



GRAIN  CRAFT

**ETHICS &  
COMPLIANCE  
GUIDEPOSTS**

SOCIAL RESPONSIBILITY

2023

---

**Grain Craft's Foundational Guide for Best Business Practices.**

---

At Grain Craft our history and our core values define who we are as a company. Both of these elements are a foundational component of how we make decisions and perform our work. As our history demonstrates, we believe that people, not buildings or equipment, determine whether an organization will succeed and we have anchored this philosophy in a set of core values based on a customer-centered, can do culture.

---



# MESSAGE FROM OUR PRESIDENT



*“I hope you all have seen and experienced the foundation of trust and integrity in which Grain Craft was built.”*

---

The word “integrity” is a powerful character attribute. Acting with integrity in all we do is critical, not only to the success of our business, but the impact that we have on our friends, families, communities and ourselves. When we choose what is right we are creating a culture that sustains at a higher level.

Many of you have been with this company long enough to reach significant career milestones. While others might be new to our family, I hope you all have seen and experienced the foundation of trust and integrity in which Grain Craft was built.

While expectations have been set and trust is something you are automatically appointed once you join the Grain Craft family, it is our charge to thoroughly take care of our employees, leaving no room for gray areas and lack of judgement. It is for this reason - in the best interest of each of our employees - that we established this Ethics and Compliance handbook. This handbook is meant to be used as a guideline when circumstances are unclear. It is also meant to inform current and prospective Grain Craft employees on our approach to the significant topics that follow throughout this booklet.

I ask that you familiarize yourself with the information in this handbook and ask questions if and when you have them. I appreciate each of you, your integrity, your drive and the trust you have put in us. Let's continue to lead with responsibility for ourselves and each other.

# OUR CORE VALUES

## Trusting People

We intentionally establish an environment of mutual trust and respect. The integrity of each team member is essential to maintaining that trust. With an attitude of humility, we make positive assumptions about one another, communicate with openness and sincerity, and commit to do the right thing.

## Valuing People

We implement behaviors and practices that underscore the value of each member of our team. We recognize the value of team member involvement in our decision-making processes. We invest in our team through competitive wages and benefits and we invest in their learning and development by providing training, mentoring, and resources that facilitate growth.

## Excellence

We aim for excellence in everything we do. We set high expectations for ourselves that drive us to improve everything every day, learn from our experiences and innovate. We draw on the different perspectives, experiences and talents of our team members to help us make informed decisions. We work hard - individually and as a team - to consistently exceed the expectations of all our stakeholders and customers. At Grain Craft, we have established a High-Performance culture; a standard that can be traced back to the beginnings of the company.

## Safe People & Products

We devote ourselves to the safety of our team and our customers. We are all committed to do everything we can to offer safe products made in a safe work environment - never compromising. Over the past two years we have placed a continued emphasis on behavior-based safety practices throughout all our facilities and all Grain Craft mill employees have undergone extensive behavior-based safety training to establish individual ownership and to anticipate and amend unsafe working conditions.

## Community

We commit to make a positive impact on the people in the communities where we do business. We implement sustainable business practices to preserve the environment of our communities and ensure good jobs for future generations.

# CODE OF CONDUCT

## LABOR AND HUMAN RIGHTS

Grain Craft believes it has the responsibility, as good corporate citizens, to respect Human Rights and comply with laws. Grain Crafts values guide the attitudes, behaviors and decisions of all Grain Craft team members as we interact with our customers, our partners, our suppliers, the communities in which we work and live, and – most of all – each other. This Human Rights and Labor Standards Guidepost is an important and critical part of our commitment to these values, as its focus is to ensure that our team members and non-team members are treated with dignity, fairness, and respect.

### Scope


These guideposts apply to the management, team member and contract workers of all entities at Grain Craft. Shareholders shall be made specifically aware about the significance to Grain Craft of the guideposts.

### Roles & Responsibilities

President & CEO and EVP's	Responsible for guidepost approval.
EVP, Human Resources	Owns, endorses, and ensures the implementation of the guideposts.
Relevant VPs/Directors, and Local Management	Responsible for ensuring that these guideposts and related standards are implemented and adhered to, and that all relevant team members are made aware of the guideposts and its requirements. Ensures local compliance with the guideposts, including adequate control measures to eliminate or reduce risks to express behaviors in breach with the guideposts.
HR Team	Drives the implementation of the guideposts, provides specific advice on labor and human rights issues and dilemmas, and ensure that labor and human rights issues are identified and addressed. Audits, reviews, measures, and reports on labor and human rights performance.
Management, team members and contract workers of all entities at Grain Craft	Responsible for adhering to these guideposts. Complies with the letter and spirit of the guidepost. Engages and takes responsibility for ensuring that all initiatives are developed in line with the guideposts.

# CODE OF CONDUCT

*“We are committed to providing a harassment-free environment, in which we all have an opportunity to contribute at our highest potential.”*



## CHILD LABOR LAWS

Grain Craft forbids the use of child or forced labor in any operations or facilities, and will not tolerate the exploitation of children. Grain Craft fully respects all applicable laws and does not permit workers under the age of 18 to work in hazardous conditions.

## WAGE AND HOUR PRACTICES

Grain Craft pays employees a competitive wage, consistent with our core value of valuing people. We reward our employees for improving their skills and capabilities and encourage continued learning to advance both knowledge and career level. At a minimum, we comply with all applicable wage and hour laws, rules and regulations, including minimum wage, overtime and maximum hours.

## FMLA

Grain Craft complies with all state and federal Family and Medical Leave laws.

## ADA / RESPECTING OUR WORKPLACE

Grain Craft is committed to providing equal opportunities in employment. This means we must treat your fellow employees, Grain Craft applicants and external parties with whom we do business fairly, and we will never engage in any form of unlawful discrimination. We follow all anti-discrimination laws, and in our employment decisions (such as recruiting, hiring, training, salary and promotion), we do not discriminate against individuals on the basis of race, color, gender, age, national origin, religion, sexual orientation, gender identity, gender expression, marital status, citizenship, disability, veteran status, HIV / AIDS status or any other legally protected factor.

## DISCIPLINARY

Grain Craft has a culture of openness and trust. However; if an employee does not adhere to our ethics and compliance policy, disciplinary action will be determined by the employee's team leader and/or a representative from Human Resources.





## MODERN SLAVERY & HUMAN TRAFFICKING

Grain Craft is committed to the principles of the Modern Slavery Act 2015 and the abolition of modern slavery and human trafficking. As an equal opportunities employer, we're committed to creating and ensuring a non-discriminatory and respectful working environment for our staff. We want all our staff to feel confident that they can expose wrongdoing without any risk to themselves.

Our recruitment and people management processes are designed to ensure that all prospective employees are legally entitled to work in the U.S. and to safeguard employees from any abuse or coercion. We do not enter into business with any organization, which knowingly supports or is found to be involved in slavery, servitude and forced or compulsory labor.

## WHISTLEBLOWERS AND RETALIATION

If a team member has knowledge of or a concern of illegal or dishonest fraudulent activity, the team member is to contact his/her immediate supervisor or anyone in Human Resources. Whistleblower protections are provided with confidentiality and against retaliation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense. The team member must exercise sound judgment to avoid baseless allegations. A team member who intentionally files a false report of wrongdoing will be subject to discipline up to and including termination.

## CORRUPTION AND BRIBERY

Grain Craft and its employees do not pay or accept bribes or other similar payments to uphold or to contribute to Grain Crafts business. Improper payments to anyone, whether authorities, business partners, customers or anyone else, for any reason are not allowed to be offered or made. Business is obtained solely based on the merits of Grain Craft's products and services.

In general, you may only offer or accept gifts that are:

- Lawful, unsolicited, and infrequent;
- Not dependent on you doing or promising to do anything;
- Not cash or cash equivalents such as gift cards; and
- Nominal in value



# CODE OF CONDUCT CONT...

---

## DIVERSITY AND INCLUSION

Grain Craft embraces the variety of backgrounds and life experiences our team members bring to work. We offer the perspectives of different genders, local customs, physical abilities, races, religions, sexual orientations, gender identities, life experiences and socioeconomic statuses, and we vary in our personal styles of thinking, expressing ourselves and problem-solving. To be successful, each of us has to demonstrate respect for those who are different from us. We expect you to be accepting and open about differences in others. This applies to the way we treat each other, along with anyone else with whom we interact.

## GENDER, RELIGION, SEXUAL ORIENTATION

It is Grain Craft's policy to provide equal opportunity in employment for all qualified individuals without regard to race, creed, color, gender, age, national origin, handicap, or US veteran status.

All members of management are responsible for assuring that day-to-day practices, including job assignments, performance discussions, counseling, on-the-job training, overtime, requests for leaves, etc. are administered without regard to sex, race, or other discriminatory factors and free of harassment. If an employee feels he or she has been treated unfairly, the employee will be encouraged to discuss the situation with his or her immediate team leader. The employee may also bring the situation to the attention of the Human Resources Dept.

## SEXUAL HARASSMENT

At Grain Craft, no sexual harassment of any kind is tolerated. Actions that are intimidating or threatening are likewise prohibited. We are committed to providing a harassment-free environment, in which we all have an opportunity to contribute at our highest potential. "Harassment" is behavior that creates an offensive, intimidating, humiliating or hostile work environment that unreasonably interferes with another person's work performance. Harassment may be physical or verbal, and may be done in person or by other means (such as harassing notes or emails). All allegations of discrimination or sexual harassment will be investigated and resolved in a timely manner.

## UNIONS

We support the established unions within the company and are committed to offering each union member with equal opportunities and holding them to the same accountabilities as non-union employees.

## SAFETY

Safety is an inherent part of our day-to-day duties. Everyone has committed to focus their attention and actions on theirs and others safety behaviour. If you are aware of any hazardous conditions, unsafe practices, incidents of injury, near misses, accident or illness related to our workplace, you must let your manager or supervisor know immediately. Unless you are qualified to correct the unsafe condition, you must not attempt to do so on your own.

We believe that the responsibility of safety belongs to all of and that is why we focus on Behavior Based Safety. Behavior Based Safety is a process that creates a safety partnership between management and employees that continually focuses people's attentions and actions on theirs, and others, daily safety behavior. Safe behavior creates safe actions and we offer a series of training throughout the year to continually enhance our Behavior Based Safety knowledge and process.

# CODE OF CONDUCT CONT...

## CONFLICTS OF INTEREST

Grain Craft must all avoid conflict of interest situations where our personal interests could inappropriately influence our business judgment. Examples of situations in which a conflict could exist include:

- Accepting outside employment that is inconsistent with Grain Craft's interests—for instance, working for a competitor or starting your own line of business that competes with Grain Craft.
- Allowing a personal relationship to influence a business decision—for instance, hiring a family member as an employee or a vendor
- Discovering a potential business opportunity for Grain Craft during your job and using it for your own gain
- Accepting gifts or entertainment that affect—or could appear to affect— your business objectivity

Having authority over or a reporting arrangement (either direct or indirect) with another team member with whom you have a personal (family, romantic) relationship. It's not always clear whether an activity creates a conflict of interest. For this reason, you should discuss any potential conflicts with your manager.

Competition laws helps foster and preserve fair and honest competition in the marketplace. These laws prohibit competitors from working together to limit competition. They also prohibit improper attempts to monopolize markets or control prices. All team members are expected to follow competition laws and must also be careful when interacting with competitors. It is never acceptable to engage in fraud, misrepresentation, trespassing or other illegal or unethical methods to obtain competitive intelligence. If a team member is aware of conflicts of interest in the workplace, they are expected to report this to Human Resources.

## ANTI-MONEY LAUNDERING

### Introduction

Grain Craft has a zero-tolerance guidpost towards money laundering and dealing with the proceeds of crime, and we are committed to implementing and enforcing effective procedures to counter them. In addition, the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 place obligations on Grain Craft to establish internal procedures to prevent the use of our services for money laundering.

### Who is covered by this guidpost?

This guidpost applies to the entire workforce, both permanent and temporary. In addition, we expect all our suppliers and contractors to comply with equivalent principles to those set out in this guidpost and in our Code of Conduct.

### What is Money Laundering?

Money laundering is the process of changing 'dirty' money into 'clean' money in order to hide the fact it may have originated from criminal activity. Money Laundering is the term used for a number of offenses involving the proceeds of crime or terrorism funds. Money laundering often happens in 3 steps:

1. Cash is introduced into the financial system by some means (placement)
2. This involves a seemingly innocent financial transaction to disguise the illegal source (layering)
3. The final step is the receipt of the wealth from these illicit arrangements (integration)

Sometimes, it can simply involve receiving payment for goods or services with “dirty” money – usually cash. It also includes possessing or concealing the proceeds of any crime. One example of this could be paying in advance for something, e.g. water or waste services (placement) and then cancelling the order within a few days, vacating property etc., (layering) in order to obtain a refund (integration).

### **How do we identify suspicious activity?**

- Any member of the workforce dealing with transactions involving income for goods and services (or other income) must be alert to the possibility of money-laundering, particularly where:
- Cash is offered by the customer
- Overpayment is received by us and a refund is made, particularly where a check refund is requested
- Grain Craft receives a suspiciously low amount of money for goods or services.
- Checking the identity of a new customer / supplier is proving difficult
- An individual from a new customer / supplier is reluctant to provide their details
- There is not a genuine reason for using the services provided
- A customer / supplier attempts to introduce intermediaries to either protect their identity or hide their involvement
- A customer requests a cash transaction - The source of the cash is not known or is unusual
- The transaction doesn't seem normal in the context of the customer's business
- The size or frequency of the transaction is not consistent with the normal activities of the customer
- The pattern of the customer's transactions changes unexpectedly

### **Procedures**

Grain Craft has implemented procedures for reporting suspicious transactions and, if necessary, making an appropriate suspicious activity report.

1. We are alert to the possibility that we may become the subject of an attempt to involve us in a money laundering transaction. Accordingly, we maintain procedures for verifying and recording the identity of counterparties, we will report any suspicious behavior and will ensure our workforce report to their manager if they suspect any illegal activity.
2. Details of transaction(s) must be retained for at least seven (7) years after the end of the business relationship. An example would be documents relating to the financial transactions.
3. Large individual cash payments must be treated with caution. Any cash payment over \$1,000 must be declined and the person requested to deposit the cash at their bank or with their solicitor and to make payment by debit or credit card, banker's draft or check.
4. Any suspicious activity **MUST** be reported by team members, as soon as possible, to their manager or to the Chief Financial Officer. Anyone who suspects that money laundering is on-going must not disclose any material to anyone that might prejudice any investigation.

### **Consequences**

The consequences for anyone committing an offense are potentially very serious. The failure to disclose a suspicion of a case of money laundering is also serious, and there are only very limited grounds in law for not reporting a suspicion.

Failure to comply with the procedures set out in this guidepost, including reporting suspicious activity, may lead to disciplinary action up to termination being taken, in addition to any legal prosecution. While the risk to Grain Craft of being involved in any money laundering activity is considered low, it is important that we all understand our legal responsibilities and how to report any suspected suspicious activity.

## CALIFORNIA TRANSPARENCY SUPPLY CHAIN ACT (CTSCA)

Respect for human rights is a part of our core values at Grain Craft. We are committed to ensure that people associated with the businesses and connected to the supply chains are treated with respect and dignity. Grain Craft establishes policies for its suppliers addressing the content of products supplied to the company and expects its suppliers to obey the laws that require them to treat workers fairly and provide a safe and healthy work environment. To that end, the company seeks to verify each supplier's compliance with our sourcing requirements and to ensure that they manufacture products in accordance with fair and reasonable labor and human relations practices and do not participate directly or indirectly in any form of slavery or human trafficking.

Grain Craft monitors and reviews all suppliers on a regular basis and reserves the right to verify our suppliers' compliance with our standards and policies through periodic audits of our suppliers' facilities and operations. Grain Craft also reserves the right to demand corrective measures from our suppliers when necessary and to terminate any supplier who does not comply with our standards and expectations.

## OUR MISSION

Through trust, dedication and relationships, we unlock the goodness of grain and nourish people.

---



423-265-2313    [graincraft.com](https://graincraft.com)