

Sangster's will make every effort to provide a work environment free from all forms of sexual harassment or intimidation. It is illegal and against the policies of **Sangster's** for any employee to make any unwelcome sexual advances, request sexual favors, engage in verbal or physical conduct of a sexual nature and/or demonstrate any sexually harassing conduct that creates an intimidating work environment for any person in the company. This policy applies to the actions of Franchisees, Managers, co-workers, customers, outsiders and any other persons who come in contact with employees from **Sangster's**.

Sangster's recognizes that the question of whether a particular action, incident or general course of action is sexual harassment or simply a socially acceptable action is sometimes a difficult factual determination. **Sangster's** also recognizes that any and all such events will demand a prompt, complete and unbiased investigation that protects the rights of the complaining employee(s) and the alleged harasser(s). Any costs involving the investigation, including legal costs, are at the sole expense of the alleged harasser(s) or the complaining employee(s) who reported the incident if a not guilty verdict is reached.

Sangster's will not tolerate sexual harassment, nor will it tolerate reprisals against any employee who makes a sexual harassment complaint. All employees, supervisors, managers and others who violate this policy are subject to disciplinary action, including termination. Any Supervisor or Manager who receives a complaint of sexual harassment and *fails to take corrective action* pursuant to this policy shall also be subject to disciplinary action, including immediate termination.

PROCEDURES:

1. Definition of Sexual Harassment

Sexual harassment is any unwelcome sexual attention, advances, requests for sexual favors or physical or verbal conduct of a sexual nature forced by one employee, either male or female, upon another. This unwanted attention may take the form of repeated requests for dates, obscene jokes, lewd and lascivious comments, or physical gestures, whether at or away from the company, and may include the following circumstances:

- a. Submission to such conduct is made a term or a condition of an individual's continued employment, promotion or other condition of employment. This can occur by clearly stated or implied words or actions.
- b. Submission to or rejection of such conduct is used as a basis for employment decisions affecting an individual employee.

- c. Conduct is intended to interfere or result in interference with an employee's work performance, or creates an intimidating, hostile or offensive work environment for an employee.
- d. Derogatory or vulgar comments regarding any person's gender, sexually suggestive language, sexually vulgar language, remarks about a person's physical anatomy or characteristics, threats of physical harm or distribution of written or graphic sexual materials. Sexual materials would include nude pictures, sexually oriented magazines or posters and other words or pictures of a sexually suggestive nature.
- e. Person(s) touching others in a sexually suggestive way. This would include touching others so as to invade their personal privacy, intentionally touching breasts, genital areas or derrieres. This would also include physical contact, such as hitting and pushing or threats to take such action.
- f. Any promise or threat in exchange for sex is called "quid pro quo." Any employee of **Sangster's** who engages in this behavior, whether it be intentional or unintentional shall be immediately terminated.
- g. Sincere compliments about a person's clothing generally will not be considered sexual harassment. Making comments about how someone looks *in* an outfit ("you look sexy," "you fill that sweater," "nice buns,") would be considered harassment.

2. Complaint Procedures

Employees who believe they are being sexually harassed are requested to take the following actions:

- a. Politely but firmly confront the harasser and ask him or her to stop. State how you feel about the actions and explain how you feel intimidated or harassed by these actions. If practical, have a witness present.
- b. Be specific about the exact behavior you want stopped.
- c. Any employees who are uncomfortable with a face-to-face discussion with their harassers may write their complaints in a letter or memo. One copy should be retained by the employee.

- d. Employees who choose to express their complaints verbally, should document what they have said and the responses made by the alleged harasser, and note the time and date of the discussion.
- e. If the harassment does not stop, employees should immediately notify their Manager and/or Franchise Owner and complain of the sexual harassment, and share all documentation.
- f. Managers are expected to investigate the situation and report back to the complaining employee(s).
- g. All complaints will be handled in a timely and confidential manner. Under no circumstances will information concerning any employee's complaint be released by **Sangster's** to any third person or to anyone within **Sangster's** who is not involved in the investigation.
- h. The purpose of this provision is to maintain impartiality and confidentiality. Both the complaining individual and the accused harasser have equal privacy rights under the law.
- i. All authorized employees of **Sangster's** are expected to contact the Franchisee or Sangster's Franchise Head Office immediately upon learning of a sexual harassment complaint.
- j. Retaliation against any person who complains about sexual harassment is illegal.
- k. Any Manager or person in authority within **Sangster's** who shall give poor performance appraisals, assign demeaning tasks, demote, or is found to take any kind of adverse actions against a person who complains about sexual harassment shall receive immediate disciplinary action, up to and including termination.

3. Conducting the Investigation

- a. All investigations into sexual harassment will follow these guidelines:
 - The complainant will be asked for specifics about what happened, where it happened, when it happened and why.
 - Co-workers can often be questioned, as they themselves may often be victims or may have witnessed the harassment.

- The accused harasser will be questioned. He or she will be informed of who is complaining and be warned not to retaliate or to discuss the matter with the complainant.

4. Corrective Action

- a. After all the circumstances of the complaint, including responses of the alleged perpetrator and witnesses, have been documented in detail, a determination will be made as to whether or not a sexual harassment has occurred.
- b. The complainant and other *directly involved* persons will be served notice of the company's disposition in the matter.
- c. Prompt corrective action, if warranted, will follow immediately. This may include discipline or termination of the perpetrator *or* the complainant in the case that a falsified complaint or contributory behavior was discovered.
- d. Whenever any disciplinary action is taken against an accused harasser, the victim will be informed only that "corrective action was taken."
- e. It shall be an ongoing policy of **Sangster's** that all prior complainants be contacted by authorized employees of **Sangster's**, on a periodic basis, to be certain they are currently working in an environment free from all forms of sexual harassment or intimidation.
- f. Either the complaining employee or the alleged harasser has the right to appeal the determination of the investigation if he or she indicates so in writing, and delivers the appeal to an authorized employee of **Sangster's** within 10 days of the determination.