

PBC Code of Conduct – Excerpts from PBC HR Policy

Below are excerpts from the PBC Human Resource Policy, which contains other important and related policies, guiding us to be both a high functioning company and progressive employer. We've compiled these sections here, to share publicly indicating that we are both transparent, open to dialogue about best Code of Conduct practices and committed to living them.

OUR COMPANY VALUES AND PRINCIPLES

Our Products and Service to Community – Quality, Local and Tenacious

We are serious about the quality of our beer, the craft of brewing it, and the ingredients that comprise it. We grow locally what we can and support neighboring communities and other B Corps to supply the rest.

We continually innovate for quality, efficiency, product and service improvements. We are a learning company, which means we have comfort with both ambiguity and stability in our operations.

We aim to surpass our communities' expectations by serving the highest quality products, providing an extraordinary experience and including them as if they are owners of our company – many of them are!

We achieve profits that, in turn, further the goals of the company, employees and shareholders.

Healthy Communities, People and Culture – Diverse, Creative and Inspired

We seek to balance the myriad of needs, especially health and well-being, of the company, staff and their families. Jobsite safety, adequate income, sufficient time off and access to nutrition are critical elements of our culture.

We promote healthy beer culture and the responsible enjoyment of beer.

We acknowledge the inherent value in diversity and the inclusion of voices different from our own, even when it is uncomfortable. So, we do the work to build trust with each other and, in doing so, commit to caring relationships and kind yet honest communications.

Have fun or don't come to work ... is not a joke. We believe that the well-being of people depends on their job satisfaction and that THEY must share in the responsibility for that outcome.

Leading by Example – Courageous, Humble and Just

Our land ethics include farming in an ecologically responsible, if not regenerative, way that adds value to our local food system and economy, for generations to come.

We aspire to provide a model of how business can be used as a force for good. We are committed to the B Corp certification to both track our improvements and articulate our impact.

We partner with other social ventures to advance our collective goal of responsible business, healthy community and a sustainable world.

Section 1.12 EMPLOYEE CONDUCT

Please read Appendix H: Employee Code of Conduct carefully.

(A) General:

With regard to appearance and relationships with the public, employees are expected to conduct themselves in a manner that is acceptable to the type of activities carried out by the PBC. Employees are also expected to perform their duties efficiently and punctually.

(B) Unauthorized disclosure of any confidential information learned during the term of employment or contract about the business of PBC, its customers or about the personal affairs of any board or staff member to anybody outside the organization will be subject to disciplinary action, dismissal and/or legal action. Unauthorized disclosure of confidential information is not permitted during or after the term of employment or contract.

(C) Human Resource Record Information Changes:

All employees are expected to promptly inform the PBC of any changes to the following information on file in their human resource files:

- (i) Address and telephone number.
- (ii) Whom to notify in case of emergency and how to reach them.
- (iii) Number of dependants to be used for benefits and withholding tax.
- (iv) Social Insurance Number.
- (i) Designated beneficiary for survivor's benefits.
- (ii) Marital Status.

(D) Report of Inability to Work:

Every employee shall inform the PBC, as soon as possible, of his/her inability to report for work because of illness, injury, or other legitimate reason. The employee shall make every reasonable effort to inform the PBC of the date of return to duty in advance of that date.

(E) Abuse of Sick Leave, Special Leave:

No employee shall use sick leave, special leave, any other leave, or any benefit enumerated herein for any purpose other than that specified. No employee shall make a false claim for any leave or benefit, or submit falsified information in support thereof. Any employee who contravenes this section is subject to disciplinary action.

(F) Disciplinary Action:

With the exception of very serious misdemeanours, the PBC will utilize a "progressive discipline" approach that permits the employee an opportunity to respond to correction.

Before using any disciplinary measures, the CEO, General Manager, Manager or the Personnel Committee will carefully document the facts of the case. The disciplinary measure appropriate to the case will depend on many factors, including the following:

- (i) the nature and degree of the offence,
- (ii) whether the offence was deliberate or as a result of carelessness,
- (iii) the employee's previous record of conduct,
- (iv) interval since last violation,
- (v) aggravating circumstances.

The following steps in discipline are recognized in order of seriousness:

- (i) Oral reprimand,
- (ii) Written reprimand (indicating repetition of offences could be cause for discharge),
- (iii) Suspension,
- (iv) Discharge.

(G) Supplementary Employment:

No employee shall engage in outside employment or activities, which will:

- (i) interfere with the efficient performance of the employee's on the job duties or responsibilities,
- (ii) occupy time during his/her working hours,
- (iii) involve the performance of duties which the employee should perform as part of his/her employment.

Further, any such outside employment or activities shall involve neither a conflict of interest nor a conflict with the employee's duties. Employees are required to declare their outside employment activities to the CEO or General Manager for review vis-à-vis conflict of interest.

(H) Acceptance of Gratuities:

With the exception of receiving tips for service provided in the lounge and tasting areas, employees are prohibited from accepting gifts, money and gratuities from persons receiving benefits or services from the PBC; or from persons otherwise in a position to benefit from an employee's action.

(I) Political Affiliation or Involvement:

Employment with PBC may not be offered as a consideration or reward for the political support of any political party or candidate for public office. No person may engage in partisan political activity during working hours or as a representative of the PBC.

(J) Elected Office:

- (i) Municipal, Regional District and School Board Offices - Employees may seek election to municipal, regional district and school board offices provided that the duties of the municipal, regional district and school board office other than regular council, regional district or board meetings do not impinge on normal working hours as an employee of the PBC.
- (ii) Federal and Provincial Offices - As noted in (i) there are no restrictions on employees engaging in political activities on their own time. If an employee is nominated as a candidate for election, the employee shall upon request, be granted leave without pay to engage in the election campaign. If elected to provincial or federal office, employment shall terminate.

(K) Working Relationships:

PBC Employees involved in a personal relationship outside work which compromises objectivity, or the perception of objectivity, should avoid being placed in a direct reporting relationship to one another.

For example, employees who are direct relatives or who permanently reside together should not be employed in situations where:

- A reporting relationship exists where one employee has influence, input, or decision-making power over the other employee's performance evaluation, salary, premiums, special permissions, conditions of work, and similar matters; or
- The working relationship affords an opportunity for collusion between the two employees that would have a detrimental effect on the Employer's interest.

The above restriction on working relationships may be waived provided that the CEO is satisfied that sufficient safeguards are in place to ensure that the Employer's interests are not compromised. Such safeguards may include, but are not necessarily limited to,

- Written and signed acknowledgement that the personal relationship is mutually consensual,
- Written and signed memoranda of understanding between employees confirming relationship is mutually consensual and setting out additional terms that both parties agree to adhere to at work both during and following the relationship,
- Adjusting reporting and/or decision-making structures to remove perception of conflict of interest (e.g. delegating scheduling decisions, performance evaluations, etc. to another person),
- Legal advice,
- Other legal agreements or contracts.

Should a personal relationship which compromises objectivity, or the perception of objectivity, develop between employees it is the employees' responsibility to immediately disclose this to their Manager(s), the General Manager or the CEO. Failure to do so could result in disciplinary measures or termination.

APPENDIX F: EMPLOYEE CODE OF CONDUCT POLICY

1. POLICY

1.01. Employees must perform their duties in a manner that maintains and enhances confidence and trust in the integrity, objectivity and impartiality of Persephone Brewing Co. (the Company). Trust and mutual respect are the cornerstones of any relationship between an employer and its employees. As its most valuable and important asset, the Company's employees therefore are expected to demonstrate the highest standards of behaviour.

1.02. Guidelines for the acceptable conduct and behaviour of employees are necessary for the orderly operation of any business, for the benefit and protection of the rights and safety of employees and the protection of the Company's assets. Employees are expected to govern their conduct and behaviour in a manner consistent with the guidelines set out herein.

2. PURPOSE

2.01 The purpose of this Policy is to provide guidelines, which may be changed from time to time, to promote understanding of what is considered acceptable and unacceptable conduct and behaviour; and to encourage consistency throughout the company.

2.02 This Code clarifies the Company's expectations of its employees, and re-affirms our commitment to caring for our customers needs and maintaining fiscal responsibility on behalf of the Company and its employees. It provides a guide for consistent behaviour in delivering services and goods. This Code is simply a formal statement of the policies and principles of conduct the Company has always embraced. Contravention of this Code is a serious matter to the Company and will be treated as such.

3. SCOPE

3.01 This Statement of Policy and Procedure applies to all employees, directors, executives, supervisors, managers, and officer. All should receive a copy of the Code and certify each year that they have complied with this Code.

3.02. All employees are expected to be aware of, and comply with, this Employee Code of Conduct and its related policies.

4. RESPONSIBILITY

4.01 Each employee including supervisors and managers is responsible for observing rules of conduct that are normally accepted as standard in a business enterprise.

4.02 Employees, Supervisors and Managers of the Company must follow the highest standards of ethical behaviour in the course of their work to ensure that public confidence and trust is maintained. The Company and all its employees must be above suspicion and beyond reproach, and must be perceived in this manner.

4.03 Supervisors and Managers are responsible for counseling employees promptly when their conduct or behaviour is inconsistent with the intent of this Statement of Policy and Procedure.

4.04 We all share the obligation to ensure a professional, respectful work environment

5. PROCEDURE

In order to earn and retain the trust and respect of each other within the Company as well as external stakeholders – including customers, suppliers, and the general public – principles of honesty, integrity, fair dealing and the highest ethical standards must underlie everything we do and every decision we make. We must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of facts, or any other unfair dealing or unethical activity. We will be judged not only in terms of how competent we are at conducting our business, but also on our integrity and how we behave at work, in community or political involvement and in the public expression of personal views. Accordingly, before embarking on any course of action we need to be able to answer “yes” to each of the following questions: Is it fair? Is it right? Is it legal?

We must be aware of the policy framework that guides and governs our behavior in the performance of our day-to-day activities and conduct ourselves in a manner consistent with those policies and the Code.

The company's reputation rests on how customers, suppliers and the public perceive us individually – not only in terms of how competent we are at handling their business, but also on

our integrity and how we behave. The following are some examples of situations where our individual actions could affect that perception.

Those who, in good faith, report concerns of the kind described below will be protected by the company.

7.01 Appropriate Conduct and Behaviour includes but is not limited to:

- Adherence to published policies, practices and procedures;
- Competent performance of all job duties assigned;
- Prompt and regular attendance at work;
- Courtesy to and respect for co-workers, customers, suppliers or any other person who deals with Persephone Brewing Co. in the conduct of its business;
- Wearing proper work attire and footwear during working hours, appropriate to the job performed. For this purpose, thongs, sandals, etc. are not acceptable business footwear for farm staff, Tasting Room staff or brewery staff.
- Employee must hold in confidence any information obtained about a customer, supplier or employee in the performance of their duties consistent with the requirements of the workplace and legislation.
- Employees must not engage in, or condone, behaviour which causes unnecessary mental, physical distress or loss of dignity, privacy or autonomy to customers, suppliers or employees.
- Employees have a responsibility to promote and safeguard the well-being and safety of the customers, suppliers and fellow employees at all times by ensuring that no act or omission on their part places them at risk or in harm's way.

7.02 Inappropriate and Unacceptable Conduct and Behaviour includes but is not limited to:

- Loitering or loafing;
- Leaving work early without supervisor's permission;
- Using malicious, abusive language;
- Spreading malicious gossip or rumours;
- Harassing, threatening, intimidating, coercing any person at any time;
- Reporting to work or working while impaired by alcohol, drugs, or prohibited substances; Creating or contributing to unsanitary conditions;
- Insubordination;
- Excessive personal use of telephones or computer facilities on company time.
- Perceived inappropriate comments directed at an individual related to the person's sex, sexual orientation, racial background, religion, or physical ability.
- Perceived favouritism or preferential treatment of one employee over others by a person in a position to confer, grant, or deny a benefit or advancement where such treatment does not relate to operational needs and/or the person in a

position to confer, grant, or deny a benefit or advancement is in a perceived conflict of interest.

- Willful violation of safety rules and procedures;
- Willful neglect and/or mishandling equipment and machinery;
- Unsafe driving of company or in-plant vehicles;
- Theft and/or falsification of company records;
- Threat of/or actual physical contact of any kind when there is a perception of physical violence. For example: Violent grabbing, pushing, or shoving and throwing of instruments, materials or equipment of any kind.
- Sexual harassment of any kind.
- Indecency;
- Fighting;
- Poor or careless work;
- Sleeping while on duty;

Inappropriate and Unacceptable conduct could result in disciplinary action up to and including termination without notice or pay in lieu thereof.

7.03 Required Action

If we suspect an actual or potential breach of this Code – whether it be a conflict of interest, a breach of applicable law, regulations, rules or what appears to be unethical, fraudulent or other illegal behaviour on the part of a colleague – we must do something about it. Why? Because by simply looking away, we become part of the problem. In order to be part of the solution, we must all be alert to activities that may point to a breach of any laws, rules, and regulations, any Company Policies or this Code.

If we know of or suspect such breaches, either by ourselves personally or by another individual, we must immediately report to our manager. The manager is responsible for appropriately receiving, retaining, handling and, where appropriate, reporting and escalating verbal and written complaints and reports in relation to such matters in accordance with company policies. If you have already taken a concern to the appropriate persons and departments referred to above and you are not satisfied with the response, you should promptly refer the matter to the General Manager or CEO.

It is not the intent of the Code to create a compulsion to report or an atmosphere of paranoia since this would not be in keeping with the spirit of the principles espoused.

APPENDIX G: STATEMENT OF INCLUSIVITY IN HIRING

Persephone is an equal opportunity employer. We only hire local and recognize the need for diversity in our company.

Persephone Brewing Company recruits, employs, trains, compensates and promotes regardless of race, religion, color, national origin, gender, sexual orientation, disability, age, veteran status, and other protected status as required by applicable law.

At Persephone, we have a clear vision: to be a place where a diverse mix of talented people want to come, to stay and do their best work. We pride ourselves on bringing the best products, community-building and agricultural practices to our community and consumers and we know our company runs on the hard work and dedication of our passionate and creative employees.

Persephone's dedication to promoting diversity, multiculturalism, and inclusion is clearly reflected in all of our products and activities. Diversity is more than a commitment at Persephone - it is the foundation of what we do. We are firmly focused on equality and believe deeply in diversity of race, gender, sexual orientation, religion, ethnicity, national origin and all the other fascinating characteristics that make us different.