**POLICY AGAINST HARASSMENT AND RETALIATION**

The Company is committed to providing a workplace free of sexual harassment (which includes harassment based on gender, gender identity, sex (including pregnancy, childbirth, breastfeeding or related medical conditions), as well as harassment based on such factors as race, color, religion, religious dress or grooming practices, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, marital status, sexual orientation or preference, domestic partner status, family care or medical leave status, veteran status, or any other category or condition protected by law. The Company strongly disapproves of and will not tolerate harassment of employees by managers, supervisors, or co-workers. Similarly, the Company will not tolerate harassment by its employees or non-employees with whom the Company employees have a business, service, or professional relationship. Harassment includes inappropriate, abusive, and unethical behavior. The Company also will attempt to protect employees from harassment by non-employees in the workplace.

Harassment may take many forms, but the most common forms include:

• Verbal harassment, such as jokes, epithets, slurs, negative stereotyping, and unwelcome remarks about an individual's body, color, physical characteristics, appearance, or talents, references to individuals as "honey,” "doll,” or "sweetheart,” questions about a person's sexual practices, patronizing terms or remarks, sexual innuendos, sexual propositions, and suggestive comments or sounds;

• Physical harassment, such as physical interference with normal work, impeding or blocking movement, assault, unwelcome physical contact, such as touching, rubbing, grabbing or groping, staring at a person's body, and threatening, intimidating or hostile acts that relate to a protected characteristic; and

• Visual harassment, such as offensive or obscene photographs, calendars, posters, cards, cartoons, drawings and gestures, display of sexually suggestive or lewd subjects, unwelcome notes or letters, and any other written or graphic material that denigrates or shows hostility or aversion toward an individual because of a protected characteristic that is placed on walls, bulletin boards, or elsewhere on the Company’s premises or circulated in the workplace.

**Definition of Sexual Harassment**

Sexual harassment, like other forms of harassment, is illegal when: (1) submission to such conduct is made a term or condition of employment; or (2) submission to or rejection of such conduct is used as basis for employment decisions affecting the individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile or offensive working environment.

Moreover, sexual harassment includes unwanted sexual advances or visual, verbal or physical conduct of a sexual nature. The following is a partial list of examples of offensive conduct:

• Unwanted sexual advances.

• Offering employment benefits in exchange for sexual favors.

• Making or threatening reprisals after a negative response to sexual advances.

• Visual conduct: leering, making sexual gestures, displaying sexually suggestive objects or pictures, cartoons, e-mails, websites or posters.

• Verbal and written conduct: making or using derogatory comments, e-mails, letters, epithets, slurs, sexually explicit jokes, comments about an employee's body or dress.

• Verbal sexual advances or propositions.

• Verbal abuse of a sexual nature, graphic verbal commentary about an individual's body, sexually degrading words to describe an individual, suggestive or obscene letters, notes or invitations.

• Physical conduct: touching, assaulting, impeding or blocking movements.

It is unlawful for males to sexually harass females or other males, and for females to sexually harass males or other females. Sexual harassment on the job is unlawful whether it involves coworker harassment, harassment by a supervisor or manager, or by persons, including customers or clients, doing business with or for the Company. For additional information, please see the attached **DFEH Form 185**.

**Responsibility of Employees**

It is the responsibility of each employee to ensure that unlawful discrimination or that prohibited harassment or prohibited retaliation does not occur within the workplace. Any incident of work-related harassment by any Company personnel or any other person should be reported promptly to the Human Resources Department, which is responsible for investigating harassment complaints. An employee is not required to file a complaint with the Human Resources Department if the person to whom the report would be made in Human Resources is the individual who is harassing the employee, but may instead report the harassment to his or her immediate supervisor or any other member of management. Supervisors and managers who receive complaints or who observe harassing conduct should immediately inform the Human Resources Department or another appropriate Company official so that an investigation may be initiated.

**Investigation**

Every reported complaint of harassment will be thoroughly and promptly investigated. The investigation will be handled in as confidential a manner as possible consistent with a full, fair, and proper investigation. Due to the need to interview other individuals, total confidentiality is not always possible. Information obtained from the investigation will be disclosed only on a need to know basis.

In addition, the Company will not tolerate retaliation against any employee for cooperating in an investigation or for making a truthful, good-faith complaint of harassment.

**Corrective Action**

In the case of Company employees, whether a co-worker, supervisor, or manager, if harassment is established, the Company will take corrective action. Corrective action may include, for example: training, referral to counseling, or disciplinary action ranging from verbal or written warning to termination of employment, depending on the circumstances. With regard to acts of harassment by customers or vendors, corrective action will be taken after consultation with the appropriate management personnel.

**Retaliation Is Prohibited**

The Company will not retaliate against any employee for submitting a good-faith complaint of harassment, discrimination, or retaliation. In addition, the Company will not tolerate retaliation by anyone against an employee complaining of unlawful harassment, discrimination and/or retaliation, or for participating or cooperating in an investigation of such a complaint. Any employee found to have retaliated against another employee will be subject to discipline up to and including termination of employment.

**Additional Enforcement Information**

Sexual harassment and retaliation against someone for participating in investigations of sexual harassment are illegal. In addition to notifying the Company about harassment or retaliation complaints, affected employees may also direct their complaints to the Federal Equal Employment Opportunity Commission (“EEOC”) (800) 669-4000 and to the California Department of Fair Employment and Housing (“DFEH”) (800) 884-1684, which have the authority to conduct investigations. For further information, please refer to the pamphlet issued by the Department of Fair Employment and Housing of the State of California, entitled “Sexual Harassment: The Facts about Sexual Harassment,” which was provided to you at time of hire, and is included as appendix A to this Handbook.

The Company does not consider conduct in violation of this policy to be within the scope of employment or the direct consequences of the discharge of one’s duties. Accordingly, to the extent permitted by law, the Company reserves the right not to provide a defense or pay damages assessed against the employees for conduct in violation of this policy.