



# HPG Labor and Human Rights Policy

## Introduction

HPG's employees are of great value and the key to our success. We must strive to provide a workplace where employees can fulfil their potential in an open and inspirational working environment. We must maintain a strong commitment to high standards that deliver a fair, respectable, and safe workplace for all employees in the Group.

This policy is to define the labor and human rights standards to which all employees in the HPG are entitled, irrespective of the place in which they work.

## Scope

These policies cover all actions related to the activities of HPG Brands, including all staff employed by any of our brands; HPG, BCG, Beacon Promotions, Best Promotions USA, Debco, Evans Manufacturing, Handstands, Hub, Mixie, Origaudio and SugarSpot. They also cover any third parties contracted to work on our behalf.

## Responsibilities, Reporting and Reviewing

The CEO is ultimately responsible for these policies, including the qualitative and quantitative goals for the business and ensuring they are achieved. Senior Management are responsible for day-to-day oversight of matters, which helps the company achieve our goals. HPG will publish its results against these goals in an annual Sustainability Report. These policies are reviewed annually to ensure they are up to date. The policies were last reviewed in January 2025.

## Quantitative Goals

- Fewer than 20 injuries suffered by employees at work in 2025.
- Fewer than 20 workplace accidents in 2025.
- 100% of full-time staff are offered healthcare packages by the end of 2025.
- Provide at least 4 hours of training for each employee in 2025.
- 100% of employees have a performance appraisal in 2025.
- 100% of employees receive annual training on equality, inclusion, and diversity in 2025.
- Zero incidents of harassment or discrimination in 2025.





## Health and Safety Policy

The personal safety and health of each employee of HPG is of primary importance. Safety is an integral part of the work process and involves the active cooperation of all employees to follow established safety practices and procedures. Safety training will be conducted on a regular basis.

HPG makes every effort to comply with relevant Federal and State occupational health and safety laws and is committed to providing a safe working environment. HPG works to develop its operations, procedures, technologies, and programs to ensure compliance. Company policies are aimed at minimizing employee exposure to health and safety risks. To accomplish this objective, all employees are expected to work diligently to maintain safe, clean, orderly work areas and to adhere to proper operating procedures designed to prevent injuries and illness.

### Safety Equipment

HPG issues, or have available, the necessary safety equipment for employees to do their jobs safely. This includes such personal protective equipment as safety glasses, hard hats, chemical resistant gloves, and hearing protection. Employees working in production and warehouse facilities are encouraged to wear ear plugs daily to prevent hearing damage. Safety glasses, masks, and work aprons are also available upon request.

### Fire Safety

All divisions are equipped with fire extinguishers, marked fire exits, and emergency lighting. Fire inspections are conducted yearly to ensure that the Company is adequately prepared and equipped to deal with fire emergencies.

## Employee Working Conditions

Prioritizing the well-being and work-life balance of our staff is our upmost concern. We understand the importance of establishing clear work hours within each employee's contract, adhering to legal regulations and mutually agreed-upon terms. Additionally, we offer flexible work arrangements whenever feasible.

HPG is committed to providing fair compensation that aligns with the workload and responsibilities shouldered by our team members. All compensation rates surpass the minimum legal standards, underscoring our commitment to equitable pay.

We are dedicated to maintaining a transparent recruitment process and promoting the advancement of our employees' careers within our organization. To achieve this, we ensure that all new job openings are visible to our current staff, allowing them the opportunity to





apply. During the recruitment interview stages, existing employees receive equal consideration for external candidates to ensure a fair comparison.

In addition, we emphasize the importance of conducting annual performance reviews using a formalized process that ensures consistency in evaluating individual performance. This structured approach enables us to provide constructive feedback and effectively monitor progress.

Furthermore, we actively identify and provide training opportunities for our employees to develop their skills, aiming to enhance their capabilities and enable them to excel in their roles. We also encourage open and transparent discussions between employees and their managers regarding career opportunities within the company, creating a clear pathway for career advancement and progression within our organization.

Our commitment to these practices, including performance reviews, training opportunities, and career discussions, underscores our unwavering dedication to supporting the growth and development of our workforce.

### **Benefits**

HPG offers eligible employees benefits packages including health, dental, optical, and life insurance as well as retirement plans. These packages are designed to add significantly to the value of employees' earnings and go well above the minimum requirements set by state and federal legislation.

### **Vacation and Personal Time**

A full-time employee will accrue Paid Time Off of 10 days or 80 hours annually, excluding exceptions. Employees are granted time off to observe holidays in accordance with local, state, providential, and federal regulations.

## **Career Management**

### **Performance Appraisals**

Performance evaluations take place annually unless there are special circumstances, such as a promotion or transfer to a new position.

The performance evaluation provides an opportunity for the employee and manager to review the employee's performance. Relevant performance factors are evaluated, and performance goals are established. Each manager will complete a written performance evaluation form provided by the HPG. A performance evaluation is conducted before an employee is considered for a pay increase. The written performance evaluation is kept in the employee's personnel file.





In addition to the annual review, an employee's evaluation should be an ongoing process, and performance may be assessed whenever necessary.

Employees may receive a pay review at the time of the annual performance evaluation. The primary factors considered in determining the individual's possible pay adjustment, if any, are the employee's performance, current pay level relative to the estimated market price of the position, the employee's position and corresponding pay level, time since last increase, and economic conditions.

### **Open Positions and Referrals**

HPG strives to promote the advancement of employees from within the organization whenever possible. Therefore, where possible, job openings will be posted publicly unless organization requirements dictate otherwise. To be considered for an opening that is posted, an employee must have completed the first 90 days of employment, be in good standing, and must have the appropriate qualifications for the position.

## **Freedom of Association**

Workers are routinely encouraged to provide feedback on both working conditions and business practices as an integral aspect of everyday business operations. Formal opportunities for colleagues to discuss work-related matters are provided during performance reviews. Employees have the freedom to join trade unions and organize themselves for collective action.

## **Equality, Inclusion and Diversity Policy**

### **Equal Employment Opportunity**

HPG is an equal opportunity employer. We do not tolerate discrimination and will extend equal opportunity to all individuals without regard to race, color, religion, sex, sexual orientation (including transgender status, gender identity or expression), pregnancy (including childbirth, lactation, and related medical conditions), ancestry, national origin, age (40 or older), physical or mental disability, genetic information, marital status, arrest and conviction information, membership in the uniformed services, veteran status, or any other category protected by federal, state, or local laws. This policy applies to all terms and conditions of employment, including but not limited to recruiting, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, training, and all other terms, conditions, and privileges of employment.

Employees may raise concerns confidentially, without fear of retaliation, and any concerns or issues will be disclosed on a business need-to-know basis only.

HPG will provide reasonable accommodation for the known physical or mental limitations of qualified applicants/employees with disabilities to enable them to perform the essential





functions of the position held or applied for and to enjoy equal benefits of employment unless such accommodation imposes an undue hardship on the company.

### **Disability Accommodation Policy**

We comply with the Americans with Disabilities Act (“ADA”), the Pregnancy Discrimination Act, and all applicable state and local fair employment practices laws. HPG is committed to providing equal employment opportunities to qualified individuals with disabilities, including pregnancy, childbirth, and related medical conditions, such as lactation or the need to express milk for a nursing child. Consistent with this commitment, HPG will provide reasonable accommodation to otherwise qualified individuals where appropriate to allow the individual to perform the essential functions of the job, unless doing so would create an undue hardship on the business. Where an individual is suffering from a pregnancy-related disability or condition, reasonable accommodation may include, but is not limited to:

- More frequent or longer paid or unpaid breaks.
- Time off to attend to a pregnancy complication or recover from childbirth with or without pay.
- Acquisition or modification of equipment or seating.
- Temporary transfer to a less strenuous or hazardous position.
- Job restructuring.
- Light duty.
- Private non-bathroom space for expressing breast milk.
- Assistance with manual labor.
- A modified work schedule.

HPG will not discriminate against or retaliate against employees for requesting accommodation.

### **Interaction with Other Laws**

If leave is provided as a reasonable accommodation, such leave may run concurrently with leave the federal Family and Medical Leave Act (FMLA), Paid Family and Medical Leave, and/or any other leave permitted by state and federal law.

### **Accommodation for Nursing Mothers**

HPG will provide nursing mothers with reasonable unpaid break time to express milk for their nursing child(ren). HPG will provide employees with a private room, other than a restroom, to express milk. The room will be clearly designated and either have a lock or a sign on the door to indicate when the room is in use. Expressed milk can be stored in company refrigerators or a personal cooler.

### **Pregnant Workers Fairness Act Notice**

The Pregnant Workers Fairness Act prohibits discrimination against employees due to pregnancy or conditions related to pregnancy. The law also requires employers to provide





reasonable accommodation to employees who are pregnant or have a condition related to pregnancy. Conditions related to pregnancy include, but are not limited to, morning sickness, lactation, or the need to express breast milk.

The procedures for requesting accommodation are described in the Disability Accommodation Policy.

### **Religious Accommodation**

HPG is committed to treating all employees with equal respect and recognizing the diversity of their religious beliefs. All employees may request accommodation when their religious beliefs cause a deviation from the company dress code or the individual's schedule, basic job duties, or other aspects of employment. HPG will consider the request but reserves the right to offer its own accommodation to the extent permitted by law. Some, but not all, of the factors that will be considered are cost, the effect that accommodation will have on current established policies, and the burden on operations—including other employees—when determining reasonable accommodation. At no time will HPG question the validity of a person's belief.

### **Policy Against Harassment, Discrimination, and Retaliation**

HPG promotes a working environment that is free of discrimination and harassment, including but not limited to sexual harassment. Discrimination and harassment of employees occurring in the workplace or in other settings in which employees may find themselves in connection with their employment is strictly prohibited and will not be tolerated.

This policy refers to, but is not limited to, harassment in the following areas: (1) age, (2) race, (3) color, (4) national origin/ancestry, (5) religion, (6) sex or gender, (7) sexual orientation, (8) mental or physical disability, (9) genetic information, and (10) membership in the uniformed services. Harassment includes the display or circulation of written materials or pictures which are degrading or hostile on the basis of the above factors and verbal abuse, slurs, or insults based on those factors and directed at or made in the presence of persons having those characteristics. See Equal Employment Opportunity for more information on the protected classes.

Harassment also refers to behavior, which is personally offensive, impairs morale, and interferes with the work effectiveness of employees. Any harassment of employees by other colleagues, vendors, or customers will not be permitted, regardless of their working relationship.

The sexual harassment complaint and investigation procedure (discussed below) also applies to other forms of illegal harassment/discrimination.

This policy also strictly prohibits retaliation against an individual who has reported or complained about an incident of discrimination or harassment and strictly prohibits retaliation against an individual who has cooperated or assisted in an investigation of a complaint pertaining to an alleged violation of this policy.



## Sexual Harassment

Since HPG takes allegations of sexual harassment seriously, the company will respond promptly to complaints of sexual harassment and, where it is determined that such inappropriate conduct has occurred, will act promptly to eliminate the conduct, and impose such corrective action as is necessary, including disciplinary action where appropriate.

### Definition of Sexual Harassment

The legal definition for sexual harassment is as follows: “sexual harassment” means sexual advances, requests for sexual favors, and verbal or physical conduct of a sexual nature when:

- submission to or rejection of such advances, requests, or conduct is made either explicitly or implicitly a term or condition of employment or is used as a basis for employment decisions; or
- such advances, requests; or conduct have the purpose or effect of unreasonably interfering with an individual’s work performance by creating an intimidating, hostile, humiliating, or sexually offensive work environment.

Under these definitions, direct or implied requests by a supervisor for sexual favors in exchange for actual or promised job benefits (such as favorable reviews, salary increases, promotions, increased benefits, or continued employment) constitute sexual harassment.

The legal definition of sexual harassment is broad and, in addition to the above examples, other sexually oriented conduct, whether it is intended or not, that is unwelcome and has the effect of creating a workplace environment that is hostile, offensive, intimidating, or humiliating to male or female workers may also constitute sexual harassment. While it is not possible to list all those additional circumstances that may constitute sexual harassment, the following are some examples of conduct which, if unwelcome, may constitute sexual harassment depending upon the totality of the circumstances, including the severity of the conduct and its pervasiveness:

- Unwelcome sexual advances - whether they involve physical touching or not.
- Dissemination of sexually explicit voicemail, email, graphics, downloaded material, or websites.
- Sexual epithets, sexual jokes, written or oral references to sexual conduct, gossip regarding one’s sex life.
- Comment about an individual’s body and/or comment about an individual’s sexual activity, deficiencies, or prowess.
- Displaying sexually suggestive objects, pictures, or cartoons.
- Unwelcome leering, whistling, brushing against the body, sexual gestures, suggestive or insulting comments.
- Inquiries into one’s sexual experiences or discussion of one’s sexual activities.