

## ***SECURE ENVIRONMENT POLICY***

### ***1.0 Purpose and Scope***

DFCC Bank PLC has a responsibility towards its employees to provide, ensure and maintain a safe working environment free from any kind of harassment and/or discrimination.

The Bank, in fulfilling its role as an employer with a commitment towards ensuring employees' rights and their protection at the workplace and also in the course of employment, recognizes that employees have rights to dignity and security at the work place.

This policy is applicable to all employees of the Bank, inclusive of those on contract, casual or outsourced employees, retainers, trainees, interns and consultants who are associated with the Bank under whatever employment or training arrangements.

### ***2.0 Objectives***

This policy envisages the following objective -

- Outline the expectations of acceptable conduct by staff in terms of exemplary work ethics
- Define what constitutes work place harassment and rights of the employees to a secure working environment together with the management responsibilities pertaining to provision of such a secure work environment for the employees
- Promote mutual respect and professional and ethical interactions among staff
- Outline the mechanisms available for staff to seek redress in case of any discrimination and/or harassment at work

### ***3.0 What Constitutes Harassment***

#### ***3.0 Harassment – Definition***

Broadly, harassment is the feeling of extreme upset or annoyance caused by being tormented or antagonized. In specific terms, harassment is unwelcome verbal or physical behavior that is based on race, color, religion, sex (including pregnancy), gender/gender identity, nationality, age, physical or mental disability, economic circumstances or genetic information. When the word is used in a legal context, it refers to behaviors which have been proven to be threatening to another individual. For more clarity harassment can be elaborated as follows

#### ***3.1 Discriminatory Harassment***

Discriminatory harassment can be categorized as follows

- Racial Harassment - A victim may experience racial harassment because of their race, skin color, ancestry, origin country or citizenship. Even perceived attributes of a certain ethnicity ( hair, accents, customs, beliefs or clothing) may be the cause.

- Gender Harassment - Gender-based harassment is discriminatory behavior towards a person based on their gender. Negative gender stereotypes about how men and women should or do act are often the center of the harassment. This also includes sexual harassment which is dealt with in greater detail in section 5.0 below.
- Religious Harassment - Religious harassment is often interconnected with racial harassment, but narrows in specifically on the victim's religious beliefs.
- Disability-Based Harassment - Disability-based harassment is a type of workplace harassment directed towards individuals who suffer from a disability themselves
- Sexual Orientation-Based Harassment - Victims face harassment because their sexual orientation is different from those around them.
- Age-Based Harassment - A person facing age-based harassment might be teased and insulted or unfairly criticized simply because of his/her age and the stereotypes that come with it.

### ***3.2 Personal Harassment***

This is a form of workplace harassment more commonly referred to as bullying. Personal harassment may occur through inappropriate comments, offensive jokes, personal humiliation, critical remarks, intimidation tactics or any other behavior that creates an intimidating and offensive work environment for the victim.

### ***3.3 Physical Harassment***

This is often called workplace violence, refers to a type of workplace harassment that involves physical attacks, threats, destroying property etc.

### ***3.4 Verbal Harassment***

Obvious verbal harassment behaviors include threatening, yelling, insulting or cursing at a victim in public or in private.

### ***3.5 Power Harassment***

This is characterized by a power disparity between the harasser and the harassed. The harasser exercises his/her power by bullying a victim who is lower on the office hierarchy. In many cases, the harasser is a supervisor or manager who victimizes the subordinates.

### ***3.6 Psychological Harassment***

This has a negative impact on a person's psychological well-being. Victims of psychological harassment often feel put down and belittled on a personal level, a professional level or both. The damage to a victim's psychological well-being often creates a domino effect, impacting their physical health, social life and work life. Acts such as isolating or denying the victim's presence,

discrediting or spreading rumors about the victim, opposing or challenging everything the victim says can constitute psychological harassment.

### ***3.7 Online Harassment***

Cyberbullying and online harassment are a serious concern for employers. Among many other things, online bullies may share humiliating materials about the victim by mass email or mass chat, spread lies or gossip about the victim on social media, send harassing instant messages or text messages directly to the victim.

### ***4.0 Employee Rights Recognition***

The Bank recognizes that -

- i. The right to safety in the workplace and equitability in treatment is inseparable from the right to work. Equality in employment can be seriously impaired when individuals are subjected to harassment in the work place.
- ii. The right to work with dignity and security requires respect and consideration towards each other.
- iii. Harassment creates unequal and unhealthy power relations between persons in the work place.
- iv. Efficient and productive output is not achieved if people cannot work with dignity and organizational and personal performance could also be adversely affected by any form of harassment.
- v. The brand image of the Bank could get significantly tarnished and eroded as a result of incidents pertaining to discrimination and/or harassment.
- vi. The physical and mental well being of employees could be severely compromised as a result of harassment at work place.

Therefore the Bank -

- i. Will not tolerate any form of discrimination and/ or harassment and is committed to ensure the necessary preventive measures and hence, the management has made necessary mechanisms available and accessible to staff for redress
- ii. Shall ensure that all employees are aware of the secure environment policy and any violation shall be interpreted as gross misconduct warranting action under the Bank's disciplinary policy.
- iii. Shall expect all employees to read, understand and abide by the stipulations of the Bank's

Secure Environment Policy.

- iv. Shall review the policy from time to time in terms of its relevance and provide guidance and support to managers on prompt and effective action in maintaining a harassment free workplace and also in dealing with situations in the event any complaints and/or grievances are surfaced.
- v. Shall hold all managers responsible to ensure the application of this policy within their respective departments and branches ensuring compliance with same.

## ***5.0 Sexual Harassment***

### ***5.1 What is Sexual Harassment***

- i. Sexual harassment is conduct which is unwelcome, unsolicited, unacceptable, unreasonable and offensive to the recipient, of an overtly or covertly sexual nature which;
  - Affects the dignity and security of women and men at work
  - Includes the conduct of superiors, colleagues, subordinates as well as customers and/or other external parties.
- ii. Sexual harassment can involve
  - A man/men harassing a woman/women, or
  - A woman/women harassing a man/men
  - A woman/women harassing another woman/women or a man/men harassing another man/men.
- iii. It can be a single unwelcome act of a sexual nature, or it can be a series of such acts. Examples of sexual harassment includes:
  - Physical acts - hugging, kissing, brushing against another person, unnecessary or inappropriate physical contact, indecent exposure, molestation, voyeurism or any other similar act or gesture or conduct.
  - Verbal - obscene/offensive language, lewd comments, requests or demands for sexual favours, sexual innuendoes, nuisance calls which cause sexual annoyance, rumours, gossip or slander of a sexual nature or any other similar act or conduct.
  - Non-verbal - sign language denoting sexual acts, ogling, licking lips or any other similar act or conduct.

- Visual - posters or graffiti of a sexual nature, display of pornographic material, transmitting obscene or offensive images or messages through electronic means or any other similar act.
  - Psychological - repeated, unwanted social invitations, stalking, persistent flirting or any other similar act or conduct.
- iv. Sexual harassment is also a form of discrimination based on sex. When not giving into various sexual pressures or not tolerating/condoning acts of harassment it could tend to affect employment related decisions such as promotions, increments, placements, perquisites etc.
- v. It should be noted that the above (given in Section iii) or similar acts need not be unwanted or unwelcome by the recipient to be unwarranted or unbecoming to the environment, Bank or to its other employees. If welcome, it would not amount to sexual harassment, though such acts may be considered to be misconduct depending on the circumstances, if such acts or conduct impairs the Bank, its business or its stakeholders.
- vi. It should be noted in this context that the mere fact that a victim did not complain about the harassment does not necessarily mean that an act of this nature was welcome, as there may be various reasons preventing a victim from surfacing such incidents despite the availability of multiple mechanisms to do so. A complaint from the harassed need not be a requirement for an investigation/inquiry to commence. An observation by a third party and escalation of the same to the notice of the authorities will be sufficient in this regard.
- vii. It should also be noted that it is the impact of an act on the victim or the other employees of the Bank or the Bank's reputation that is material, not the intention of the alleged perpetrator or the responses of the victim. Hence, an act without any protest by the harassed can be a call for an investigation/inquiry
- viii. The conduct of the alleged harasser must be on objective test and not a subjective test if it is a single isolated incident. Although a single unwanted request for a date or one innocent suggestive comment might offend a receiver and/or be inappropriate, it may not amount to sexual harassment, depending however, a number of relatively minor separate incidents occurring over a period of time may add up to sexual harassment if the incidents affect the receiver's work environment and or mental condition or impacts the Bank. The responses, verbal or otherwise, communicated to the harasser or to a third party by the harassed are relevant for consideration in the determination.

## ***5.2 Sexual Harassment is a Criminal Offence***

Sexual harassment is a criminal offence under the Sri Lankan law, punishable with imprisonment with or without a fine, in addition to which compensation may also be payable to the victim.

Not only is sexual harassment against the law, but so is retaliating (taking revenge) against someone for complaining about sexual harassment. The standards of sexual harassment observed by the Bank are determined by the Bank and is not limited to offences as determined by law.

## ***6.0 What the Employee Can Do in a Perceived Harassment Situation***

- i. In the event the harassment is of a sexual nature, demonstrate that the behavior extended to him/her is inappropriate verbally and show resistance by gestures or conduct. Tell the person that his/her behavior is offensive. If harassment does not end promptly, write a letter asking the harasser to stop and keep a copy. The employee could also inform one or more of his/ her colleagues of the impending danger and if possible let the harasser know that he/she has done so, either personally or through a third party.

- ii. Report the Harassment

If harassment continues after the employee has firmly said 'no' or expressed disapproval, the supervisor should be informed, preferably in writing. A copy of any written complaint made should be retained by the employee. It is very important that harassment is reported because the employer must know about the harassment in order to fulfill obligations under this policy. Notwithstanding the above, under all circumstances any superior officer in whom the employee (victim) has confidence could be kept informed.

- iii. Use the Grievance Procedure /Grievance Workflow at Work

The employee may be able to resolve the problem through this process, by first speaking to the colleague concerned or the immediate supervisor or any other trusted supervisor. Most of the time sexual harassments would come to an end when the harasser learns of the involvement of a third party. If not remedied, the employee should communicate the matter to the HRD. Or in the alternative, the employee has recourse to the Grievance Committee or the Reach Out Committee as well as direct access to the Chairman and the CEO through designated 'Open days' and secure direct telephone lines. The Grievance Workflow is also available for staff members to raise complaints, concerns or grievances.

## ***7.0 Management Obligations***

- i. Prohibit, prevent and deter commission of acts of discrimination and harassment.
- ii. Implement the policy equitably
- iii. Spread awareness of the policy amongst its employees by providing easy access to the policy through publication, notification and circulation of the same and sensitizing employees about sexual harassment issues.
- iv. Provide fair and impartial procedures for resolution, settlement or prosecution of acts of sexual harassment by taking all necessary steps
- v. Treat all complaints of discrimination and harassment seriously and confidentially.
- vi. Protect all employees against victimization for making or being involved in a complaint.

- vii. Take immediate steps to stop harassment and deal seriously with any kind of harassment taking in to consideration all the surrounding circumstances.
- viii. Appoint a panel to address complaints of harassment and initiate action against the harassers and implement recommendation of the panel.
- ix. Initiate proactive measures even in the absence of a formal complaint being submitted by any employee in a scenario, wherein the Bank becomes aware of commission of an act(s) of sexual harassment.

### ***8.0 Obligations of the Supervisor***

All supervisors are required to ensure that their staff members are functioning without the fear of all forms of discrimination and harassment at the work place. They are required to proactively observe the conduct of each staff member to identify the traces of the presence of any such discriminatory elements and deal with them immediately following the procedure adapted in this policy and the disciplinary policy of the bank.

### ***9.0 Investigating Procedure***

- i. The hearing of the matter will commence within a week of receiving the complaint.
- ii. A record of the hearing, including a record of the relevant incidents, dates, etc. will be maintained by HRD.
- iii. The panel appointed under Section 11.0 will, upon investigating the complaint in full, determine whether the allegation has been sufficiently proved or not, and if proved will inform Head of HR in writing and the Head of HR will then initiate necessary disciplinary measures
- iv. An employee (alleged harasser or the complainant) dissatisfied with the decision of the panel or the punishment imposed can appeal to the Head of HR within a period of five working days of a decision being conveyed to him/her.
- v. If the incident is sufficiently grave as to warrant disciplinary action, the usual disciplinary procedure of the Bank - the issuance of a show cause letter, the conduct of a domestic inquiry - will be set in motion as prescribed under the Disciplinary Policy and Procedure
- vi. The Domestic Inquiry will be conducted by an Inquiring Officer who is not an employee of the Bank.
- vii. Where the accused employee is found to be guilty of the charge/charges at the conclusion of the Domestic Inquiry, an appropriate punishment, not excluding the termination of services, will be imposed by HRD with the approval of the CEO.

viii. Where the complaint is found to be malicious and without basis, necessary action shall be taken against the complainant in line with the disciplinary policy of the Bank.

#### ***10.0 Rights of the Complainant and the Alleged Harasser***

- i. A prompt, thorough, discreet and impartial inquiry in accordance with the Bank's disciplinary procedure
- ii. Representation by a colleague within the Bank, but no representation by a lawyer who is not a permanent employee of the Bank.

#### ***11.0 Panel to Inquire into Complaints of Discrimination and Harassment***

- i. The panel to be appointed by Head of HR shall consist of a minimum of three persons. If the complaint is with regard to a sexual harassment, the panel shall consist of a combination of male and female representation at all times.
- ii. The panel should include HR representation and two other senior staff members identified by the Head of HR.
- iii. Where the victim is a woman, the panel should have women in at least two thirds of its membership. In the event the victim is a male, the panel would correspondingly comprise of two thirds male representation.
- iv. Shall ensure utmost confidentiality.
- v. Shall impartially conduct the inquiry and report without bias, fear or favour.

#### ***12.0 Consensual Sexual or Romantic Relationships***

The Bank strongly discourages consensual sexual or romantic relationships amongst employees since such relationships could be harmful for parties involved and also for the Bank and its business. It is more detrimental especially when the relationships exist between parties in unequal positions. Due to the potential for conflict of interest, exploitation, favoritism and bias, such relationships may undermine the real or perceived integrity of the supervision and evaluation provided and the trust inherent particularly in the supervisor - subordinate context.

Furthermore, such relationships may harm or injure others in the work environment, specially when one party is in a position to review the work performance or influence the career matters of the other may harbour complaints by third parties of undue access or advantages, creating or restricting of opportunities, granting or severing of increments, bonuses etc;

When an issue surfaces during such a relationship, it is the Bank's stand that the person in the position of greater power and authority will bear the primary burden of accountability.

Recognizing the basic rights to individual freedom, provided it does not infringe the business of the Bank, a romantic relationship is looked upon as a matter of concern only if it affects the ethos, business and the interests of the Bank. However, the Bank is entitled to take necessary actions to safeguard the interests of the Bank, its business and employee welfare in any manner notwithstanding the fact that such are not specified in this policy.

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