



ANTI-HARASSMENT AND ANTI-DISCRIMINATION POLICY AND PROCEDURE

The Fung Group (hereafter referred to as the “Group”) is committed to maintaining a workplace free from unlawful harassment, sexual harassment and discrimination. The Group supports individual dignity and respect and strives to provide all employees with a respectful and safe work environment. Accordingly, the Group maintains a strict anti-harassment and anti-discrimination policy (hereafter referred to as the “Policy”).

The Policy

- Harassment and discriminatory treatment because of any Characteristics listed below are prohibited.
- All employees are encouraged to report any behaviors that violate this Policy.
- Managers and supervisors are required to report any complaint that they receive, or any prohibited conduct that they observe or become aware of, to the local Human Resources representative.
- All reported or observed conduct violating this Policy will be promptly and thoroughly investigated.
- Where harassment or discrimination is determined to have occurred, the Group will take prompt and appropriate disciplinary action, up to and including, without limitation, immediate termination of employment.

What is Discrimination?

Discrimination occurs when an employment decision is made, or an employment action is taken, on the basis the following “Characteristics”: sex, race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, pregnancy, marital status, domestic partner or civil union status, sexual orientation, gender identity or expression, veteran’s status, citizenship status, or any other basis made unlawful by applicable law.

What is Harassment?

Harassment includes conduct which is related to a Characteristic, which has the purpose or effect of unreasonably interfering with an individual’s work performance, or creating an intimidating, hostile or offensive work environment.

One type of Harassment is sexual harassment, which includes harassment based on sex, sexual orientation, self-identified or perceived sex, gender expression, gender identity and the status of being transgender. Sexual harassment includes unwelcome conduct which is either of a sexual nature, or which is directed at an individual because of that individual’s sex when:

- Such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile or offensive work environment, even if the reporting individual is not the intended target of the sexual harassment;
- Such conduct is made either explicitly or implicitly a term or condition of employment; or
- Submission to or rejection of such conduct is used as the basis for employment decisions affecting an individual’s employment.

A sexually harassing hostile work environment includes, but is not limited to: words, signs, jokes, pranks, intimidation or physical violence which are of a sexual nature, or which are directed at an individual because of that individual’s sex. Sexual harassment also consists of any unwanted verbal or physical

advances, sexually explicit derogatory statements or sexually discriminatory remarks made by someone which are offensive or objectionable to the recipient, which cause the recipient discomfort or humiliation, or which interfere with the recipient's job performance. Sexual harassment also occurs when a person in authority tries to trade job benefits for sexual favors. This can include hiring, promotion, continued employment or any other terms, conditions or privileges of employment.

What are some examples of Discrimination and Harassment?

- requiring a subordinate to participate in religious activities as a condition of employment;
- telling off-color jokes concerning race, sex, disability, or other Characteristics;
- commenting on physical attributes;
- using demeaning or inappropriate terms or epithets;
- using indecent gestures;
- using crude language;
- addressing an individual with a term of endearment, nickname, or derogatory term on account of that individual's Characteristic,
- Display or circulation of pictures, videos, objects, or written materials (including graffiti, cartoons, photographs, pinups, calendars, magazines, figurines, novelty items) that are racially insensitive, or demean or show hostility to a person;
- Notes, e-mails, texts, or voice mail, or other such communications containing stereotypical or derogatory comments or characterizations regarding a person's Characteristic;
- Conduct or remarks that demean or show hostility to a person because of that person's "Characteristic", including jokes, pranks, teasing, obscenities, obscene or rude gestures or noises, slurs, epithets, taunts, and other negative stereotyping;
- Physical acts of a sexual nature, such as: Touching, pinching, patting, kissing, hugging, grabbing, brushing against another employee's body or poking another employee's body;
- Rape, sexual battery, molestation or attempts to commit these assaults;
- Unwanted sexual advances or propositions, such as requests for sexual favors accompanied by implied or overt threats concerning the target's job performance evaluation, a promotion or other job benefits or detriments; and subtle or obvious pressure for unwelcome sexual activities;
- Sexually oriented gestures, noises, remarks or jokes, or comments about a person's sexuality or sexual experience, which create a hostile work environment; and
- Sexual displays or publications anywhere in the workplace, such as displaying pictures, posters, calendars, graffiti, objects, promotional material, reading materials or other materials that are sexually demeaning or pornographic. This includes such sexual displays on workplace computers, tablets, or cell phones and sharing such displays while in the workplace.
- This list contains only examples of prohibited conduct and does not purport to be all inclusive.

Who does the Policy apply to, and when does the Policy apply?

- The Policy applies to all persons involved in the Group's operations or affairs, and prohibits harassment or discrimination by any employee, applicant for employment, intern (whether paid or unpaid), contractor, vendor, visitor or client of the Group and to any person conducting business with the Group.
- Harassment can occur between any individuals, regardless of their sex or gender. Harassers can be a superior, a subordinate, a coworker or anyone in the workplace including an independent contractor, contract worker, vendor, client, customer or visitor.
- Harassment and Discrimination are not limited to the physical workplace itself. They can occur anywhere work-related functions are performed, including but not limited to while employees are

traveling for business or at employer sponsored events or parties. For example, calls, texts, emails, and social media usage by employees can constitute unlawful workplace harassment, even if they occur away from the workplace premises, on personal devices or during non-work hours.

How should conduct that violates the Policy be reported?

- The Group relies on and expects prompt reporting of all incidents of harassment or discrimination. If you believe that you have been subjected to such behavior, or if you have observed such behavior, you should promptly report the incident to a Senior Manager of the Group or a representative of Human Resources either at your location or the Group's corporate office in Hong Kong. If you are uncomfortable reporting the incident to the Senior Manager or Human Resources, you may report it to any manager.
- Any manager or supervisor who receives a complaint of, or observes harassing or discriminatory behavior, must immediately report the conduct to Human Resources either locally or to the Group's corporate office.
- Conduct that violates the Policy may be reported verbally or in writing. A form for submission of a written complaint is located on One Family.

How are reports of conduct that violates the Policy investigated?

- The Group will promptly and thoroughly investigate every claim of harassment or discrimination which purports to violate this Policy.
- Investigations will remain confidential to the extent possible and in accordance with applicable law. Although the Group cannot guarantee confidentiality, only individuals with a need to know will be privy to such matters. In some instances, due to the sensitive nature of the allegations, the Group may decide that employees must maintain the investigation and their role in it in strict confidence. If the Group reasonably imposes such a requirement and employees do not maintain confidentiality, employees may be subject to disciplinary action up to and including immediate termination.
- In the event the Group determines, in its sole discretion, that an employee, vendor, visitor, client, or other individual has engaged in conduct that violates this Policy, based upon a totality of the circumstances and an overall assessment of the seriousness of the violation, the Group will take the action it deems in its discretion to be appropriate to prevent such harassment or discrimination from recurring, including, but not limited to: oral or written counseling, written warning, referral to specialized counseling, disciplinary suspension, transfer, probation, or termination from the Group.

Retaliation is prohibited.

- It is against Group Policy for any employee to retaliate against another employee for their participation in the harassment or discrimination complaint process. Retaliating against a co-worker who made a complaint or otherwise participates in the investigation process is grounds for discipline, up to and including termination.
- Unlawful retaliation consists of adverse employment actions against an employee in response to engaging in a protected act, such as reporting a complaint of harassment or participating in an investigation.
- Protected activity occurs when a person has:
 - made a complaint of harassment or discrimination, either internally or externally;
 - testified or assisted in a legal proceeding involving harassment or discrimination;
 - opposed harassment or discrimination by making a verbal or informal complaint to management, or by simply informing a supervisor or manager of harassment or discrimination;
 - reported that another employee has been harassed or discriminated against; or
 - encouraged a fellow employee to report harassment or discrimination.

- Even if the alleged harassment or discrimination is deemed not to rise to the level of a violation of the Policy, the individual is protected from retaliation if the person had a good faith belief that the practices were unlawful. However, the retaliation provision is not intended to protect persons making intentionally false charges of harassment or discrimination.
- All employees working in the workplace who believe they have been subject to such retaliation should inform a supervisor, manager, or Human Resources representative.

In the event of a conflict between this Policy and applicable law or a local Group policy, applicable law or the local Group policy shall apply.

If you have any questions about the policy, please contact your Human Resource Business Partner or contact contacthr@fung1937.com

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