

SEXUAL HARASSMENT POLICY

1. PURPOSE

- 1.1 Sexual harassment adversely affects work performance, productivity, morale and hence the general work environment. It affects the corporate image of the Group. Lysaght Group strive to create a safe and secure work environment that is free of any form of sexual harassment. We are committed to promoting everyone's right to work in a respectful and dignified environment and will not accept any kind of sexual harassment in the workplace. All incidents of sexual harassment will be taken seriously and investigated promptly. Any individuals found to have violated this policy will face disciplinary action, including possible termination of employment. All complaints of sexual harassment will be treated with respect and in confidence. No one will be victimized for making such a complaint.

2. SCOPE

- 2.1 This policy is applicable to all directors and employees of Lysaght Group.

3. DEFINITION

- 3.1 Sexual harassment means any unwanted conduct of a sexual nature, in any form, whether verbal, non-verbal, visual, gestural or physical, directed at a person which is offensive or humiliating or is a threat to the individual's well-being. Sexual harassment in the workplace falls into two categories:

a) Sexual coercion

This refers to sexual harassment that relates to the victim's terms of employment. A typical example of sexual coercion is where a superior, who has the power over a subordinate's salary and promotion, attempts to coerce the subordinate to grant sexual favours. If the subordinate accedes to the superior's sexual solicitation, job benefits will follow. Conversely, if the subordinate refuses, job benefits are denied.

b) Sexual annoyance

This refers to conduct that is offensive, hostile, or intimidating to the recipient, but nonetheless has no direct link to any job benefit. However, the annoying conduct creates a bothersome working environment, which the recipient must tolerate in order to continue working. Sexual harassment by an employee against a co-employee falls into this category.

- 3.2 Examples of sexual harassment are as follows:

a) Verbal Harassment

e.g. offensive or suggestive remarks, comments, jokes, jesting, kidding, sounds, questioning.

b) Non-verbal/Gestural Harassment

e.g. leering or ogling with suggestive overtones, licking lips or holding or eating food provocatively, hand signal or sign language denoting sexual activity, persistent flirting.

- c) Visual Harassment
e.g. showing pornographic materials, drawing sex-based sketches or writing sex-based letters, sexual exposure.
- d) Psychological Harassment
e.g. repeated unwanted social invitations, relentless proposals for dates or physical intimacy.
- e) Physical Harassment
e.g. inappropriate touching, patting, pinching, stroking, brushing up against the body, hugging, kissing, fondling, sexual assault.

4. COMPLAINT PROCEDURE

- 4.1 The Administrator of this Policy is the Human Resource Manager. All complaints of sexual harassment except those involving the Human Resource Manager, the Chief Executive Officer and any member of the Board of Directors shall be directed to the Human Resource Manager. Complaint against the Human Resource Manager shall be referred to the Chief Executive Officer. Complaint against the Chief Executive Officer and any member of the Board shall be referred to a committee of three members to be headed by the Senior Independent Director unless the complaint is against the Senior Independent Director in which case, the committee shall be headed by a member appointed by the Board.

5. DISCIPLINARY PROCEDURE AND EVIDENCE

- 5.1 The Group regards sexual harassment as a serious matter. Any employee found to have engaged in sexual harassment will face disciplinary action commensurate with the severity of the conduct, ranging from a formal written warning for low severity offences to immediate termination for any conduct involving physical coercion, retaliation or severe pattern of behaviour.
- 5.2 In any investigations involving sexual harassment, the investigator will gather and consider all evidence it considers relevant including but not limited to emails, text messages, voicemails, digital communications, video surveillance, photographs and witness statements. The investigator will assess the credibility of the evidence but formal rules of evidence do not apply.
- 5.3 All complaints of sexual harassment will be investigated promptly and the findings of the investigator and its recommendations if any shall be forwarded to the Board.

6. CONFIDENTIALITY

- 6.1 All inquiries, complaints and investigations shall be undertaken with due regard to maintaining confidentiality. All parties are expected to maintain confidentiality.

7. RETALIATORY ACTION IS PROHIBITED

- 7.1 Any retaliatory action by any party to a sexual harassment complaint is strictly prohibited. For the purpose of this Policy, retaliatory action means adverse conduct against individuals because they have, in good faith, reported instances of sexual harassment, or are complainants of sexual harassment. Such adverse conduct includes, but is not limited to, poor performance reviews or threats of transfer by a superior that are inconsistent with the individual's actual performance.

8. FALSE COMPLAINTS OR FALSE INFORMATION REGARDING SEXUAL HARASSMENT PROHIBITED

- 8.1 It is a violation of this Policy for anyone to make a false accusation of sexual harassment or related retaliatory actions, or to provide false information regarding a complaint. Such false accusations and information will lead to serious disciplinary action.

9. AMENDMENTS TO THIS POLICY

- 9.1 The Company reserves the right to review or amend this Policy from time to time, at its sole discretion.