

Sauder Manufacturing Co.

2019

8.1.2 Labor and Human Rights

8.2 Policy on Social Responsibility

Sauder Manufacturing Co. is an equal opportunity employer. Opportunities for employment and advancement are available to all qualified candidates who are not subject to discrimination due to race, religion, color, age, gender, (including pregnancy), national origin, disability, sexual orientation, marital status, genetic information and veteran or military status or any other prohibited grounds under Local, State, and Federal laws. These provisions include, but are not limited to, training, employment, promotions, transfers, layoffs, rates of pay and terminations. This document verifies that Sauder Manufacturing Co. conforms to all labor and human rights regulations at the local, state, federal and national levels. This encompasses the following locations:

- Archbold, Ohio
- Stryker, Ohio
- New Haven, Indiana
- Richmond, Virginia
- Chase City, Virginia

Below is a list of policies and procedures, excerpted from the corporate employee handbook and included at the end of this document, demonstrating how Sauder Manufacturing Co. conforms with Local, State, Federal and National laws and regulations.

- Labor and Human Rights
- Social Responsibility
- Equal Employment Opportunity Policy
- Business Ethics – Beliefs and Core Values
- Harassment Policy
- Conflict Resolution Procedure
- Workplace Violence Policy
- Threat Awareness
- Job Opportunity
- Drug Free Workplace

For the year 2018 Sauder Manufacturing Co., at all of its locations, had zero Human Rights Violations.

Internal Controls to ensure conformance to all applicable laws and regulations include:

- Each employee signs an acknowledgment affirming that they can access these details in the employee handbook.
- These policies and procedures are reviewed during onboarding of new hires and the annual training of all employees, which includes:
 - Sexual Harassment and Retaliation
 - Drug and Alcohol Awareness
 - Safety
 - Code of Conduct
 - Performance Management
 - Recruitment, EEO Update, Utilization Analysis and Goals.

- Employee Bulletin Boards are maintained in open and conspicuous areas on which the following is posted:
 - Federal Labor Laws and Employee Rights
 - State Labor Laws and Employee Rights
 - Other Notification postings which include:
 - E-verify
 - Right to Work
 - Company Harassment Policy
 - Company Workplace Violence Policy
 - Statement of Policy – Affirmative Action Plan Vets
 - State of Ohio Affirmative Action Plan statement

External Controls include the posting of this document, in its entirety, together with an annual Social Responsibility Report (BIFMA e3 8.6), on Sauder's corporate website.

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Labor and Human Rights

Sauder Manufacturing Co. protects and respects the rights of human resources at the local, national, and global levels by ensuring that forced or involuntary labor is not used or supported in any form, that employment is voluntary, and that child labor is not used or supported in any form at any of their facilities.

Social Responsibility

Sauder Manufacturing Co is committed to observing the highest standards of business ethics and avoiding any activities (acceptance of gifts, favors or insider trading) that might reflect unfavorably on its integrity and that could be adverse to its business interests or good name. We are committed to conduct our business in a manner that supports the dignity of all, and that protects human rights locally, nationally and around the world. Sauder Manufacturing Co. is an equal opportunity employer and will not discriminate or condone discrimination in any of its employment or business practices. Sauder believes that its responsibility goes beyond protecting diversity, to encouraging, educating and valuing our differences and being truly inclusive. We will support our communities through outreach projects and by encouraging our people to be involved.

Equal Employment Opportunity Policy

We are an equal opportunity employer. Opportunities for employment and advancement are available to all qualified candidates who are not subject to discrimination due to race, religion, color, age, gender, (including pregnancy), national origin, disability, sexual orientation, marital status, genetic information and veteran or military status. These provisions include, but are not limited to employment, promotions, transfers, layoffs, rates of pay and terminations.

Business Ethics – Beliefs and Core Values

Statement of Beliefs

We at Sauder Manufacturing Co. believe everyone is a spiritual being on a human journey. We believe that our talents and resources are given by God and are to be used for our own needs and to serve the well-being of others. Furthermore, we believe all of us share in the responsibility of creating an environment based on openness and mutual respect, fostering continuous growth as individuals and as an organization.

Core Values

Therefore, we share this set of values including:

- Respect for all people
- The right and need of each person to grow and learn
- Serving the well-being of others
- Fairness, integrity, and openness in all we do
- Stewardship and development of material and human resources
- Work as an important component of a balanced quality of life
- A community which seeks to include rather than exclude

Cultural / Environmental Impacts

In order to live these values, we will build and nurture an environment in which we challenge and require ourselves and everyone around us to:

- Embrace growth and learning.
- Encourage each person to become a capable decision-maker.
- Support capable persons nearest the issue to make decisions.
- Achieve synergy in our teams, processes, systems, and relationships.
- Give and gain respect in our relationships with each other, our customers, suppliers, and community.
- Set and accomplish goals which challenge us to align our lives with our core values.
- Share rewards of success collectively and in relation to individual contributions.

Harassment Policy

One of the objectives of the company is to create an environment that ensures that you are treated with dignity and respect. Sauder will not tolerate harassment of our employees. Harassment includes unwelcome sexual advances or requests for sexual favors, unwelcome and offensive touching, or other verbal, graphic, physical conduct of a sexual nature. However, "harassment" is not always sexual in nature — it also includes, but is not limited to, bullying, intimidation, slurs, jokes, stares and other verbal, graphic or physical conduct that would potentially or intentionally create a hostile work environment.

Violation of this policy will subject an employee to disciplinary action, up to and including immediate termination.

If you feel that you are being harassed in any way by another co-worker, member of supervision, customer or vendor, inform your manager immediately. The matter will be thoroughly investigated and, where appropriate, disciplinary action will be taken. If you do not feel that you can discuss the matter with your manager or if you are not satisfied with the way your complaint has been handled, **please contact Human Resources**. Retaliation against you for reporting your concerns about this type of behavior will not be tolerated. **Do not assume that the company is aware of your problem.** It is your responsibility to make the person aware that you are offended by his/her comments or behavior, and to bring your complaints and concerns to the attention of management so that these issues can be resolved.

1. All complaints will be considered as serious.
2. The facts will be gathered and, if needed, corrective action will be taken.
3. The matter will be handled in a timely fashion.

Conflict Resolution Procedure

It is the goal of Sauder Manufacturing Co. to effectively address issues and/or complaints relating to harassment, co-workers, company policies, or supervision in a timely manner. This requires that complaints be addressed quickly. The following steps should guide the resolution process.

Issues Involving Harassment

Notify your supervisor or Human Resources immediately. See the Harassment Policy for details.

Issues regarding a co-worker, company policy or work rule.

1. If you have an issue with a co-worker or co-workers, first try to work it out directly with the individual(s).
2. If the issue continues or if the complaint deals with a company policy or work rule, the next step is to talk with your direct supervisor.
3. If your complaint is not addressed in a timely manner, you should then bring the issue to the attention of your supervisor's manager or Human Resources.
4. If there is no closure, talk with your Department Vice President.
5. If still unresolved, take it to the Vice President of Human Resources/Operations for review.
6. Finally, if resolution still has not been reached, contact the President of the company.

Complaints Regarding Your Supervisor

1. If your issue deals with your supervisor, try and work it out with him/her first.
2. If the issue continues, discuss the situation with your supervisor's manager.
3. If unresolved contact the next higher-level manager in your department, and/or discuss it with Human Resources or your Department Vice President.
4. If the complaint is still not resolved, contact Vice President of Human Resources/Operations.

Workplace Violence Policy

It is Sauder Manufacturing Co.'s goal to prevent any acts or threats of violence by any person, employee or otherwise, against employees. The Company will not tolerate any acts or threats of violence against our employees, customers, visitors, or other stakeholders. Sauder Manufacturing Co. is committed to:

1. Providing a safe work environment in accordance with the Sauder Safety System.
2. Establishing security measures to ensure that all Company facilities are safe and secure for employees and, at the same time, providing employees and other authorized persons reasonable access to the Company's facilities.
3. Prohibiting employees, former employees, customers, and visitors from bringing any firearms or other weapons onto Company premises. Provided, however, that a person who has been issued a valid Ohio concealed handgun license may transport and store a handgun and ammunition inside the person's privately owned vehicle, so long as the vehicle is parked in a permitted area, and so long as the firearm and all ammunition remain inside the person's vehicle locked within the trunk, glovebox, or other enclosed compartment or container at all times when the person is not physically present inside the vehicle. Apart from this exception mandated by Ohio law, employees, former employees, customers, and visitors are prohibited from bringing any firearms or other weapons onto any Company premises, including parking lots.
4. Taking prompt disciplinary action, up to and including termination, against any employee who engages in threatening behavior or acts of violence, including threatening language and gestures.
5. Taking appropriate action when dealing with customers, former employees, visitors, or other stakeholders who engage in violent or threatening behavior, or who otherwise engage in behavior that the Company deems offensive or inappropriate.

Employees should immediately inform their Supervisor of any suspicious workplace activities, situations, or incidents that they observe, or are aware of, that involve employee or non-employee acts of violence, aggressive behavior, offensive behavior, threatening or offensive comments or remarks, or other inappropriate or threatening behaviors. Such reports will be held in confidence to the maximum extent possible. The Company will not permit or condone any form of retaliation against any employee for making a report under this policy; such retaliation is strictly prohibited.

Threat Awareness

In today's world all employees must recognize the threat posed by terrorists at each point in the supply chain. Each person is a part of creating a safe environment as security concerns everyone. All employees must be aware of any threat to disrupting our facilities, processes and outgoing product. If you observe a security or threat situation, you are encouraged to report it to your supervisor or leader. Potential threats may include, but are not limited to, the following: unauthorized personnel, suspicious behavior, signs of tampering and/or suspicious packages.

Shipping and Receiving employees need additional threat awareness training regarding container inspection and proper loading procedures. All visitors must sign our visitor's log before entering the facility. Visitors must wear a badge for the duration of their visit. Upon departure, they must sign out date/time in the visitor's log and return the badge.

Job Opportunity

The goal of Sauder Manufacturing Co. is to provide career growth opportunities available to employees with good performance evaluations who have prepared themselves for career advances. If you believe that you should be considered for a promotion, or if you wish to transfer to another department, you should consult with your supervisor and fill out a transfer sheet. It is our intention to make employees aware of job openings as they occur while reserving the right to manage human resource movement where exceptions need to be made.

1. We intend to notify employees of salaried job opportunities at a salary level that are new positions. In some cases where a successor is obvious, we may decide not to post the opening.
2. Production position openings at an hourly level on 2nd and 3rd shifts will not normally be posted. This is because of the frequency of openings and the need for flexibility and a quicker response time in filling these needs. Employees who wish to change positions on these shifts will be responsible for filling out a transfer sheet indicating their desires for consideration and discuss it with their department supervisor. Following this the supervisor is to forward it to Human Resources and the appropriate supervision for future consideration.
3. We will post most 1st shift positions because, for some individuals, the shift is as important as the job. In some cases where a successor is obvious, we may decide not to list an opening.
4. Temporary positions will not be posted. At such time as a temporary position is converted to full time it will be posted. We will make an attempt to limit the length of time a position is kept as temporary. Full time employees wishing to fill a temporary position will take whatever position is available when the temporary position is discontinued.
5. If an employee does not complete a successful introductory period in a transfer or promotion situation they will return to whatever job is available if their position has been filled. When to fill a vacated position will be the supervisor's decision.
6. If a supervisor goes through an interview process and has a similar job open in a reasonable length of time, we may not post the new opening. We may use the previously interviewed applicant pool.
7. Listings will be up for one week.
8. A person who is involved in the decision making process will notify applicants not accepted in a timely manner.
9. Full-time employees are eligible to submit a job opportunity form. The goal is to select the most qualified person, taking into consideration skills, ability, past performance, attendance history, cooperative spirit, team participation and positive attitude as well as term of service. While seniority is given consideration, it is only part of the selection process.

Please contact Human Resources if you have any questions.

Drug Free Workplace

As a company we believe that drug use or possession has no place at Sauder Manufacturing Co. Our policy regarding the work-related effects of drug use and unlawful possession of controlled substances on company premises is as follows:

- Employees are expected and required to report to work on time and in appropriate mental and physical condition for work. It is our intent and obligation to provide a drug-free, healthful, safe and secure work environment for all of our employees.
- The unlawful manufacture, distribution, dispensation, possession, sale of, or use of a controlled substance on company premises or while conducting company business off company premises is absolutely prohibited. Violations of this policy will result in disciplinary action, up to and including termination, and may have legal consequences as well.
- The company recognizes drug (and alcohol) dependency as an illness and a major health problem. The company also recognizes drug (and alcohol) abuse as a potential health, safety, and security problem. Employees needing help in dealing with such problems are encouraged to use our health insurance plan or other employee assistance programs, as appropriate, to overcome the problem. Conscientious efforts to seek such help will not jeopardize any employee's job.



- Employees must, as a condition of employment, abide by the terms of the above policy and report any conviction under a criminal drug statute for violations occurring on or off company premises while conducting company business. A report of a conviction must be made to the company within five days after the conviction.

The above policy expresses the company's beliefs and convictions. It is also intended to meet the requirements of the Drug-Free Workplace Act of 1988, which applies to all government contractors.