



## **HUMAN TRAFFICKING AND SLAVERY IN SUPPLY CHAIN DISCLOSURE STATEMENT**

### **Introduction**

Cimpress recognizes the critical role we play in ensuring that our suppliers share our commitment to the protection of human rights, including the elimination of human trafficking and modern slavery. We are focused on ensuring not only that we are sourcing our raw materials responsibly but also that we are protecting the human rights of the people who help us make our products.

As the world leader in mass customization, Cimpress has a large product catalogue with products spanning a variety of industries and a supply chain that spans the globe. We have a global procurement organization as well as local procurement teams in our various businesses.

### **Ethical Supply Chain & Product Safety Overview**

Cimpress has begun to implement an interconnected series of processes intended to ensure that our operations and supply chain are free from human trafficking and modern slavery. These processes (described in detail in the following sections) include:

- a) Our Code of Business Conduct
- b) Our Supplier Code of Conduct
- c) Training
- d) Raw Material Certification
- e) Screening of Suppliers for Sanctions & Adverse Media Related to Human Rights
- f) Supplier Auditing & Development
- g) Confidential Reporting Helpline

At present, we have not identified or been made aware of any issues related to human trafficking or modern slavery in our supply chain; however, should we become aware of any such issues, we will take action which could range from working with the supplier to resolve the issue and conducting follow-up site audits to ensure that the deficiency has been corrected, to terminating the supplier relationship entirely.

### **Code of Business Conduct**

Our commitment to human rights is outlined in our Code of Business Conduct, which is available in 12 languages. Every Cimpress employee must take training and acknowledge that he or she has read, understood and agrees to comply with our Code of Business Conduct each year. The Code of Business Conduct outlines:

- Our refusal to use any form of forced, involuntary or child labor in any of our facilities or permit its use in any part of our supply chain
- Our commitment to a harassment-free work environment
- The importance of treating others with fairness and respect
- Our commitment to workplace safety
- The importance of honesty, fair dealing and ethical conduct
- Our efforts to combat corruption and bribery

- Our strict anti-retaliation policy which is intended to ensure that employees do not suffer negative consequences for reporting an ethics concern in good faith

We report to our CEO and independent Supervisory Board on a regular basis on the status of our compliance and training program. We think this level of attention by our CEO and Supervisory Board helps set the right tone from the top and underlines our commitment to doing business ethically and with integrity.

### **Supplier Code of Conduct**

In addition to our Code of Business Conduct, we also have a Supplier Code of Conduct. We ask our first-tier suppliers to sign and comply with our Supplier Code of Conduct. In addition, we have begun asking our first-tier suppliers to sign our Master Supply Agreement which requires those suppliers to abide by all laws and regulations (including the UK Modern Slavery Act), and gives us the right to conduct in-person audits to ensure they are in compliance with our contract and Supplier Code of Conduct. Our Supplier Code of Conduct outlines our expectations that our suppliers:

- Do not use forced, compulsory or child labor in any of their own or their business partners' facilities
- Do not permit any form of harassment or discrimination in their workplaces
- Do not tolerate inhumane treatment, threats of violence, corporal punishment or other forms of physical coercion in their workplaces
- Share our commitment to honesty, fair dealing and ethical conduct
- Do not tolerate unsafe conditions or conditions that endanger their employees
- Are committed to anti-corruption and anti-bribery policies and practices
- Pay their workers at least the minimum wage required by applicable laws and provide all legally mandated benefits
- Pay their workers in a timely manner and comply with applicable laws and regulations regarding working hours for their employees

To ensure that our supply chain partners are living up to our standards of business integrity, our Internal Audit team has added to its annual audit plan a check on (1) whether our suppliers have signed our Supplier Code of Conduct and (2) any other measures Cimpres has taken to ensure that our supply chain does not allow for unacceptable practices such as child labor, slavery and unsafe working conditions.

### **Training**

In 2017, we continued our training program for our global procurement organization to ensure that they understand what modern slavery is, how we are building our program to better due diligence our supply chain partners, and how they can assist in preventing, identifying, addressing and escalating modern slavery issues if they arise.

### **Raw Material Certification**

In 2016, we took a significant step to assess and reduce the risk of human trafficking in our supply chain when we began the conversion of a substantial portion of the paper used in Cimpres-owned facilities to FSC-certified product. FSC, or Forest Stewardship Council, is an international non-profit organization committed to promoting responsible management of the world's forests. Certification to FSC standards confirms that the wood used in a paper product was sourced in an environmentally sound, socially beneficial and economically prosperous way. More specifically, certification to FSC standards provides external assurance that the forest and value chain through which our paper is produced maintains or

enhances forest workers' social and economic well-being and protects traditional and civil rights. In fiscal year 2017, we converted over 85% of our paper used for print consumption in our owned facilities to FSC certified sources. We engaged with Rainforest Alliance to assist us through that conversion process, as well as to advise us on other potential risks in this area of our supply chain. We believe our transition to FSC-certified paper is a significant step towards assurance that human trafficking and modern slavery are not occurring in our supply chain.

### **Screening of Suppliers for Sanctions & Adverse Media Related to Human Rights**

In 2016, we began to run the names of our suppliers through a third party database to determine if they are on any one of approximately 500 official sanctions lists, many of which reference the protection of human rights as one of their legal bases. These sanctions lists include the U.S. FBI's Most Wanted Human Trafficking List and the Pakistani FIA Red Book of Most Wanted Human Traffickers. This database also runs a negative media publicity check on each supplier. If a supplier is on a sanctions list, or if a supplier has received negative media coverage about a particular issue, including human trafficking or slave labor, we would be alerted to that fact. In addition to the initial screens we conduct, we receive alerts if any of those suppliers are added to a sanctions list or receive negative media coverage after we run the initial screen. Of the first-tier suppliers we have run through that database from 2016 to date, none of them is on any sanctions list relating to human trafficking or modern slavery. If a supplier appears on a sanctions list, we will terminate our business relationship with that supplier. If a supplier is the subject of negative media coverage, we will explore the issue and, if appropriate, work with the supplier to resolve the issue.

In addition, we monitor the Transparency International Index to understand the regions of the world where corrupt business practices may be more common. We use this information to prioritize the in-person audits described below in Supplier Auditing & Development.

### **Supplier Auditing & Development**

In 2016, we began conducting independent third party, in-person social audits of first-tier suppliers, starting with suppliers in geographies and industries indicating a high risk for human rights violations. These social audits include a number of topics, including child labor, forced labor, safety conditions, fair labor standards and fair wages. We prioritize those audits based on our assessment of the suppliers' risk profile.

### **Confidential Reporting Helpline**

Finally, Cimpres maintains a confidential ethics reporting helpline that is available to our employees, customers, suppliers and members of the public to report any concern about ethical supply chain matters. We publish our helpline numbers for 22 countries in our Code of Business Conduct, which is available on our company website. We thoroughly investigate every report submitted through that helpline and report the results of those investigations on a regular basis to our CEO and the Nominating & Corporate Governance Committee of our Supervisory Board.

**Summary**

We are committed to the elimination of human trafficking and modern slavery in our supply chain. We have taken a number of significant actions designed to address the risk of human rights violations in our operations and our supply chain, but we still have work to do. We intend to continue these efforts in 2018, including through increased supplier due diligence and onsite supplier social audits that include human rights assessments.

Approved by the Cimpres Supervisory Board on November 14, 2017

Signed by: Richard T. Riley  
Chairman, Supervisory Board