

CIVIC SAN DIEGO BOARD POLICY

Section: 2.0 – Ethics and Conflict of Interest
Sub-section: 2.01 – Professional and Ethical Conduct for Employees
Effective Date: May 23, 2018

1. PURPOSE

1.1 To establish a policy regarding professional and ethical conduct for the employees of the CORPORATION, including policies regarding discrimination, sexual harassment, harassment, bullying, violence, retaliation and whistleblower protection and ombudsman.

2. EFFECTIVE DATE AND AMENDMENTS

2.1 This Policy shall be effective upon the approval of the BOARD. This Policy may only be amended by approval of the BOARD, except as provided in Policy 1.01, Section 5.8.

3. DEFINITIONS

3.1 BOARD – The Board of Directors of the CORPORATION.

3.2 CITY – City of San Diego.

3.3 CORPORATION – Civic San Diego.

4. PROCEDURES

4.1 The President is authorized to establish administrative procedures to implement this Policy.

5. POLICY

5.1 OMBUDSMAN POLICY

(A) The Chair of the Audit Committee (“Chair”) is appointed as the Board Ombudsman in order to facilitate internal complaints regarding potential violations of the Corporate Conflict of Interest Code, ethical misconduct or fraud, waste or abuse. When appropriate, the Assistant Vice President, Human Resources & Compliance will coordinate a meeting between the employee and the Chair to facilitate this dialogue.

5.2 ETHICAL CONDUCT POLICY

- (A) The CORPORATION is committed to fostering and maintaining a work environment that supports ethical behavior and conduct. All employees are expected to demonstrate through their communications and actions adherence to the following basic principles: 1) fair and impartial treatment of all; 2) a work environment free of discrimination, prejudice, sexual or other forms of workplace harassment, retaliation, mistreatment and intimidation or violence of any kind; 3) no tolerance for abuse in the exercise of authority; and 4) accountability for matters inherent in our duties and responsibilities as employees.
- (B) CORPORATION employees are also expected to: 1) learn about and comply with the laws, regulations and the CORPORATION's policies and procedures that apply to their job; 2) seek prompt advice and guidance if unsure about the course of action to take and encourage others to do the same; 3) be alert to and report any concerns, issues or potential violations to their manager, the Assistant Vice President, Human Resources & Compliance, the President or the Chief Financial & Operating Officer; and 4) never judge or retaliate in any way against an individual who raises an issue, reports a violation or participates in an investigation.

5.3 NON-DISCRIMINATION POLICY

- (A) The CORPORATION is an Equal Opportunity Employer and will not discriminate in employment, recruitment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the basis of race, national origin, color, ancestry, sex, gender, sexual orientation, military/veteran status, age, physical and mental disability (including perceived disability), religious creed, medical condition (cancer or cancer-related), pregnancy, genetic information, marital status, gender identity/expression and any other categories protected by federal, state or local laws, as those categories now exist or as they may be amended in the future. A complete statement of the CORPORATION's Equal Employment Opportunity policies and procedures is set forth in Section 1 of the CORPORATION's Personnel Policies Manual.

5.4 SEXUAL HARASSMENT POLICY

- (A) Sexual harassment is a violation of Title VII of the Federal Civil Rights Act of 1964 and of the California Fair Employment and Housing Act, and it will not be tolerated by the CORPORATION. Engaging in sexual harassment is grounds for disciplinary action, up to and including termination; thus, all allegations will be taken seriously and will be

promptly investigated. There will be no retaliation against anyone reporting harassment or cooperating in an official investigation, regardless of the outcome of the investigation.

- (B) This policy covers all employees. The CORPORATION will not tolerate, condone or allow sexual harassment, whether engaged in by co-workers, supervisors, associates, clients or other non-employees who conduct business with the CORPORATION. Due to the CORPORATION's "no tolerance" policy, each employee is required to report all incidents of sexual harassment, regardless of who the offender may be, or the offender's relationship to the CORPORATION.
- (C) Sexual harassment includes the following behavior:
1. Unwelcome sexual advances or physical harassment. This applies to any physical conduct which a reasonable individual might consider unacceptable, and includes patting, pinching, fondling, brushing up against, hugging, kissing, or cornering.
 2. Requests for sexual favors. This refers to subtle or overt requests or pressures for sexual favors which include an implied or explicit promise of preferential treatment or negative consequences regarding the victim's employment relationship.
 3. Verbal harassment. This includes epithets, derogatory comments, slurs, or statements which are sexually oriented and considered unacceptable by another person in a work place setting. Verbal harassment is perhaps the most pervasive "unintentional" harassment, often taking the form of sexual humor or comments about an individual's body or appearance which go beyond mere courtesy.
 4. Visual harassment. This includes sexually suggestive objects, letters, emails, text messages, blogs, electronic messaging, notes, invitations or pictures, including cartoons, posters, or computer graphics; leering, or obscene gestures.
 5. Communication via electronic media of any type that includes any harassing conduct that is prohibited by state and/or federal law, or by CORPORATION policy.
 6. Verbal or physical conduct of a sexual nature when such conduct has a purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

- (D) Sexual harassment does not refer to an occasional compliment of a socially acceptable nature, or to normal, courteous, and mutually respectful interactions between persons. Rather, it refers to behavior which is not welcome, which may be personally offensive or coercive, which weakens morale and, therefore, interferes with the effectiveness of the work environment.
- (E) Harassment because of sex includes sexual harassment, gender harassment, and harassment based on pregnancy, childbirth, or related medical conditions. Sexually harassing conduct need not be motivated by sexual desire.
- (F) Sexual harassment can occur in any setting, including the workplace itself, business trips, and business related social events. Sexual harassment can occur between people of the same or opposite sex. Sexual harassment can occur between peers, supervisor to subordinate, subordinate to supervisor, member of the public to employee and within or across departments. If the affected employee is a woman, the standards of a reasonable woman are applied in determining if sexual harassment has occurred. If the target is a man, a reasonable man standard applies.
- (G) Because behavior need not be intentional to be defined as sexual harassment, all employees must be sensitive to avoid conduct which might be wrongly interpreted by others. This should not be a problem for those who conduct themselves in a professional manner and treat others in the work place with respect and dignity at all times. Given its harmful effects on the individual as well as the work place, sexual harassment is not a matter to be taken lightly or joked about.
- (H) Whether harassment occurred depends not on whether the act was intended to cause harm, but rather on the impact of the act on the individual's employment or work environment.
- (I) Any employee who believes he/she is being harassed should promptly notify the offender that his or her behavior is unwelcome. However, if the conduct continues, or the employee does not want to communicate directly, the incident of perceived sexual harassment is to be reported immediately to the Assistant Vice President, Human Resources & Compliance, the President, the Chief Financial & Operating Officer or a manager with whom the employee feels comfortable. The CORPORATION requires a prompt reporting of complaints so that a rapid response and appropriate action may be taken. This policy not only aids the complainant, but also helps to maintain an environment free from harassment for all employees and permits immediate investigation of any allegation.

- (J) Any employee with supervising responsibility is required to report to the President, the Assistant Vice President, Human Resources & Compliance, or a supervisor with whom the employee feels comfortable, any complaint of sexual harassment by any employee of the CORPORATION. Failure to do so will subject the supervising employee to discipline, including possible termination of employment by the CORPORATION.
- (K) All complaints will be promptly investigated, including interviews of the alleged victim, the alleged harasser, and any witnesses. During an investigation, the alleged harasser may be placed on administrative leave, with or without pay. Confidentiality will be maintained throughout the investigatory process to the extent practical and appropriate under the circumstances. When the investigation is complete, its conclusion will be promptly communicated to the alleged victim and the alleged harasser. If, during the investigation, it is determined that a person intentionally made a false claim of harassment or intentionally gave false information in connection with a complaint investigation, appropriate action will be taken against that person, including possible termination of employment by the CORPORATION.
- (L) If the investigation concludes that harassment has occurred, the CORPORATION will take disciplinary action against the harasser commensurate with the severity of the offense and the victim will be advised of the action taken against the harasser. The CORPORATION's response at a minimum will include reprimanding the offender and preparing a written record which will be placed in the offender's personnel file. Additional action may include: referral to counseling, withholding of a promotion, reassignment, temporary suspension without pay, or termination.
- (M) The CORPORATION will not in any way retaliate against an employee who makes a good faith report of sexual harassment or tolerate any retaliation by any other employee. Retaliation is a serious violation of this sexual harassment policy and must be reported immediately. Any employee found to have retaliated against another employee for reporting sexual harassment will be subject to the same disciplinary action provided for sexual harassment offenders.

5.5 ANTI-HARASSMENT POLICY

- (A) The CORPORATION is committed to providing a work environment free of unlawful harassment. CORPORATION policy prohibits sexual harassment and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, gender (including gender identity and gender expression), national origin or ancestry, physical or

mental disability (including perceived disability), medical condition (cancer or cancer related), marital status, registered domestic partner status, age, sexual orientation, genetic characteristics, veteran status or any other basis protected by federal, state or local law or ordinance or regulation. All such harassment is unlawful. The CORPORATION's anti-harassment policy applies to all persons involved in the operation of the CORPORATION and prohibits unlawful harassment by any employee of the CORPORATION, including supervisors and managers, as well as vendors, customers, independent contractors and any other persons. It also prohibits unlawful harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

- (B) Prohibited unlawful harassment includes, but is not limited to, the following behavior:
1. Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments;
 2. Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
 3. Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race or any other protected basis;
 4. Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss and offers of employment benefits in return for sexual favors; and
 5. Retaliation for reporting or threatening to report harassment.
- (C) If you believe that you have been unlawfully harassed, bring your complaint to your own or any other CORPORATION manager, the President, the Assistant Vice President, Human Resources & Compliance, or the Chief Financial & Operating Officer as soon as possible after the incident. You will be asked to provide details of the incident or incidents, names of individuals involved and names of any witnesses. It would be best to communicate your complaint in writing, but this is not mandatory. Supervisors will refer all harassment complaints to the Assistant Vice President, Human Resources & Compliance or the President of the CORPORATION. The CORPORATION will immediately undertake an effective, thorough and objective investigation of the harassment allegations. During an investigation, the alleged harasser may be placed on administrative leave, with or without pay.

- (D) If the CORPORATION determines that unlawful harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any employee determined by the CORPORATION to be responsible for unlawful harassment will be subject to appropriate disciplinary action, up to and including, termination. A CORPORATION representative will advise all parties concerned of the results of the investigation. The CORPORATION will not retaliate against an employee for filing a complaint and will not tolerate or permit retaliation by management, employees or co-workers.

- (E) The CORPORATION encourages all employees to report any incidents of harassment forbidden by this policy immediately so that complaints can be quickly and fairly resolved. Employees should also be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate agency. The nearest office is listed in the telephone book.

5.6 ANTI-BULLYING POLICY

- (A) Employees are to be treated with courtesy and respect at all times. Workplace bullying is defined as verbal abuse or offensive conduct/behavior that is threatening, humiliating or intimidating to a co-worker or other employee or which prevents the co-worker or employee from doing his/her job. Bullying through repeated inappropriate abuse of another, either direct or indirect will not be tolerated in the workplace. Examples of bullying include teasing, name calling, threats, sabotaging or undermining a person's work performance, insulting, ridiculing, humiliating (including pranks), spreading rumors and slandering.

- (B) If you are a victim or witness of bullying, report it to the Assistant Vice President, Human Resources & Compliance, the President, the Chief Financial & Operating Officer or a manager with whom you feel comfortable immediately. All complaints will be promptly investigated, and the alleged bully may be placed on administrative leave, with or without pay, during the investigation. Communications regarding bullying and any resulting investigations will be kept as confidential as possible under the circumstances. Retaliation against those who report instances of bullying is prohibited. Violations of this policy will result in discipline and possible termination.

- (C) A single act shall not constitute bullying, unless especially severe and egregious.

5.7 WORKPLACE VIOLENCE PREVENTION

- (A) The CORPORATION is committed to providing a safe work environment that is free of violence and the threat of violence. The CORPORATION will not tolerate violence or dangerous behavior of any kind, whether through physical abuse, threats, intimidation, coercion, stalking or otherwise.
- (B) Employees may not possess weapons, including but not limited to guns, knives and explosives on CORPORATION property, including in parked cars and parking lots, or while conducting CORPORATION business. The Assistant Vice President, Human Resources & Compliance will answer any questions or concerns any employee may have regarding possession of weapons.
- (C) Employees may report all perceived incidents of direct or indirect violence or dangerous behavior to the Assistant Vice President, Human Resources & Compliance, the President, the Chief Financial & Operating Officer or a manager with whom the employee feels comfortable as soon as possible. Reporting incidents and concerns early can help prevent a situation from escalating and becoming even more dangerous. Employees should never attempt to handle a potentially dangerous situation by themselves.
- (D) No one, acting in good faith, who initiates a complaint, reports an incident, or participates in an investigation will be subject to retaliation.
- (E) Reports of violence or dangerous behavior will promptly be investigated. Identities of those involved will be kept as confidential as is possible under the circumstances. Those suspected of violence or dangerous behavior may be placed on administrative leave, with or without pay, during the investigation. If an employee is found guilty of violence or other dangerous behavior, including threats of violence, he/she may be disciplined or terminated at the CORPORATION's discretion.
- (F) Civil Remedies or Injunctive Relief – If threats or harm are deemed to present repeated, continued, immediate and grave concerns, as determined by the CORPORATION's Legal Counsel, an application to the court for a workplace restraining order may be filed. A restraining order will only be pursued at the discretion of the CORPORATION's Legal Counsel, and where facts or circumstances legally support the pursuit and imposition of such legal relief. Notwithstanding the above, there is no express or implied guarantee or assurance that such relief will be ultimately granted by the court.

5.8 WHISTLEBLOWER POLICIES

Whenever possible, employees should seek to resolve concerns by reporting issues directly to the Assistant Vice President, Human Resources & Compliance, the President, the Chief Financial & Operating Officer or a manager with whom the employee feels comfortable as needed until matters are satisfactorily resolved. However, if for any reason an employee is not comfortable speaking to a manager, the Assistant Vice President, Human Resources & Compliance, the President or the Chief Financial & Operating Officer, or does not believe the issue is being properly addressed, the employee may notify an appropriate government or law enforcement agency through the Whistleblower policies as defined in this section.

In accordance with state law, the California Labor Code Sections 1102.5 and 1106 and the CITY's Whistleblower Policy, the CORPORATION posts and enforces the following policies.

- i. State of California Whistleblower Policy* – It is the public policy of the State of California to encourage employees to notify an appropriate government or law enforcement agency when they have reason to believe their employer is violating a state or federal statute, or violating or not complying with a state or federal rule or regulation.
 1. *Who is protected?* Pursuant to California Labor Code Section 1102.5, employees are the protected class of individuals. "Employee" means any person employed by an employer, private or public, including, but not limited to, individuals employed by the state or any subdivision thereof, any county, city, city and county, including any charter city or county, and any school district, community college district, municipal or public corporation, political subdivision, or the University of California. [California Labor Code Section 1106]
 2. *What is a whistleblower?* A "whistleblower" is an employee who discloses information to a government or law enforcement agency where the employee has reasonable cause to believe that the information discloses:
 - a. A violation of a state or federal statute;
 - b. A violation or noncompliance with a state or federal rule or regulation; or
 - c. With reference to employee safety or health, unsafe working conditions or work practices in the employee's

employment or place of employment.

3. What protections are afforded to whistleblowers?
 - a. An employer may not make, adopt, or enforce any rule, regulation, or policy preventing an employee from being a whistleblower.
 - b. An employer may not retaliate against an employee who is a whistleblower.
 - c. An employer may not retaliate against an employee for refusing to participate in an activity that would result in a violation of a state or federal statute, or a violation or noncompliance with a state or federal rule or regulation.
 - d. An employer may not retaliate against an employee for having exercised his or her rights as a whistleblower in any former employment.
4. Under California Labor Code Section 98.6, if an employer retaliates against a whistleblower, the employer may be required to reinstate the employee's employment and work benefits, pay lost wages, and take other steps necessary to comply with the law.
5. How to report improper acts

If you have information regarding possible violations of state or federal statutes, rules, or regulations, or violations of fiduciary responsibility by a corporation or limited liability company to its shareholders, investors, or employees, call the California State Attorney General's Whistleblower Hotline at 1-800-952-5225. The Attorney General will refer your call to the appropriate government authority for review and possible investigation.

ii City of San Diego Whistleblower Policy

1. No employee is permitted to use his/her authority or influence to intimidate, threaten, coerce, or influence an employee with the intent of interfering with that employee's duty to disclose improper activity. If an employee believes that he/she is being pressured or being prevented from disclosing improper activity or is being retaliated against by any other employee for having reported such activity, he/she should contact the CITY's Office of Ethics and Integrity or any other appropriate agency, department or office. In addition, employees who believe they have been retaliated against for reporting illegal or improper activities may

contact the Ethics Commission at (619) 533-3476 or ethicscommission@sandiego.gov.

2. The CITY's Fraud Hotline is designed for reporting suspected cases of fraud, waste, or abuse. The Fraud Hotline is not a substitute for employment-related grievances or appeals. The City Auditor will at all times maintain the confidentiality of all complaints, associated reports, working papers, and other documents. Similarly, departments investigating or reviewing allegations shall also maintain the confidentiality of all complaints. The CITY's Fraud Hotline Number is (866) 809-3500.
3. In order to process a complaint, a minimum amount of information is needed. Please ensure that you have the following information before contacting the hotline:
 - a. You are reporting fraud, waste, abuse that involves a CORPORATION employee, a contractor or a vendor doing business with the CORPORATION.
 - b. You know who the suspect(s) involved is.
 - c. You know what the alleged incident is.
 - d. You know how the alleged incident was committed.
 - e. You know where the alleged incident was committed.
 - f. You know when (or approximately) the alleged incident was committed.
4. Once the complaint form report is completed by The Network, the CITY's independent third party provider, the Network emails the report to the Office of the CITY Auditor. The CITY Auditor will investigate all complaints received related to fraud, waste, and abuse.

5.9. MANAGER'S DUTY TO REPORT

- (A) Any employee with supervising responsibility is required to immediately report to the President, the Assistant Vice President, Human Resources & Compliance, or the Chief Financial & Operating Officer, any complaint of illegal or unethical conduct as defined in this policy received from any employee of the CORPORATION. Failure to do so will subject the supervising employee to discipline, including possible termination of employment by the CORPORATION.

6.0 DISCLOSURES

- (A) On a semi-annual basis, the Assistant Vice-President, Human Resources & Compliance will provide a report to the Audit Committee disclosing the number of employee complaints received during a particular period, the nature of those complaints and the general actions taken.