

# GRANEX GROUP Inc. Sustainability Code of Conduct

| 1. Human Rights                          |  |
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| <b>1.1 Non-Discrimination</b>            | We do not discriminate in hiring, remuneration, access to training, promotion, termination, or retirement based on race, ethnicity, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, HIV/Aids status or age.  |
| <b>1.2 Gender Equity and Empowerment</b> | We commit to including women and men equally in employment opportunities, trainings, leadership roles, and in community development. We give women the right to become involved in the organization, to become producers, to attend trainings, and to recognize their role in production even if they do not own assets such as land or equipment. Women are encouraged to become visible and recognized in their communities. We respect all legal requirements for pregnant women and new mothers. |
| <b>1.3 Protect Human Rights</b>          | We consider it our duty to respect and to protect human rights at our company and throughout our supply chain. We will endeavor to conduct our own due diligence to mitigate and prevent human rights violations.  |
| <b>Goals: Human Rights</b>               | <ul style="list-style-type: none"> <li>Conduct a formal review of human rights in the supply chain and supply chain communities by 2022</li> </ul>   |
| <b>References</b>                        | <i>United Nations Framework and Guiding Principles on Business and Human Rights:</i><br><a href="https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf">https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf</a>  |
| 2. Fair Trade and Fair Wages             |  |
| <b>2.1 Fair Prices</b>                   | We provide a fair price that is freely negotiated through dialogue between the us and our producers and is based on transparent price setting. It includes a fair wage and a fair profit. Fair prices represent an equitable share of the final price to each player in the supply chain   |
| <b>2.2 Fair Wages</b>                    | We provide our workers with an equitable, freely-negotiated and mutually-agreed wage at or above a local living wage level   |
| <b>2.3 Ready Market</b>                  | We provide a ready market to with a fair price for producers that allows them to earn an income at or above a local living wage level  |
| <b>Goals: Fair Trade and Fair Wages</b>  | <ul style="list-style-type: none"> <li>To comply with all WFTO trade standards by the end of 2021</li> <li>Geo tag producer farms with GPS coordinates in 2022</li> </ul>  |
| <b>References</b>                        | <i>World Fair Trade Organization – 10 Principles of Fair Trade</i><br><a href="https://wfto.com/sites/default/files/WFTO%20-">https://wfto.com/sites/default/files/WFTO%20-</a>  |

### 3. Community Engagement

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| <b>3.1 Latest Agricultural Practices</b> | We train and incentivize good agricultural practice via a Training of Trainers (ToT) methodology for increased cocoa quality and productivity with all our farmers. There are lead farmers called Village Coordinators (VCs), both male and female, in all supplying communities. These VCs act as trainers of GAP, as knowledge hubs, as role models, and as motivators for the highest quality cocoa production. This commitment leads to increased incomes through higher yields and a better price for high-quality cocoa.   |
| <b>3.2 Building Skills</b>               | We commit to developing the skills and capabilities of our employees. We work with our supplier organizations and our cocoa producers in developing specific activities to help these producers improve their management skills, production capabilities and access to markets.  |
| <b>Goals: Community Engagement</b>       | <ul style="list-style-type: none"> <li>• Increase our community engagement initiatives to roll out two new programmes in 2022: Leadership and Livelihoods.</li> <li>• Increase the training of our communities on sustainability following feedback from premium international buyers obtained in 2021</li> <li>• Continue to build the skills of our producers to achieve a higher quality of cocoa, and testing that quality in premium cocoa markets in 2021</li> <li>• To learn and adapt from the results of quality testing, reflected in improving GAP training based on this feedback in 2022</li> </ul> |
| <b>References</b>                        | <p><i>Premium Organic Good Agricultural Practices Manual (GROW Liberia)</i></p> <p><i>Better Business Practices Training Manual (GROW Liberia)</i></p>   |

### 4. Traceability and Transparency

|   | Commitment   | Goals | Timeline |
|---|--|-------|----------|
| <b>4.1 Transparent Trade</b>                | We commit to honest and transparent trade, and we are transparent in our management and commercial relations. We are accountable to all stakeholders and respect the sensitivity and confidentiality of commercial information supplied. We ensure that relevant information is provided to all its trading partners. The communication channels are good and open at all levels of the supply chain. Records are kept and are available for audit at company offices. |       |          |
| <b>4.2 Full Traceability</b>                | We commit to have all cocoa in our premium supply chain traceable to the farm level using a paper-based receipting system and digital records at the warehouse/head office. Receipts are generated for all transacting parties for all movement of cocoa   |       |          |
| <b>Goals: Traceability and Transparency</b> | <ul style="list-style-type: none"> <li>• Expand traceability to our conventional cocoa trade</li> <li>• GPS mapping of our premium cocoa producer groups</li> </ul>  |       |          |
| <b>References</b>                           | <p><i>World Fair Trade Organization – 10 Principles of Fair Trade</i></p> <p><a href="https://wfto.com/sites/default/files/WFTO%20-">https://wfto.com/sites/default/files/WFTO%20-</a></p>   |       |          |

## 5. Child and Forced Labour

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|---------------------------------------|---|
| <b>5.1 Zero Child Labour</b>          | <p>We commit to adhering to the UN Convention on the Rights of the Child, ILO conventions 138 and 182, and national/local law on the employment of children. Any involvement of children in the production of cocoa is always disclosed and monitored and does not adversely affect the children’s well-being, security, educational requirements and need for play.</p> <ul style="list-style-type: none"> <li>• No children below the age of 15 are employed as workers</li> <li>• Workers under the age of 18 will not be subject to any work which is likely to jeopardize their health, safety, morals or their school attendance</li> <li>• If producers involve children under the age of 15, this is kept to a minimum and it is never dangerous or interferes with schooling</li> <li>• Young family members or workers employed by producers (under the age of 18) are involved in dangerous or exploitative work</li> <li>• Producers do not contract children under the age of 15 as workers</li> </ul> |
| <b>5.2 Zero Forced Labour</b>         | <p>We will under no circumstances use, or in any other way benefit, from forced labor in line with ILO Convention No. 29 on Forced Labor and ILO Convention No. 105 on Abolition of Forced Labor. We will ensure there is no human trafficking in our workforce and at our producer’s workforce.</p>  |
| <b>Goals: Child and Forced Labour</b> | <ul style="list-style-type: none"> <li>• Conduct a thorough assessment of the risk of child labor and forced labor through the supply chain in Q1 2022, and revisit these assessments biannually thereafter</li> <li>• Conduct a child labor and forced labor awareness campaign through the supply chain in Q1 2022, coordinated with the Ministry of Labor</li> <li>• Child and forced labor completely eliminated by 2025</li> </ul>   |
| <b>References</b>                     | <p><i>UN Convention on the Rights of a Child</i></p> <p><i>ILO Conventions 138 and 182 on Child Labour</i></p> <p><i>ILO Conventions 29 and 105 on the Abolition of Forced Labour</i></p>   |

## 6. Environment

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| <b>6.1 Zero Deforestation</b>                     | <p>We commit to zero net deforestation in production areas for our premium cocoa supply</p>   |
| <b>6.2 Organic Cocoa</b>                          | <p>Our premium cocoa supply chain will adhere to EU and NOP organic standards</p>   |
| <b>6.3 Minimize Impact and Climate protection</b> | <p>We strive to minimize our environmental impact wherever possible throughout our supply chain. We use only solar dryers for drying cocoa beans in our premium cocoa supply chain, reducing the emission of carbon from diesel-powered dryers.</p> |
| <b>Goals: Environment</b>                         | <ul style="list-style-type: none"> <li>• Increase zero deforestation to our conventional cocoa supply channels in 2023</li> <li>• Our premium organic cocoa supply chain will be organic certified in 2022</li> </ul>                               |

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|-------------------|--|
|                   | <ul style="list-style-type: none"> <li>• Implement deforestation monitoring based on advice of premium cocoa trade partners in 2022</li> <li>• Improve and build awareness campaigns against deforestation, sourcing from protected areas, and promoting agroforestry in 2022, beginning with training of all staff fully trained on deforestation and climate change in Q1 2022</li> <li>• Link traceability system and farm mapping to guarantee no supply of cocoa is from forest reserves or protected areas in 2022</li> <li>• Understand and assess greenhouse gas emissions and climate impacts along the supply chain in 2022</li> </ul> |
| <b>References</b> | <i>EU Organic and USDA NOP Organic Standards</i>   |

## 7. Working Conditions

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| <b>7.1 Health and Safety for Workers</b> | Health and safety always comes first at GRANEX. We provide a safe working environment for workers in accordance with national and local laws and ILO convention on health and safety.  |
| <b>7.2 Healthy and Safe Communities</b>  | We strive to be aware of the health and safety conditions in the producer groups we buy from. We seek, on an ongoing basis, to raise awareness of health and safety issues and improve health and safety practices in producer groups.   |
| <b>Goals: Working Conditions</b>         | <ul style="list-style-type: none"> <li>• Conduct a thorough training for all staff and supplier community leadership in collaboration with the Ministry of Labor and Ministry of Health in 2022</li> <li>• To have our working conditions policies in compliance with all ILO Convention standards in 2022</li> </ul>  |
| <b>References</b>                        | <i>ILO Convention on Occupational Health and Safety</i><br><a href="https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/occupational-safety-and-health/lang--en/index.htm">https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/occupational-safety-and-health/lang--en/index.htm</a> |