

CODE OF CONDUCT: HARASSMENT, DISCRIMINATION AND WORKPLACE VIOLENCE

Guidelines for the Private Equity Ecosystem

September 2018





ILPA Code of Conduct Guidelines on Harassment, Discrimination and Workplace Violence

ILPA encourages the consideration and adoption of an appropriate Code of Conduct (“Code”) at all stakeholder organizations within the private equity ecosystem. While each organization’s Code may comprise different principles covering a broad range of professional behaviors, we refer here specifically to provisions that cover harassment, discrimination and workplace violence. Organizations should consider such provisions on a stand-alone basis or as part of a broader Code. The guidance herein should be viewed as a resource, and applied by organizations as appropriate and in conjunction with their unique programs alongside the input of organizational leadership and legal counsel.

OVERVIEW

An organizational Code of Conduct that encompasses provisions on harassment, discrimination and workplace violence should clearly outline both rights and expectations of individuals who interact with the organization and demonstrate a commitment to a workplace that is safe, respectful and free from harmful behavior. The Code should be reviewed and updated on a regular basis and made available to all individuals covered by its principles. Signatures indicating that the Code has been reviewed and accepted should be requested and recorded. The Code should also be made available upon request to any interested external party for review.

RECOMMENDED COMPONENTS OF A CODE OF CONDUCT

As it relates specifically to the areas of harassment, discrimination and workplace violence, an organization’s Code of Conduct should include the following components:

- Overarching organization commitment to a safe and respectful work environment
- Classification of individuals inside and outside the organization who are covered by the Code
- Explanation of where the Code is enforced
- Definitions and examples of unacceptable behavior
- Mechanisms for reporting infractions
- Information required and encouraged to be included in any report filed
- Process for investigating claims and determining outcomes
- Protocol for record keeping
- Expectations for disciplinary action on substantiated claims
- Expectations for confidentiality
- Contact information to direct questions and concerns

Sample provisions to consider for each of the components above follow.

SAMPLE PROVISIONS

Overarching organization commitment to a safe and respectful work environment

[Organization] is committed to providing a safe, respectful working environment for all individuals with whom we interact. The following Code of Conduct is based on the underlying philosophy that we respect every individual's right to dignity, privacy, integrity and safety as well as their right to equal and fair treatment in the work environment.

Classification of individuals inside and outside the organization who are covered by the Code

This policy applies to and protects the following individuals in the workplace: existing and prospective employees and contractors of the organization; employees and contractors in existing and prospective portfolio companies; existing and prospective investors in the organization; existing and prospective vendors and service providers to the organization.

Explanation of where the Code is enforced

This Code of Conduct is enforced where our organization's work is performed or discussed, including offices, conferences, forums, meetings and social events.

Definitions and examples of unacceptable behavior

Discrimination: All individuals are treated equally in the organization and we do not tolerate discrimination based on age, gender, race, religion, sexual orientation, political beliefs, citizenship, marital status, family status, disability or any additional ground protected by law. This commitment applies to all interactions with individuals doing business with the organization, including recruitment, investment, divesture, promotion, training, transfer, discipline, termination, compensation, benefits and participation in all activities, events and programs sponsored by the organization.

Workplace Harassment: Workplace harassment is defined as unwelcome conduct or comments, either directly against an individual in the workplace or made in a general manner that contributes to an environment that is hostile or lacking respect or dignity. Examples of workplace harassment include:

- insulting, intimidating, demeaning, annoying, embarrassing or otherwise offensive behavior;
- inappropriate or unwelcome focus or comments on a person's physical characteristics or appearance;
- bullying and cyberbullying;
- isolation and shunning, gossip, rumors, negative blogging, insults, name-calling;
- slamming doors, throwing objects and physical contact and;
- any other harassment that affects an individual's dignity or psychological or physical integrity

Sexual Harassment: Sexual harassment is defined as engaging in unwelcome sexual solicitation, conversation or advances against an individual or made in a general manner and any resulting grant or denial of benefits to an individual as a result of the response to the solicitation, conversation or advance.

Examples of sexual harassment include:

- unwelcome sexual advances;
- requests for sexual favors;
- verbal or physical conduct of a sexual nature including sexual jokes, graphic spoken commentary about a person's body, derogatory or degrading remarks, leering, whistling, unwanted physical contact, or assault;
- inquiries or comments about an individual's sex life; and
- displaying sexually offensive material

Workplace Violence: Workplace violence is defined as the attempted or actual exercise of physical force against an individual in the workplace that could cause discomfort, pain or injury. The definition also includes threats to exercise physical force and domestic violence that occurs in the workplace. Examples of workplace violence include:

- Hitting, punching, slapping, poking or other means of unwanted physical contact or assault
- Challenging an individual to fight
- Engaging in unwelcome horseplay
- Bringing weapons into the workplace
- Threatening an individual verbally or in writing
- Stalking or intimidating

Mechanisms for reporting infractions

[Organization] is committed to an efficient and safe process for reporting infractions. We support the following:

- The right of individuals to report incidents without fear of negative consequences or retribution including protection from retaliatory actions
- The timely reporting of all incidents, without a set statute of limitations. In the case of violence, individuals should call police and/or first responders immediately.
- The right of a victim to confront their harasser (where comfortable) without the threat of retribution and make clear behavior is not to be tolerated
- A clear line of reporting incidents directly to a manager, or if the manager is source of the problem, to a designated official who will be made known to all individuals covered by the Code
- The existence and awareness of a designated official to receive complaints from non-employees or an anonymous hotline, if available
- An alternative official or investigator if there is deemed to be any conflict of interest with the designated official

Information required and encouraged to be included in any report filed

Complaints should include the following information when available:

- Name of individual allegedly experiencing harassment, discrimination and/or violence , title and contact information
- Name, title and contact information of those involved, including the accused and witnesses
- Details of alleged incidents including date(s), location and specific behavior, including any supporting materials and/or evidence relevant to the complaint

Process for investigating claims and determining outcomes

A process for investigating claims and determining outcomes may vary based on the allegations. However, it will be clear to the individuals at the start of the investigation:

- Who will conduct investigation
- Who will be interviewed during the investigation (should include both the alleged victim, the accused, and any witnesses)
- The right of the investigator to collect documents and evidence and the obligation of the investigator to document all interactions
- A clear timeline for the investigation
- Anti-retaliation clause which states consequences for any retaliation against the accuser or investigator
- The promise of a final report with all findings and corrective action presented in writing to both the alleged victim and the accused within [#] days of the conclusion of the investigation

Protocol for record keeping

[Organization] is committed to accurate record keeping on all claims. Records include but may not be limited to: a copy of the complaint including details about the incident; a record of the steps of the investigation including dates of interviews and notes; a copy of the investigation report; a summary of the results of the investigation; a copy of any corrective action taken. All records will be held in a secure location and will be maintained for a period of [x] years following an investigation.

Expectations for disciplinary action on substantiated claims

A range of disciplinary actions for substantiated claims can include mandatory training, demotion, suspension, and termination. The disciplinary action will be determined by a Committee consisting of [#] and may include independent, third party individuals.

Expectations for confidentiality

The investigation of each complaint will be handled in as confidential a manner as possible. While the investigation is ongoing, the alleged victim, the accused, and any witnesses should not discuss the complaint, incident or the investigation with other individuals not involved in the matter. Investigators will not give out identifying information about persons involved unless such disclosure is necessary to conduct a full and fair investigation, take corrective action, or otherwise required by law. All records of the investigation will be kept confidential.

Contact Information

Contact information for the designated official(s) responsible for the code, including name, title, email and phone number, should be provided for those who have concerns or questions.

Questions and comments regarding these guidelines should be directed to Emily Mendell, Managing Director, ILPA at emendell@ilpa.org.