

AUTOMODULAR CORPORATION

POLICY STATEMENT

EMPLOYMENT RELATED SEXUAL HARASSMENT

1. Automodular Corporation (“Automodular”) is committed to providing a collegial working environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere, which promotes equal opportunities and prohibits discriminatory practices.
2. Sexual harassment is a form of discrimination based on sex. It is prohibited in Ontario by the Human Rights Code (R.S.O. 1990, c. H. 19) and is illegal.
3. Sexual harassment is offensive, degrading and threatening. Automodular has adopted this personnel policy to make it clear that sexual harassment will not be tolerated in our company. Individuals, regardless of seniority, found to have engaged in conduct constituting sexual harassment may be severely disciplined and may lose their jobs.
4. This policy applies to all employees of Automodular. Automodular will not tolerate sexual harassment by any employee.
5. Automodular recognizes there is also a danger that employees may be subjected to harassment by customers, suppliers or third parties. In these circumstances, Automodular will take all reasonable steps to support and assist any person subjected to such harassment.
6. All employees have an obligation to report all incidents of sexual harassment, regardless of who the offender may be.
7. Notwithstanding the existence of this policy, every person continues to have the right to seek assistance from the Ontario Human Rights Commission, even when steps are being taken under this policy.

PURPOSES

8. The purposes of this policy are:
 - a) to maintain a working environment that is free from sexual harassment;

- b) to alert all employees of this company to the fact that sexual harassment in the workplace is an offence under the law;
- c) to set out the types of behaviour that may be considered offensive;
- d) to establish a mechanism for receiving complaints of sexual harassment and to provide a procedure by which Automodular will deal with these complaints; and
- e) to provide an example of the steps a reasonable employer can take towards maintaining a working environment in which employees treat each other with mutual respect.

9. This policy is not intended to constrain social interaction between people at Automodular.

DEFINITIONS

10. For the purposes of this policy "Sexual Harassment" is defined as:

One or a series of incidents involving unwelcomed sexual advances, requests for sexual favours or other verbal or physical conduct of a sexual nature:

- (a) when such conduct might reasonably be expected to cause insecurity, discomfort, offence or humiliation to another person or group; or
- (b) when submission to such conduct is made either implicitly or explicitly of employment; or
- (c) when submission to or rejection of such conduct is used as a basis for any employment decision (including, but not limited to, matters of promotion, raise in salary, job security and benefits affecting the employee); or
- (d) when such conduct has the purpose or the effect of interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.

Types of behaviour which constitute sexual harassment include, but are not limited to:

- sexist jokes causing embarrassment or offence, told or carried out after the joker has been advised that they are embarrassing or offensive, or that they are by their nature clearly embarrassing or offensive;
- leering;
- the display of sexually offensive material;
- sexually degrading words used to describe a person;
- derogatory or degrading remarks directed towards employees of one sex or sexual orientation;
- sexually suggestive or obscene comments or gestures;
- unwelcome inquiries or comments about a person's sex life;

- persistent unwanted contact or attention after the end of a consensual relationship;
- requests for sexual favours;
- unwanted touching;
- verbal abuse or threats;
- sexual assault.

Sexual harassment most commonly occurs in the form of behaviour by men towards women; however, sexual harassment can also occur between men, between women, or as behaviour by women towards men.

11. For the purposes of this policy every Automodular employee will be protected against any unfavourable consequences -
- (a) for having invoked this policy (whether on behalf of oneself or another individual); or
 - (b) for having participated in or co-operated in any investigation under this policy;
 - (c) for having been associated with a person who has invoked this policy or participated in these procedures.

12. For the purposes of this policy “Employment-Related Sexual Harassment” means sexual harassment by an employee of Automodular which occurs
- (a) in the working environment; or
 - (b) anywhere else as a result of employment responsibilities or employment relationships.

It includes, but is not limited to, sexual harassment

- at the office or plant
- outside the office
- at business-related social functions
- in the course of work assignments outside the office
- at work-related conferences or training sessions
- during work-related travel
- over the telephone

RESPONSIBILITIES

13. Automodular is responsible for:
- (a) Discouraging and preventing employment-related sexual harassment. This is a continuing responsibility, whether or not formal written complaints of sexual harassment have been brought to the attention of the company;
 - (b) Investigating every formal written complaint of sexual harassment;
 - (c) Imposing strict disciplinary measures when a complaint of employment-related sexual harassment is found to have been substantiated, regardless of the seniority of the offender;

- (d) Doing all in its power to support and assist any employee of Automodular who complains of sexual harassment by a person who is not an employee of Automodular;
- (e) Providing advice and support to persons who are subjected to sexual harassment;
- (f) Formally acknowledging to a person who has been found to have been sexually harassed that sexual harassment has taken place;
- (g) Regularly reviewing the procedures of this policy to ensure that they adequately meet the policy objectives;
- (h) Maintaining records as required by this policy;
- (i) Making all employees of Automodular aware of the problem of sexual harassment and the existence of the procedures available under this policy; and
- (j) Appointing Advisors and providing the training and resources for them to fulfill their responsibilities under this policy.

14. Every employee of Automodular has a responsibility to play a part in ensuring that the working environment is free from sexual harassment. This responsibility is to be discharged by avoidance of any conduct which might constitute sexual harassment. In addition, any employee of Automodular who believes that a colleague has experienced or is experiencing sexual harassment or retaliation for having brought forward a complaint of sexual harassment, is encouraged to notify one of the Advisors appointed under this policy.

DISCIPLINARY ACTION

15. Employees of Automodular against whom a complaint of employment-related sexual harassment is substantiated may be severely disciplined up to and including dismissal. This policy will be applied irrespective of seniority.

CONFIDENTIALITY

16. Automodular understands that it is difficult to come forward with a complaint of sexual harassment and recognizes a complainant's interest in keeping the matter confidential.

17. To protect the interests of the complainant, the person complained against and any others who may report incidents of sexual harassment, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances.

18. All records of complaints, including contents of meetings, interviews, results of investigations and other relevant material will be kept confidential by Automodular, except where disclosure is required by a disciplinary or other remedial process.

ADVISORS

19. Automodular will appoint two persons who are themselves employees of Automodular to serve as Advisors under this policy.
20. Each Advisor shall have written access to notes and records kept by any other Advisor.
21. In carrying out their duties under this policy, Advisors will be directly responsible to the Chairman of Automodular.

PROCEDURE

22. For convenience, a person who considers that he or she has been subjected to sexual harassment (or retaliation for having brought forward a complaint of sexual harassment) is hereinafter referred to as the “complainant” even though that individual may not lay a formal written complaint.
 - (a) A person who considers that she or he has been subjected to sexual harassment (or retaliation for having brought forward a complaint of sexual harassment) is encouraged to bring the matter to the attention of the person responsible for the conduct.
 - (b) Where the complainant does not wish to bring the matter directly to the attention of the person responsible, or where such an approach is attempted and does not produce a satisfactory result, the complainant should seek the advice of an Advisor.
 - (c) The Advisor will advise the complainant of:
 - i. The right to lay a formal complaint under this policy when the alleged harasser is a member of employee of the company;
 - ii. The availability of counselling and other support services provided by Automodular;
 - iii. The right to be represented by legal counsel or other person of choice at any stage of the process when the complainant is required or entitled to be present;
 - iv. The right to withdraw from any further action in connection with the complaint at any stage (even though Automodular may continue to investigate the complaint);
 - v. Other avenues of recourse such as the right to file a complaint with the Ontario Human Rights Commission or, where appropriate, the right to lay a complaint under the *Criminal Code*; and
 - vi. Any time limits which may apply to such other avenues of recourse.
 - (d) Where the alleged harasser is an employee of Automodular, there are three possible outcomes to a meeting between a complainant and an Advisor:
 - i. **Where the complainant and Advisor agree that the conduct does not constitute sexual harassment.**

If the complainant and the Advisor, after discussing the matter, agree that the conduct in question does not constitute sexual harassment as defined in this policy, the Advisor will take no further action and will make no record in any file.

ii. Where the complainant brings evidence of sexual harassment but does not wish to lay a formal written complaint.

It may happen that a complainant (or third party) brings to the attention of the Advisor facts which constitute *prima facie* evidence of sexual harassment but, after discussion with the Advisor, the complainant decides not to lay a formal written complaint.

In some such cases, the complainant may not wish any further action whatsoever to be taken. In other cases, the complainant may wish the Advisor to speak to the person whose conduct has caused offence.

In all such cases, the Advisor, having received *prima facie* evidence of sexual harassment, must decide whether or not to lay a formal written complaint (even if the decision is contrary to the wishes of the complainant).

Where the Advisor decides that the laying of a formal written complaint would not be appropriate, the Advisor will make no record in any file unless the Advisor decides to speak to the person whose conduct has caused offence, in which case the Advisor will keep a written record of what the Advisor said to that person.

Where the Advisor decides that the evidence and the surrounding circumstances are such as to require the laying of a formal written complaint, the Advisor will:

- issue a formal written complaint signed by the Advisor;
- provide copies of the complaint, without delay, to the person against whom the complaint is laid and to the person who was the subject of the alleged harassment; and
- file the complaint with Automodular without delay.

iii. Where the complainant decides to lay a formal written complaint.

If the complainant, after meeting with the Advisor, decides to lay a formal written complaint, including the situation where the Advisor is of the opinion the conduct in question does not constitute sexual harassment as defined in this policy, the Advisor will:

- assist the complainant to draft a formal written complaint which must be signed by the complainant;

- give copies of the complaint, without delay, to the person against whom the complaint is laid and to the complainant; and
 - file the complaint with Automodular without delay.
- (e) Where the Advisor gives a copy of the complaint to the person against whom the complaint is laid, the Advisor will include with the complaint a copy of this policy and a notice that the person has the right to be represented by legal counsel or other person of choice at any stage of the process when the person against whom the complaint is laid is required or entitled to be present.
- (f) Where the complainant decides to lay a formal written complaint, the Advisor may, if the complainant consents, seek a meeting with the person against whom the complaint is laid with a view to obtaining an apology or such other resolution as will satisfy the complainant.
- (g) Where in accordance with (f) above, the Advisor meets with the person against whom the complaint is laid, the Advisor will advise both parties that, even if the matter is resolved to the satisfaction of the complainant, Automodular is nonetheless obliged under this policy to pursue the investigation and to take whatever disciplinary action is appropriate.
- (h) When a formal written complaint (whether issued by an Advisor or by a complainant) is filed with Automodular, a copy will be filed in the personnel file of the person against whom the complaint is laid.
- (i) Automodular will investigate every formal written complaint and where appropriate take disciplinary action; the investigation will be undertaken by a person or persons appointed by Automodular; Advisors will not undertake such investigations.
- (j) Where the investigation results in a finding that the complaint of sexual harassment is substantiated, the outcome of the investigation and any disciplinary action will be recorded in the personnel file of the person against whom the complaint was laid. These written records will be maintained for ten years unless new circumstances dictate that the file should be kept for a longer period of time.
- (k) Where the investigation results in a finding that the complaint of sexual harassment is not proved, all record of the complaint shall be removed from the personnel file of the person against whom the complaint was laid.
- (l) The complainant will be informed of the outcome of the investigation and any disciplinary action taken by Automodular. If the complainant is not satisfied with the outcome of the investigation or the disciplinary action taken by Automodular, the complainant will be reminded of the continuing right to file a complaint with the Ontario Human Rights Commission.

PROCEDURE WHERE A PERSON BELIEVES THAT A COLLEAGUE HAS BEEN HARASSED

23. Where a person believes that a colleague has experienced or is experiencing sexual harassment (or retaliation for having brought forward a complaint of sexual harassment) and reports this belief to an Advisor, the Advisor shall meet with the person who is said to have been subjected to sexual harassment and shall then proceed in accordance with subparagraph •

HARASSMENT BY PERSONS WHO ARE NOT EMPLOYEES OF AUTOMODULAR

24. An employee of Automodular who considers that she or he has been subjected to sexual harassment by a person who is not an employee of Automodular should seek the advice of an Advisor.
25. The Advisor will take whatever action is necessary to ensure that Automodular fulfills its responsibility to support and assist the person subjected to such harassment.

CONCLUSION

26. Automodular has developed this policy because all employees of Automodular have the right to work in an environment free from sexual harassment. All formal written complaints received under this policy will be thoroughly investigated. Anyone found guilty of sexual harassment may be subjected to severe discipline.