



REGULATION
ANTI-HARASSMENT



Beyond inspection

REVISION LOG / HISTORY

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INTRODUCTION

At STS, we believe in a healthy work environment which is free from intimidation and harassment. We do not tolerate any form of harassment, whether verbal or physical conduct by any Employee.



1 PURPOSE

The document establishes mechanisms for the prevention of all forms of harassment and for the resolution of harassment complaints. It also provides practical guidance on what constitutes harassment and the manner in which it shall be handled.

2 APPLICABILITY

This regulation is applicable to all employees and consultants (“Employee”) working for STS Group and to all entities of STS Group, including but not limited to:

- Senergy Technical Services Ltd.
- Senergy Technical Services (Shanghai) Co., Ltd.
- Senergy Technical Services (France) SAS
- Senergy Technical Services (USA) LLC
- Senergy Technical Services (Asia) Ltd.

(hereinafter referred to as “STS”).

This regulation covers harassment occurring in the workplace or in other settings in which employees may find themselves in connection with their employment at STS.

3 REFERENCES

00-POL-1030-EN	Employee Handbook
01-POL-1030-BI	Employee Handbook 员工手册
00-POL-1010-EN	Employee Code of Conduct
01-POL-1010-CN	员工行为准则
00-POL-2010-EN	Employee Disciplinary Action Regulation
01-POL-2010-BI	Employee Disciplinary Action Regulation 员工纪律规范制度

4 TERMS AND DEFINITIONS

4.1 WHAT IS HARASSMENT?

It is important for every STS employee to conduct himself or herself, in conformity with the STS Code of Conduct in a culturally sensitive, tolerant and respectful way towards each other. There may, however, be room for misunderstandings in an international environment. In all cases, care should be taken not to draw hasty conclusions and to very carefully consider the situation with regards to the definitions provided in this document.

For the purpose of this regulation, harassment shall be defined as follows:

Harassment is any deliberate, offensive, undesired conduct, incompatible with the STS Code of Conduct, in the workplace or in connection with work that can be reasonably perceived as such, and has the purpose or effect of:

- (a) An affront to the identity, the personality, the dignity or the physical integrity of an employee/a group of employees, or
- (b) The creation of an intimidating, hostile, degrading, humiliating or offensive work environment.

Harassment may take various forms, including what are known as moral harassment and sexual harassment.

4.1.1 MORAL HARASSMENT

Moral harassment covers any repeated or persistent aggression, whether physical, verbal or psychological having a negative effect on conditions at the workplace or aimed at humiliating, demeaning, offending, intimidating an individual or a group of individuals, and potentially seriously affecting their health, career or dignity. Acts that constitute moral harassment include but are not limited to the following:

- (a) Persistent, unjustified and unnecessary negative attacks on personal or professional performance intended to offend the employee;
- (b) Manipulation of an employee's personal or professional reputation by rumor, gossip or ridicule;
- (c) Offensive comments or behavior relating to the ethnic origin, physical characteristics or religion of an individual;
- (d) Exclusion or continued isolation from professional activities;
- (e) Abuse of authority or power.

In the context of this regulation, **abuse of authority** is the improper use of a position of influence, power or authority against another person. This is particularly serious when a person uses his or her influence, power or authority to improperly influence the career or employment conditions of another, including, but not limited to, appointment, assignment, contract renewal, performance evaluation or promotion. Abuse of authority may also include conduct that creates a hostile or offensive work environment which includes, but is not limited to, the use of intimidation, threats, blackmail or coercion. Harassment, including sexual harassment, is particularly serious when accompanied by abuse of authority.

Examples of harassment:

1. Displaying belittling caricatures or objects depicting persons of a particular race, national origin, religion or other protected category;
2. Telling racial or ethnic jokes or stories;
3. Teasing, mimicking or repeatedly commenting on an individual's disability, accent, or other protected category;
4. Making offensive comments, jokes or suggestions about an employee's gender;
5. Continuing prohibited behavior after a co-worker has objected;
6. Laughing at, ignoring or retaliating against an employee who raises a harassment allegation;
7. Exhibiting bullying, intimidating, or threatening behavior.

4.1.2 SEXUAL HARASSMENT

Sexual harassment comprises unwelcome sexual advances, requests for sexual favors, and verbal or physical conduct of a sexual nature.

The prohibited conduct must be unwelcome, i.e. unsolicited and regarded as offensive or undesirable by the victim.

Sexual harassment includes Quid Pro Quo harassment and Hostile Environment harassment.

Quid Pro Quo harassment occurs when a sexual conduct is requested from an employee, either under the promise of a reward for acquiescence or threats of detrimental action for refusal.

Hostile Environment harassment occurs when the interaction place is permeated with intimidation, ridicule or insult that is sufficiently severe or pervasive to alter the conditions of the victim's employment and create an abusive work environment. The prohibited conduct need not be sexual; vulgarity or rudeness that is directed at the victim based on that person's gender could create a hostile environment.

Acts that constitute sexual harassment include but are not limited to the following:

- (a) Deliberate physical contact;
- (b) Sexually-oriented comments or gestures, including sexually explicit jokes;
- (c) Offensive phone calls, letters, e-mails or short messages;
- (d) Showing or displaying obscene or offensive emojis, images or texts;
- (e) Sexual advances, propositions or pressures.

Examples of sexual harassment:

- Threatening that rejection of sexual overtures will affect appointments, promotions, transfers, or evaluations;
- Making obscene or lewd comments, slurs, jokes, epithets, suggestions or gestures;
- Commenting on an employee's body or sexual characteristics;
- Displaying nude or sexually suggestive objects, pictures, images or cartoons.

4.2 WHO COULD BE A HARASSER?

The harasser could be any colleague, be it a Manager*, a peer or a subordinate.

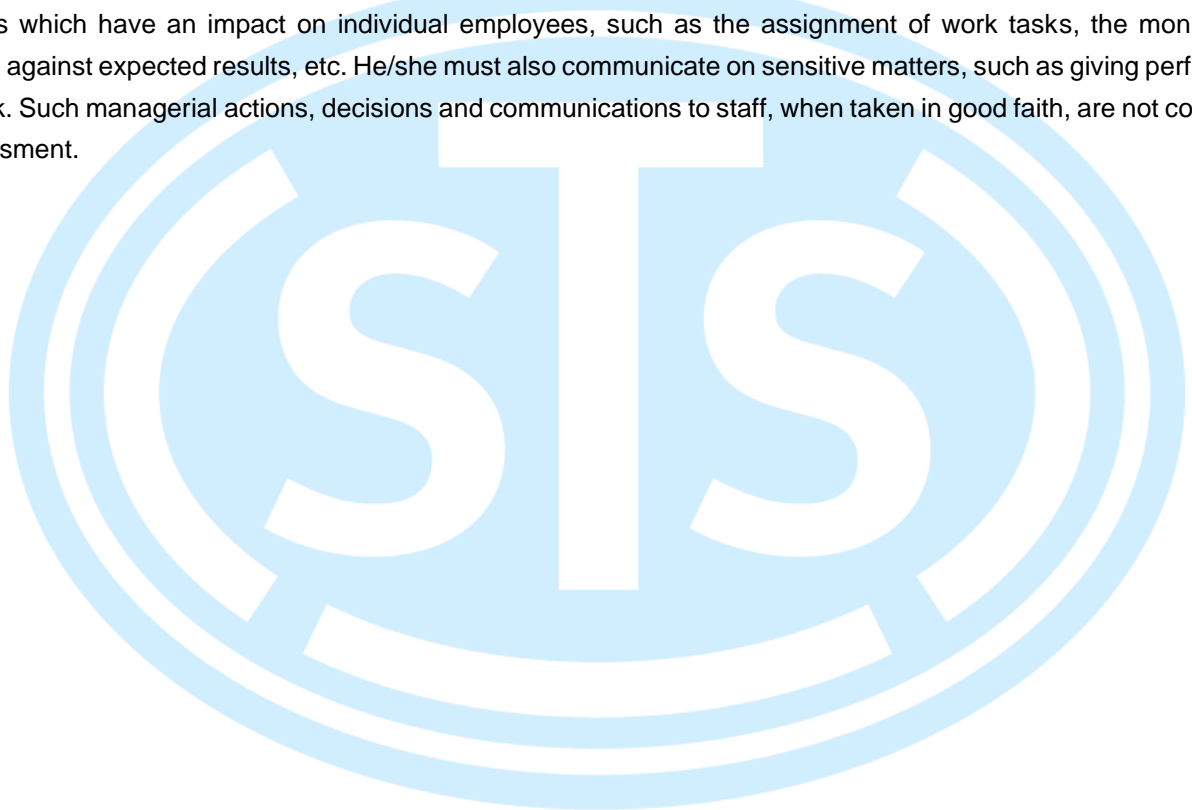
The harasser could also be any business partner, be it a client, a supplier or a manufacturer.

*Manager means a person who supervises employees in STS.

4.3 WHAT WOULD NOT BE CONSIDERED AS HARASSMENT?

The dividing line between harassment and other work-related conflicts may, at times, be difficult to establish. Situations of conflict and tensions are not automatically, nor necessarily harassment.

It is a Managers' responsibility to manage his/her team. To this effect, he/she must take a number of managerial decisions which have an impact on individual employees, such as the assignment of work tasks, the monitoring of progress against expected results, etc. He/she must also communicate on sensitive matters, such as giving performance feedback. Such managerial actions, decisions and communications to staff, when taken in good faith, are not considered as harassment.



5 RESPONSIBILITIES

Responsibilities List	President	Head of General Administration Department	Head of Human Resources Department	Head of Compliance	All Employees	Legal Consultant
Regulation drafting and amendment	I	A	R	C	C	C
Regulation publication and information	I	A	R	I	I	C
Regulation implementation	I	I	A	R	R	
Regulation supervision and compliance	I	I	A	R	R	C
Preliminary assessment of formal complaint	I	I	R			C
Conducting investigations on harassment complaints	I	I	I	R		C
Making decisions on closing or pursuing the case	R	I	I	I		C

R- Responsible: entity (person, dept process) responsible for performing the task.

A- Accountable: entity (person, dept process) responsible to ensure that the task is performed by R.

C- Consulted: Expert entity providing advice or opinion to R on the performance of the task.

I – Informed: Entity that is informed that the task has been performed by R.

6 PRINCIPLES

- In accordance with the STS Code of Conduct, every employee of STS shall treat one another fairly, with courtesy, respect and dignity, without verbal or physical abuse, regardless of rank or contractual status.
- Harassment shall not be tolerated at STS, which is committed to ensuring an environment free of harassment or abuse of authority. Every employee will contribute to such an environment.
- Focus shall be placed on preventive action against harassment. Priority shall also be given to the early detection of harassment and to swift action to stop it. Prevention of harassment is a shared individual/organizational responsibility. Each STS employee, at any level, and in particular at supervisory level, is responsible for building a positive work environment and a climate of trust and tolerance, free of all forms of harassment. Prevention and resolution of harassment is also the responsibility of STS, which shall ensure that appropriate mechanisms are in place.
- All allegations of harassment are treated seriously. To this effect, management is committed to resolving all instances of harassment as soon as it becomes aware of them, even if there are no formal complaints. Employees should, therefore, report any and all incidents of harassment in the workplace, especially before it becomes severe or pervasive.
- If proven, harassment shall be sanctioned and the harasser shall be subject to disciplinary measures. Sanctions may also be imposed against a Manager who knowingly tolerates harassment once he/she has become aware of it. On the other hand, employees must bear in mind that all allegations of harassment are very serious, and deliberately false or malicious allegations shall be sanctioned. They must therefore have serious grounds before making a complaint of harassment. Such complaints must be based on facts. The alleged harasser has the right and duty to respond to allegations of harassment.

7 REQUIREMENTS

7.1 PREVENTION

Preventive actions should be taken as a priority to deter or stop harassment and to ensure that it does not develop further.

Managers have a specific responsibility within their own team, and shall be accountable for taking early action on potential or actual harassment. Once they are aware of such situations, Managers must not tolerate their continuation. They must talk with the parties concerned and ensure that appropriate action is taken, by using the approach that they consider is best adapted to the situation.

The anti-harassment regulation shall be widely publicized to all employees, including through training. In addition, managerial training will include modules on harassment and conflict prevention and resolution.

7.2 COMPLAINT PROCEDURE

When faced with harassment, the employee may opt for different courses of actions, described below. He/she may attempt, in a first instance, to resolve the situation informally, or he/she may decide to lodge a formal complaint directly. The actions described below are not mandatory, nor are they listed in priority order. They describe the options at the disposal of the employee, who decides which option is the most appropriate for his/her situation.

7.2.1 INFORMAL APPROACH

7.2.1.1 Clarification between the parties involved

An employee being subjected to offensive behavior should, whenever possible, attempt to put a halt to the unwelcome behavior as early as possible by making it clearly known to the harasser, orally or in writing, that his/her behavior is not appropriate and that it should cease immediately.

If the offensive behavior continues despite these actions or if it is not possible for the offended employee to deal with the situation, he/she may resort to any of the following actions or to a combination of them.

7.2.1.2 Early resolution through mediation by a third party

Parties concerned may find a way to resolve the issue through mediation. The main purpose of mediation is to get the parties to understand each other, clarify the matter between them and put an end to the alleged offensive behavior. For this purpose, the complainant is encouraged to talk about his/her situation with a third party, and seek advice, information and guidance from that third party. He/she may also ask the third party to approach the alleged harasser or to mediate, i.e. bring the complainant and the alleged harasser together. In this process, the alleged harasser should accept to hear the third party, whilst the complainant should be prepared to present the facts.

The complainant may designate any staff member of his/her choice to act as a third party. Third parties shall be afforded the facilities necessary to carry out the mediation.

If, after having contacted the third party, the employee decides not to proceed with the matter, his/her wishes will be respected. The informal approach does not require a report, or an official decision. When a complaint is brought to the attention of HR or Compliance, its informal resolution should also be reported to HR or Compliance.

7.2.2 FORMAL COMPLAINT TO THE HEAD OF HR AND THE HEAD OF COMPLIANCE

If the complainant considers that informal resolution is inappropriate or unsuccessful, he/she may initiate the formal complaint procedure by submitting a formal complaint, in writing, to the Head of HR and the Head of Compliance.

A formal complaint may also be initiated by the submission of a report to the Head of HR and the Head of Compliance from any person who has direct knowledge of the situation.

Employees who so wish, may request the assistance of a staff member at any stage of the formal procedure.

The complaint should be made preferably in either English or Chinese. It should clearly state the name of the persons against whom it is filed and should describe specifically the act or acts, the time, place and circumstances under which they occurred, as well as any other information and evidence relevant to the matter. The complaint should be made in good faith, which means that the complainant must believe that the way he/she perceived the alleged harassment or abuse of authority reflects the facts. Bad faith implies an element of malice, ill will, improper motive, fraud or similar dishonest purpose.

The Head of HR and the Head of Compliance shall inform the case to the President and the Head of General Administration once they have received formal complaint.

7.2.2.1 Preliminary assessment by HR

The Head of HR shall take immediate steps to conduct a preliminary assessment of the complaint.

Harassment complaints involving HR department shall be handled by the President.

The complainant and/or any person who submitted the complaint shall be interviewed in order to: (a) Clarify the allegation; (b) Ensure that the complaint bears on harassment related events; (c) Make sure that all available evidence is submitted, and (d) Consider the possibility of informal resolution;

If, on the basis of the preliminary assessment, the case is to be pursued, the alleged harasser shall be given 10 working days to respond to the allegations and provide countervailing evidence. If required, the Head of HR will extend the enquiries in order to ensure that the evidence is submitted.

Should the facts as a result of the preliminary assessment indicate that no harassment has occurred, the Head of HR will recommend to the President and the Head of General Administration that the case should be closed. The Head of HR shall notify the parties involved and the President's decision and provide the reasons thereof. The Head of HR should endeavour to complete the preliminary assessment no later than 15 working days from the date of submission of the formal complaint.

7.2.2.2 Investigation by Compliance

If the Head of HR finds that there are reasons to believe that the complaint is founded, they shall refer the matter, within 10 working days of receipt of the alleged harasser's reply, to the Head of Compliance who will start an investigation. Both parties and the Head of HR will be notified accordingly, including on the steps that will be followed to complete the investigation.

When necessary, the President shall ensure that immediate interim measures are taken to physically or hierarchically separate the alleged harasser and the complainant. This may include the identification of different duties for one of the employees, or consideration of leave for one or both of the employees. The alleged harasser may be suspended from his/her functions without any compensation and benefits paid during period of suspension, if there is a primary evidence of serious misconduct. If the alleged harasser is outside of company, the Head of Compliance shall communicate with responsible person of business partner and take appropriate actions.

When an investigation is required, the Head of Compliance will take immediate appropriate action of investigation. Proceedings dealing with harassment shall be based on full and proper enquiries that respect the rights of both parties, in particular, all aspects of private life and reputation. Proceedings shall be strictly confidential.

When the investigation is completed, the written confidential report will be submitted by the Head of Compliance to the President, the Head of General Administration, the Head of HR. The report will include all relevant factual information, signed testimony of the parties, and appropriate analysis of the incidents.

Upon receipt of the investigation report an recommendation of the Head of Compliance, the President shall make decision within 10 working days of:

- (a) Close the case, should the facts appear to indicate that no harassment has occurred; or
- (b) Pursue the case in accordance with the Disciplinary Procedure set out in EMPLOYEE DISCIPLINARY ACTION REGULATION.

7.3 SANCTIONS – DISCIPLINARY MEASURES

Employees whose actions or behaviours are proven to constitute harassment are subject to disciplinary measures in application of EMPLOYEE DISCIPLINARY ACTION REGULATION.

In the case where the harasser is STS employee, his/her labor contract may be immediately terminated without prior notice or indemnity. Severe harasser may be subject to legal liability.

In the case where the harasser is outside of STS, STS will try best to communicate with business partner and take appropriate actions, legal liability may be pursued for severe harasser.

Any retaliation or threats against those who make harassment complaints or assist in the investigation would be regarded as serious violations of EMPLOYEE DISCIPLINARY ACTION REGULATION.

Any person found to have deliberately made false or malicious allegations of harassment shall also be subject to disciplinary measures.

7.4 FOLLOW-UP AND MONITORING: MANAGERIAL RESPONSIBILITY

Once a complaint has been resolved, the President, the Head of HR and the Heads of Departments are responsible for ensuring that corrective action following resolution is taken and implemented.

Managers concerned will monitor the situation closely to ensure that all parties make the transition back to work as smoothly and quickly as possible. Managers may resort to professional counselling, coaching, mentoring etc. to assist the complainant and the harasser to deal with the outcome of the process. Managers will also monitor their work environment to ensure that the improper behavior is not repeated.

7.5 CONFIDENTIALITY

The harassment complaint procedure, including written and oral communications related to it, shall be strictly confidential at all stages. All Managers, employees and other persons who are aware of the harassment complaint, or involved in its resolution, must respect the sensitivity as well as the strict confidentiality of the matter. They must not discuss the complaint with third parties. Breach of confidentiality shall not be tolerated and shall be sanctioned severely. All information and documentation concerning the complaint will be treated as strictly confidential.

In case the terms of this regulation conflict with the local laws, the local laws shall prevail.

In case of doubt or to obtain more information about this regulation, Employees shall contact HR personnel.