



## WALTON CONSTRUCTION COMPANY, LLC CORPORATE COMPLIANCE AND ETHICS POLICY

### Purpose & Scope

The Compliance Committee of Walton Construction Company, LLC (“Walton”) has established this Corporate Ethics Policy (“Policy”) to aid each director, officer and employee in each Walton business unit, department, and project site, in making ethical and legal decisions in your daily work. Walton’s Compliance Committee is comprised of the Corporate Compliance Officer (“CCO”), the VP of Strategic Services, the Chief Operating Officer and the President/CEO of Walton Construction. Please direct all your questions on the Policy and how to use it effectively to Walton’s Corporate Compliance Officer Sterling Stanford.

Walton requires you to conduct our Company’s business using good judgment and the highest legal and ethical standards. Although the Policy is based on commonsense and courtesy, Walton understands that you often encounter work situations that challenge your judgment. As a Walton director, officer or employee faced with such challenges, you should refer to the Policy’s consistent and uniform guidelines to evaluate and respond in a way that meets Walton’s moral and legal standards. Use this Policy frequently to ensure that you act within the Policy’s spirit and that you react to challenges facing you in compliance with each principle and standard. Your commitment to demonstrating ethical behavior consistently helps Walton prosper by earning the trust and respect of our customers, suppliers, shareholders, competitors, and the community.

### Standards of Conduct

Each Walton director, officer and employee must:

1. **Comply with all laws, rules and regulations.** Compliance with the law does not comprise our entire ethical responsibility. Rather, it is a minimum, essential condition for performance of your duties. If you suspect that you, a co-worker or Walton may have done or may be about to do something that violates this Policy, other Walton policies, or any regulation or law, immediately contact your supervisor, the CCO, or the VP of Strategic Services. They are there to help you interpret the Policy, applicable laws, rules and regulations before you act. If you don’t notify one of these people when you know or suspect a violation, you may jeopardize yourself, your employment, and Walton.
2. **Be honest and true.** You must always give accurate information to Walton’s customers and vendors, and to the public. If you are involved in proposals, bid preparations, or contract negotiations, you must be certain that all statements, communications, and representations to prospective customers are accurate and truthful. Do not misrepresent Walton’s services when you sell, or Walton’s needs when you buy, or any other information in your negotiations, contracts and daily work. Your estimates and projections should be reasonably based on available facts and logical assumptions, and formulated without bias that could skew your results. Generally, avoid giving estimates and projections in public disclosures. If you are issuing information to the public or media, clear it first with Walton’s Chief Operating Officer and the Marketing Department.



3. **Honor individual and corporate obligations.** Make commitments to customers, suppliers, business partners and your co-workers that you and Walton expect to fulfill. Recognize also that Walton makes corporate commitments, and communicate with other departments to make sure your proposed commitments support, and do not conflict with, established ones. Meeting your commitments is an individual accomplishment, while meeting Walton's commitments enhances our corporate integrity.
4. **Obtain and use Walton assets wisely.** Proper use of Walton property, electronic communications systems, information resources, material facilities and equipment, including network accounts and ID's, is your responsibility. Use and maintain these assets with the utmost care and respect, guarding against theft, waste and abuse, and never borrow or remove them from Walton property without management's permission. While these assets are intended to be used for Walton business, occasional personal use by employees may be permitted if it does not adversely affect the interests of Walton and permission is given. Personal use of Walton assets must always be in accordance with other Walton policies—consult your supervisor for guidance and permission. (See also your Walton Employee Handbook). Non-Walton employees are not permitted to have Walton network accounts or ID's.
5. **Negotiate fairly and quickly.** Solicit, buy and sell on the basis of quality, service and price. Refrain from negotiating reciprocal agreements or coercing owners or developers to deal with Walton. Report to the CCO any party negotiating with Walton who infers that a Walton owner/investor, officer, or employee demands a certain deal outcome for their own personal gain or agenda.
6. **Compete fairly and do not disrupt free trade or restrict competition.** Antitrust laws prohibit agreements and practices "in restraint of trade" such as price fixing and/or collusion. They also bar pricing intended to run a competitor out of business; disparaging, misrepresenting or harassing a competitor; stealing trade secrets; bribery; and kickbacks. Unless you have a legitimate and legal purpose, do not discuss with, or reveal Walton prices, rate establishing methods, terms, or service schedules to parties outside Walton. Avoid using misrepresentation or innuendo that injures or discredit legitimate competitor. To ensure that our customers can purchase construction services at the same or better price as others in similar conditions, use price variances only if there are differences in the quantity or cost of providing the construction services or if conditions change that effect the marketability of the construction services or construction materials.
7. **Do not usurp business opportunities.** You are prohibited from (a) taking for yourself personally opportunities or benefits that are discovered through the use of your position or Walton property or information, (b) using your position or Walton property or information for personal gain, and (c) competing with Walton. You owe a duty to Walton to advance its legitimate interests when the opportunity to do so arises.
8. **Generally avoid gifts.** Walton's business dealings should always be free from even the perception that favorable treatment was sought, received, or given in exchange for gifts or favors. You must neither give nor accept business courtesies that constitute, or could be reasonably perceived as constituting, unfair business inducements or that would violate law, regulation or policies of Walton or a customer, or could cause embarrassment to or reflect negatively on Walton's reputation. Report immediately to your supervisor and the CCO any actual or apparent offer of a gift to you or a co-worker that appears to be an attempt to commercially or politically bribe you or Walton in the form of money, goods, gifts, favors or services. Examples of unacceptable gifts would include but are not limited to the following:



- Vehicles either loaned or given as gifts
- Political contributions in excess of local, state and federal limits
- Any kind of service received personally where reciprocal favoritism is expected
- Money given in the form of kick backs

### ***Gifts***

Walton sets forth a \$250 individual gift limit per event and a \$1000 annual aggregate gift limit per person or entity with this Policy. Unless specifically approved by his/her supervisor and the CCO, Walton employees should not offer or give tangible gifts (including tickets to sporting, recreational, or other events) having a market value of \$250.00 or more, to a person or entity with whom the Company does or seeks to do business,

### ***Gifts, Gratuities & Business Courtesies to U.S., State & Local Government Employees***

Federal, state and local government departments and agencies are governed by law and regulations concerning acceptance by their employees of entertainment, meals, gifts, gratuities, and other things of value from firms and persons with whom those government departments and agencies do business or over whom they have regulatory authority. It is the policy of Walton to comply strictly with those laws and regulations.

### ***Business Courtesies to Non-Government Persons Meals, Refreshments and Entertainment***

It is an acceptable practice for Walton employees to provide meals, refreshments, entertainment, and other business courtesies of reasonable value to non-government persons in support of business activities, provided:

- The practice does not violate any law or regulation or the standards of conduct of the recipient's organization. It is your responsibility to inquire about prohibitions or limitations of the recipient's organization before offering any business courtesy; and
- The business courtesy must be consistent with marketplace practices, infrequent in nature, and may not be lavish or extravagant. While it is difficult to define "lavish or extravagant" by means of a specific dollar amount, a common sense determination should be made consistent with reasonable marketplace practices.

9. **Tread carefully in political matters.** Walton encourages its employees to become involved in civic affairs and to participate in the political process. You must understand, however, that your involvement and participation must be on an individual basis, on your own time, and at your own expense. Federal law prohibits Walton from donating corporate funds, goods or services, directly or indirectly to candidates for federal office—this includes employee work time. Local and state laws also govern political contributions and activities by corporations. Report immediately to the CCO or your supervisor any efforts by Walton or coworkers to coerce or influence your decision to make political contributions.
10. **Keep outside interests from conflicting with your job.** The Compliance Committee must approve any material transactions between Walton and its directors, officers, employees, representatives or affiliates, and members of their immediate family. This includes any transactions with third parties (e.g., contractors, vendors, suppliers) in which such persons have a material interest. If you encounter any such transactions please contact Sterling Stanford, Corporate Compliance Officer, at (816) 753-2121 ext. 491. Conflicts of interest



can arise when you or a member of your family receive improper personal benefit because of your position with Walton. Do not take actions, conduct business, or make statements that create real or potential conflicts with Walton's interests, including taking a personal, proprietary or financial interest in an entity with which Walton does business or competes, or which could adversely, or appear to adversely, influence you in your Walton employment. Walton prohibits employment within, interest in, or ownership of organizations that may impact job performance, create or appear to create any conflicts of interest. Prior to obtaining any employment in an (A/E/C) Architectural, Engineering, or Construction industry firm, you must obtain approval from the CEO or Walton's Compliance Committee. You may invest in publicly traded entities that supply or purchase goods or services to or from Walton so long as the entity is listed on a national securities exchange or regularly traded by national securities dealers and you purchase only 1% or less of the market value of the entity's outstanding securities. If you want to purchase from entities not meeting this standard, or in greater quantities, you must receive the Compliance Committee approval before investing.

11. **Keep confidential information here.** In your daily work, you will receive information about Walton, other companies, or individuals that the public does not know. That information is confidential, and unless the information is public knowledge or is required to be disclosed by law, you must not share the information outside of Walton. Never use confidential information that you get at work for your personal gain or to give or get an unfair advantage in a personal or competitive business transaction. You may also receive confidential information and data about Walton's business plans, trademarks, projects, revenues, expenses, profits, methods, systems, employee rosters and/or vendor lists. If so, you have access to a trade secret that is Walton's valuable asset, and that, if you disclosed it outside the company, may harm Walton. For this reason, you may not disclose trade secrets to the public or use them for purposes other than as required in your work at Walton.
12. **Respect individual dignity.** Be fair and impartial with co-workers and those outside Walton, offering everyone an equal opportunity to achieve their full business potential. Do not discriminate against or harass any fellow employee, representative, or any other outside person. You and Walton must never discriminate on the basis of race, color, creed, religion, sex, sexual preference, national origin, disability or any other status recognized by civil rights law. While everyone who works for Walton must comply with these provisions, our executives and supervisors assume a special responsibility for fostering a work environment that is free from discrimination, harassment and the fear or retribution or retaliation. Supervisors must be careful in words and conduct to avoid placing, or seeming to place, pressure on subordinates that could cause them to deviate from acceptable ethical behavior. Report immediately and completely to your supervisor, Human Resources and the CCO any action, word, or practice you believe is discrimination, harassment or retaliation. (See also, Non-Harassment Policy in your Employee Handbook).
13. **Know the rules in government contracts.** If you assist Walton in fulfilling a government contract, know and comply with that contract and the contracting agency's applicable laws, rules and regulations. If you have a question concerning compliance with a government contract, contact your supervisor or the CCO. Walton will not employ or contract for services with any person who Walton knows was convicted of a criminal offense related to a government program or who Walton knows was debarred or excluded from participating in a government program.
14. **Maintain clear and accurate records.** Maintain complete, clear and dated financial and other records. Walton relies on the trustworthiness and professionalism of your accounting,



record keeping, and reporting. Never misstate, exaggerate or fabricate files that pertain to Walton's business.

15. **Special obligations of the CEO and certain financial officers.** The CEO, the chief financial officer, the chief accounting officer, and the controller have an obligation to ensure that all publicly filed reports and other public communications related to Walton's financial condition or results of operations contain full, fair, accurate, timely and understandable disclosures of all material facts.

### **Other Policies**

Walton maintains and publishes other policies that supplement many of the obligations in this Policy. Such policies include:

- Non-Harassment Policy
- Communications Systems and Internet Services Policy

You may obtain copies of these policies from the CCO or [www.waltonbuilt.com](http://www.waltonbuilt.com) under the link Walton Employee Handbook.

### **Seeking Guidance/Reporting A Violation**

You are encouraged to talk to your supervisor or the CCO if you have questions about this Policy or are in doubt of the best course of action. Additionally, it is your obligation to report suspected violations of laws or this policy. You will not be retaliated against for any report made in good faith.

#### ***Contact Information***

Sterling Stanford, Director of Human Resources/Diversity  
816-753-2121 or [sterlingstanford@waltonbuilt.com](mailto:sterlingstanford@waltonbuilt.com)

**OR**

Ward Shaw, Vice President of Strategic Services  
816-753-2121 or [wardshaw@waltonbuilt.com](mailto:wardshaw@waltonbuilt.com)

If, after 30 days, you do not believe that your report of a violation has been responded to sufficiently, you should contact Jeffrey Bruce, Corporate Attorney, by e-mailing to [bruce.law@att.net](mailto:bruce.law@att.net).



### **Sanctions**

Recognizing that employee ethics violations can mean extensive court costs, lost business and diminished goodwill, Walton will investigate any reported ethical violation promptly and completely. If Walton determines that this Policy has been violated, punishment will be in proportion to the severity of the violation, which may include termination of employment.

### **Implementation**

Walton believes in and adheres to this Policy and requires you to read, use and adhere to the Policy as well. To ensure that you are always aware of the current Policy, Walton:

1. Provides you with the current form of this Policy when you start working at Walton. You must sign a document saying that you have read and understand the Policy, and that you agree to work under the Policy rules. Walton will keep that document in your employee file.
2. Posts the Policy on [www.waltonbuilt.com](http://www.waltonbuilt.com) under the link Corporate Compliance and Ethics policy.

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Print Name

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Employee Signature

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Date