

As approved by the CDIC Board of Directors, December 7, 2005

HARASSMENT IN THE WORKPLACE POLICY

General Principles

CDIC is committed to providing a courteous working environment where all persons are treated with respect and dignity. Every employee has the right to work in a professional atmosphere that promotes equal opportunity and is free from all forms of harassment. All employees will be informed of CDIC's Harassment in the Workplace Policy (the "Policy") and expected to adhere to it. CDIC will not tolerate workplace harassment from full-time, part-time, probationary, or term employees. If a complaint of harassment is substantiated, it may result in disciplinary action up to and including termination of employment.

CDIC agents and contractors will be informed, where practicable, that harassment of CDIC employees will not be tolerated. If a complaint of harassment against an agent or contractor is substantiated, it may result in termination of a contract.

CDIC will not tolerate any retaliation against a person who complains of harassment, or who has participated in an investigation of a complaint.

Objectives

The objectives of this Policy are:

- to maintain a working environment that is free from harassment and in which all persons treat each other with mutual respect;
- to alert all employees to the fact that harassment in the workplace is a demeaning practice that constitutes a profound affront to the dignity of persons, and is an offence under the law;
- to set out the types of behaviour that may be considered offensive and that will not be tolerated by CDIC; and
- to establish a mechanism for receiving complaints of harassment and to provide a process by which CDIC will deal with these complaints.

Definitions

"Abuse of authority": arises when an individual's improper use of power or authority inherent in the position held endangers an employee's job, undermines the performance of that employee, threatens the economic livelihood of the employee, or in any adverse way interferes with or influences the career of such an employee.

“Disciplinary action”: means warnings, reprimands, disciplinary counselling, negative performance appraisals, withheld or delayed promotions, suspension and termination.

“Harassment”: means conduct or comments that the person knew or ought reasonably to have known would be unwelcome and inappropriate or otherwise offensive to a person or a group of people and that have the effect of creating an intimidating, hostile or offensive work environment. Harassment includes both sexual harassment and abuse of authority. Harassment can occur with a colleague, a supervisor, a subordinate, persons contracted to work for CDIC, agents or other persons who are found in the workplace.

“Retaliation”: means any discipline, suspension, dismissal, harassment, intimidation or other disadvantage or denial of an employee benefit by reason that the employee, acting in good faith, has made a complaint pursuant to this Policy or has participated in an investigation.

“Sexual harassment”: means any conduct, comment, gesture or contact of a sexual nature that is known or ought reasonably to be known to be unwelcome or cause offence or humiliation, or that might, on reasonable grounds, be perceived as placing an implicit or explicit sexual condition on employment, opportunities for training, job security, performance assessments, promotion, or salary increases. Sexual harassment can occur on a one-time basis or in a series of incidents and may occur in the form of behaviour by men toward women, between men, between women, or by women toward men.

“Workplace”: means any place where the business of CDIC is being carried out, and other locations and situations such as work-related off-site assignments and business travel, work-related conferences, training or social gatherings, or other locations where the prohibited behaviour might have a subsequent impact on the work relationship, environment or performance.

Examples of Unacceptable Conduct/Behaviour

Examples of harassment and sexual harassment include, but are not limited to, the following:

1. abuse of authority toward employees;
2. written or verbal insults, abuse or threats;
3. racial or ethnic slurs, including racially derogatory nicknames;
4. unwelcome remarks, jokes, innuendoes or taunts;
5. patronizing behaviour, language or terminology which reinforces stereotypes and undermines self-respect or adversely affects work performance or working conditions;
6. displaying offensive or demeaning pictures or material, or pictorial representations of a sexual nature, including through email or the internet;

7. practical jokes, which cause awkwardness, embarrassment, or negatively affect the work environment;
8. unwelcome sexually oriented remarks, invitations, jokes or requests whether indirect or explicit;
9. leering or obscene or offensive gestures;
10. unwanted and inappropriate physical contact such as touching, kissing, patting, pinching, and brushing up against a person; and
11. inquiries or comments about a person's sex life or sexual preferences.

Process to Deal with Complaints

General Principles

CDIC encourages the prompt reporting of complaints of harassment so that a rapid response and appropriate action may be taken.

Complaints may be lodged by an employee who is not being harassed directly but who has witnessed or is affected by the harassment of others. Anonymous complaints will not be investigated. CDIC will take steps to ensure that only those directly involved in an investigation under this Policy will have access to the confidential information surrounding the investigation.

It must be recognized that information collected and retained pursuant to this Policy may be subject to release under the *Access to Information Act* and the *Privacy Act* and the rules governing court or other proceedings under the law.

Informal Resolution

Employees who experience harassment in the workplace are encouraged to first attempt to make it clearly known to the person responsible (the "respondent") that the behaviour is offensive and contrary to the Policy and request that it stop. It is possible that the respondent may not realize that her/his behaviour is unwelcome and offensive.

Employees who experience harassment and attempt to deal directly with the respondent may choose but are not required to have the matter dealt with on an informal basis with the assistance of their supervisor and/or a Human Resources representative without proceeding with a formal complaint. The supervisor or Human Resources representative will attempt to resolve the complaint informally and expeditiously. The informal resolution of the complaint will be documented in a confidential complaint file kept by the Human Resources Department but not in the employee's regular personnel file.

Where an employee is unsure that harassment has occurred and would like help in determining whether the incident constitutes harassment, the employee should immediately discuss the incident with her/his supervisor and/or a Human Resources representative.

Where the employee finds the informal resolution of the complaint is unsuccessful, inappropriate or unacceptable, he/she may proceed with the formal complaint process.

Formal Complaint Process

A formal complaint that the Policy has been breached should be directed to the Human Resources Department, unless the allegation is against a Human Resources representative, in which case the complaint should be made to the President and CEO. In the ordinary course, all formal complaints will be investigated by a Human Resources representative. Complaints must be written and signed, and include a description of the incident, witnesses, if any, and steps already taken, if any, to resolve the matter.

The Human Resources representative will interview the person who made the complaint (the “complainant”) to discuss and clarify the circumstances surrounding the incident(s) to determine if there is a possibility that harassment has occurred.

Where, as a result of an interview, the complainant and the Human Resources representative agree that the conduct in question does not constitute harassment as defined in this Policy, no further action will be taken, no record will be made of the complaint in any file and the matter will be treated as closed.

Where there appears to be sufficient evidence that suggests that harassment may have occurred, the Human Resources representative will advise the respondent, in writing, that a formal complaint has been made, the details of the complaint and that an investigation will be conducted. The complainant will be sent a copy of this notice. If the complainant and the Human Resources representative do not agree on whether harassment has occurred, the Human Resources representative shall advise the President and CEO with a copy to the complainant. The President and CEO shall determine whether the matter should be investigated.

An investigation will be conducted by a Human Resources representative and/or another employee or other person selected by the President and CEO. The investigation will include interviews with the complainant, the respondent and any witnesses that are identified by either the complainant or the respondent or whom the investigators conclude must be interviewed. The parties concerned will be advised that their statements will form part of a confidential investigation report (the “Report”). The Report will include all relevant factual information, a copy of the statements of the parties concerned, an appropriate analysis of the information including the conclusions reached, and any recommendations. A copy of the Report will be presented to the President and CEO as expeditiously as possible.

As soon as is practicable, the President and CEO will review the Report and consider the recommendations made in the Report. The President and CEO shall be entitled to make such further enquiries as he may determine are required in the circumstances. The President and CEO

shall provide his decision, in writing, (the “Decision”) including such disciplinary action which is to be implemented, if any, to the complainant, the respondent, the respondent’s supervisor and the investigators, together with a copy of the Report. If a finding of harassment is made in the Decision, the Decision and the Report will be placed on the employee’s regular personnel file. If there is no finding of harassment made in the Decision, the Decision and the Report will be placed in a confidential file but not in the respondent’s regular personnel file.

If it is determined that the complainant has made a false accusation of harassment, knowingly or in a malicious manner, the complainant will be subject to disciplinary action as determined by the President and CEO and a record thereof shall be placed in the complainant’s regular personnel file. All decisions of the President and CEO will be final unless new and relevant information subsequently becomes available, in which case an appeal can be made to the President and CEO.

Where the President and CEO is the respondent, the Chairperson of the Board shall assume the role of the President and CEO under this Policy.

Mediation Option

At any time, the complainant, the respondent and the investigators may agree that mediation of the complaint is appropriate. In such a case, a reasonable mediation process will be undertaken which will follow accepted principles of fairness. If the complaint is resolved, the mediator will prepare a settlement agreement setting out the terms of the resolution. The complainant and the respondent will sign the settlement agreement. A copy of the mediated settlement agreement will be placed on the confidential complaint file that is kept by the Human Resources Department. The Human Resources representative will monitor the implementation of the resolution, as appropriate.

Legal Fees

Complainants and respondents have the right to be represented or accompanied by another person of their choice (including legal counsel) under this Policy. Complainants and respondents shall be responsible for payment for their own legal counsel or other advisor; however the President and CEO may determine that, in the circumstances, it is appropriate that the reasonable legal costs of complainants and respondents who have acted properly and reasonably be paid by CDIC.

Roles and Responsibilities

Employees have a responsibility to:

- be familiar with the Policy and any procedures in place for handling incidents of harassment and attend all training sessions provided by CDIC on harassment;

- report systemic problems which may cause, contribute to, or encourage harassment in the workplace to their supervisor or a Human Resources representative even if the problems have not yet resulted in a complaint of harassment;
- keep a written record of the details (including times, locations and name of any witnesses) of the alleged incident(s) of harassment; and
- keep all information confidential.

Supervisors have a responsibility to:

- be familiar with the Policy and any procedures in place for handling incidents of harassment;
- ensure a workplace that is free of harassment. CDIC expects that all persons who occupy a position of authority will act promptly to report incidents of harassment in the workplace, whether or not they are directly involved in the harassment. Failure to satisfy this special duty may result in disciplinary action, up to and including termination of employment;
- attend all training sessions on harassment provided by CDIC and ensure that employees under their supervision are given the time required to attend all training sessions provided by CDIC on harassment;
- ensure that the Policy is consistently applied; and
- implement such disciplinary action as may be determined by the President and CEO pursuant to this Policy.

The Human Resources Department has a responsibility to:

- ensure that the Policy and any procedures in place for dealing with harassment are understood by all employees;
- ensure that the Policy is consistently applied in all complaints of harassment under this Policy;
- ensure that all parties involved in a complaint under this Policy understand the importance of keeping all information confidential;
- conduct an investigation when required;
- review any procedures in place regularly to ensure that they continue to meet the objectives of this Policy;

- provide assistance, clarification and guidance to supervisors and employees with respect to this Policy;
- advise and counsel the President and CEO on any systemic problems in the Corporation's work environment;
- monitor the implementation of any disciplinary action under this Policy; and
- keep a record of any Report, Decision, settlement agreement or other related documents as set out in this Policy and protect this information in accordance with the *Access to Information Act* and the *Privacy Act*.

The President and CEO has responsibility to:

- ensure that the Corporation actively promotes a harassment-free workplace;
- ensure that provisions relating to the prohibition of harassment in the workplace are included in contracts entered into with contractors;
- recommend appropriate disciplinary action resulting from an investigation in his Decision; and
- if the complaint is of a sufficiently serious nature and is material to CDIC, to inform promptly the Human Resources and Compensation Committee and/or the Board of Directors thereof and of the steps taken or underway to deal with the matter.