compulsory education in the country of manufacture where such age is higher.
- 3. Working Hours and Compensation** - Facilities must comply with all applicable national and local wage and hour laws, including minimum wage laws, or shall be consistent with the prevailing industry wage standards, if higher. Employee benefits shall be provided in accordance with national and local requirements.

Normal working hours should not exceed forty-eight (48) hours/week with one day off in every seven-day period. Overtime work in necessary business circumstances shall be conducted in such a way as to adequately compensate workers for all work performed beyond the normal working hour standard.

- 4. Health and Safety** - Facilities shall ensure that all employees have a healthy and safe environment, including in dormitories, where provided. Cartamundi expects all facilities to promote an awareness of health and safety issues to their employees including issues surrounding fire prevention, emergency evacuation, proper use of safety equipment, basic first-aid and the proper use and disposal of hazardous waste materials.

**5. Diversity/Inclusion** – Cartamundi expects its employees to treat everyone equally regardless of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, marital status, citizenship, genetic information, or any other characteristic protected by law.

**6. Harassment/Dignity/Respect** – Cartamundi treats their employees with dignity and respect. No employee shall be subject to abuse, cruel or unusual disciplinary practices.

**7. Personal Information Protection** – Cartamundi protects the privacy and confidentiality of personal data from all their stakeholders (employees, customers,...). Cartamundi protects the privacy and security of these data and takes the necessary and legally required precautions to protect personal data.

**8. IP Protection** - Cartamundi protects other’s intellectual property as their own and follows all applicable intellectual property laws.

**9. Communication of Principles** - Facilities will communicate these principles to employees in an appropriate oral and written fashion and will undertake efforts to educate employees about these principles on a periodic basis.

**10. Acceptance of Advantages** - Cartamundi will not tolerate Facilities who do not conduct business in an ethical and proper manner or who use bribes, kickbacks or provide gifts, favors, or services to gain a competitive advantage with Cartamundi.

**11. Environmental Impact** - Cartamundi maintains a commitment to sound environmental programs and practices and encourages the reduction and recycling of waste. Facilities must comply with all applicable laws relating to the environment and dispose of toxic materials in a controlled and safe manner. To that end, Cartamundi seeks to conduct business with Facilities who are equally dedicated to pursuing continuous efforts to improve the compatibility of its operations with the environment.

**12. Product Quality** - Cartamundi produces quality products and follows strict specifications. Cartamundi sources quality raw materials from reliable suppliers.

**13. Conflict Minerals** – Cartamundi is committed to sourcing components and materials from companies that do not use conflict minerals such as Tantalum, Tin, Tungsten and Gold which directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (DRC) or in adjoining countries.

**14. Freedom of Association** - Cartamundi recognizes all employees' right to choose [or not] to affiliate with legally sanctioned organizations or associations without unlawful interference.

**15. Monitoring** - Cartamundi shall have the right to conduct periodic on-site visits of working and living conditions, including audits of production records and practices and of wage, hour and payroll information maintained by Facilities, to review and ensure compliance with these principles. Although Cartamundi retains its rights to terminate its relationship with a vendor, supplier or licensee facility in violation of these principles, Cartamundi will endeavor to work with Facilities to promptly address any problems discovered in the course of its review or audit. Cartamundi will require the implementation of an acceptable written corrective action plan for any problems found during an audit. Failure to address items in the corrective action plan may also result in termination of the business relationship.

**16. Certification** - Cartamundi will require a written statement from Facilities of compliance with these principles.

**17. Compliance with Applicable Laws** - Facilities will comply with the national laws of the country in which they are conducting business, any local laws, regulations or standards applicable to their business and the industry standards which have been established in their location; provided, however, in the event of any conflict between the provisions of any of the preceding laws, regulations, or standards and the provisions of this document, then the provision containing the higher standards shall prevail.

Cartamundi strongly supports and endorses the industry efforts to improve factory working conditions. While Cartamundi will retain the right to conduct its own audits, participation in the International Council of Toy Industries (ICTI) CARE program, Responsible Business Alliance (RBA) and Sedex, including regular audits by an approved audit company will generally be sufficient.

\*1. Rehabilitation programs may be assessed by Cartamundi on a case-by-case basis. Employees can be required to work overtime if agreed in the Collective Bargaining Agreement.

\*2. Workers under sixteen may be considered on a case-by-case basis when hired in accord with International Labor Organization (ILO) Convention 138.