

PROHIBITED HARRASSMENT, DISCRIMINATION, AND RETALIATION POLICIES

(JANUARY 2017)

PROHIBITED HARASSMENT

In accordance with applicable law, Proteus prohibits sexual harassment and harassment because of race; color, national origin, primary language, immigration status, or ancestry; gender/sex; gender identity; gender expression; age; physical or mental disability, perceived disability or perceived potential disability; denial of Family and Medical leave; pregnancy or perceived pregnancy, childbirth, breastfeeding or related medical conditions; religion (including religious dress and grooming practices) or creed; marital status; registered domestic partner status; medical condition (including Cancer, HIV, and AIDS); citizenship; military and veteran status; sexual orientation; genetic characteristics; genetic information (including information from the employee's genetic tests, family members' genetic tests, and the manifestation of a disease or disorder in the employee's family members); the possession of a driver's license granted under Section 12801.9 of the Vehicle Code; enrollment status in a public benefit program; political affiliation; past engagement in protected activities or being related to someone who has engaged in such activities; or any other basis protected by federal, state, or local law. All such harassment is prohibited and will not be tolerated. Prohibited harassment in any form, including verbal, physical and visual conduct, threats, demands and retaliation, will not be tolerated whether or not it is severe or pervasive enough to be unlawful.

Sexual Harassment Defined

Applicable state and federal law defines sexual harassment as unwanted sexual advances, requests for sexual favors, or visual, verbal, or physical conduct of a sexual nature when:

1. Submission to the conduct is made a term or condition of employment;
2. Submission to or rejection of the conduct is used as a basis for employment decisions affecting the individual; or
3. The conduct has the purpose or effect of unreasonably interfering with the employee's work performance or creating an intimidating, hostile, or offensive working environment.

This definition includes many forms of offensive behavior. The following is a partial list:

- a. Unwanted sexual advances;
- b. Offering employment benefits in exchange for sexual favors;
- c. Making or threatening reprisals after a negative response to sexual advances;
- d. Nonverbal and/or visual conduct such as leering, making sexual gestures, or displaying offensive, demeaning, abusive, and/or sexually suggestive objects, pictures, cartoons, posters, or drawings;
- e. Verbal conduct such as making or using offensive, demeaning, abusive and/or sexually suggestive comments, epithets, slurs, sexually explicit jokes, or comments about any employee's body or dress;
- f. Verbal sexual advances or propositions;
- g. Verbal abuse of a sexual nature, graphic verbal commentary about an individual's body, sexually degrading words to describe an individual, or suggestive or obscene letters, notes, or invitations;

- h. Electronic sexual harassment (including, but not limited to: harassment via cell phone, including e-mail and text messages, harassing instant messages, harassing comments and/or pictures posted on social networking sites);
- i. Physical conduct such as touching, assault, or impeding or blocking movements; and
- j. Retaliation for reporting or opposing harassment or threatening to report harassment, or for participation in an investigation, proceeding or hearing conducted by the Fair Employment and Housing Commission or the Equal Employment Opportunity Commission (EEOC).

It is prohibited for males to sexually harass females or other males, and for females to sexually harass males or other females. Sexual harassment on the job is prohibited whether it involves co-worker harassment, harassment by a supervisor or member of management, or harassment by persons doing business with or for the Company. Independent contractors and their employees are also protected from sexual harassment under this policy. Sexual harassment need not be motivated by sexual desire.

Other Types of Harassment

Prohibited harassment on the basis of race; color, national origin, primary language, immigration status, or ancestry; gender/sex; gender identity; gender expression; age; physical or mental disability, perceived disability or perceived potential disability; denial of Family and Medical leave; pregnancy or perceived pregnancy, childbirth, breastfeeding or related medical conditions; religion (including religious dress and grooming practices) or creed; marital status; registered domestic partner status; medical condition (including Cancer, HIV, and AIDS); citizenship; military and veteran status; sexual orientation; genetic characteristics; genetic information (including information from the employee's genetic tests, family members' genetic tests, and the manifestation of a disease or disorder in the employee's family members); the possession of a driver's license granted under Section 12801.9 of the Vehicle Code; enrollment status in a public benefit program; political affiliation; past engagement in protected activities or being related to someone who has engaged in such activities; or any other protected basis, includes behavior similar to sexual harassment, such as:

- a. Verbal conduct such as threats, epithets, derogatory jokes or comments, or slurs;
- b. Nonverbal and/or visual conduct such as derogatory posters, photographs, cartoons, drawings, or gestures;
- c. Physical conduct such as assault, unwanted touching, or blocking normal movement; and
- d. Retaliation for reporting harassment or threatening to report harassment.

Anti-Bullying Policy

Bullying and abusive conduct is prohibited at Proteus. For purposes of this section, "abusive conduct" or "bullying" means conduct with malice that a reasonable person would find hostile, offensive, and unrelated to the Company's legitimate business interests. Abusive conduct may include repeated infliction of verbal abuse, such as the use of derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance. If you are the subject of abusive conduct or bullying, or are aware of the abusive conduct or bullying of another, you must report it to the Company utilizing the Proteus's Complaint Procedure, below. Bullying behavior can result in disciplinary action, up to and including termination.

Proteus's Complaint Procedure

Proteus's complaint procedure provides for an immediate, thorough, and objective investigation of any claim of prohibited harassment, appropriate disciplinary action against one found to have engaged in prohibited harassment, and appropriate remedies for any victim of harassment. All complaints will be documented and tracked to ensure that they progress reasonably and have a timely closure. All complaints will be designated as confidential, to the extent possible. A claim of harassment may exist even if the employee has not lost a job or some economic benefit.

If employees believe they have been harassed on the job, or if they are aware of the harassment of others, they should provide a written or verbal complaint to their supervisor/manager, any other supervisor/manager with the Company, the Human Resources Department, or the Chief Executive Officer as soon as possible. The complaint should be as detailed as possible, including the names of individuals involved, the names of any witnesses, direct quotations when language is relevant, and any documentary evidence (notes, pictures, cartoons, et cetera). Managers/supervisors will refer all harassment complaints to the Human Resources Department or the Chief Executive Officer.

Applicable law also prohibits retaliation against any employee by another employee or by the Company for using this complaint procedure or for filing, testifying, assisting, or participating in any manner in any investigation, proceeding, or hearing conducted by a governmental enforcement agency. Additionally, the Company will not knowingly permit any retaliation against any employee who complains of prohibited harassment or who participates in an investigation.

All incidents of prohibited harassment that are reported will be investigated. The Company will immediately undertake or direct an effective, thorough, and objective investigation of the harassment allegations. The investigation will be completed and a determination regarding the reported harassment will be made and communicated to the employee who complained and to the accused employee(s), subject to the right of privacy of each employee.

If the Company determines that prohibited harassment has occurred, the Company will take effective remedial action commensurate with the circumstances. Appropriate action will also be taken to deter any future harassment. If a complaint of prohibited harassment is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken. The Company will not retaliate against an employee for filing a complaint or providing information related to a complaint and will not knowingly tolerate or permit retaliation by management, employees, co-workers, or others in the workplace.

The Company encourages all employees to report any incidents of harassment forbidden by this policy **immediately** so that complaints can be quickly and fairly resolved.

Liability For Harassment

Any employee of Proteus, whether a co-worker, supervisor, or other member of management, who is found to have engaged in prohibited harassment is subject to disciplinary action, up to and including termination of employment. Any employee who engages in prohibited harassment may be held personally liable for monetary damages. The Company does not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, the Company reserves the right not to provide a defense or pay damages assessed against employees for conduct in violation of this policy.

Additional Enforcement Information

In addition to the Company's internal complaint procedure, employees should also be aware that the federal Equal Employment Opportunity Commission (EEOC) and the California Department of Fair Employment and Housing (DFEH) investigate and prosecute complaints of unlawful harassment in employment. Employees who believe that they have been unlawfully harassed may file a complaint with either of these agencies. The EEOC and the DFEH may serve as neutral fact finders and attempt to help the parties voluntarily resolve disputes.

For more information, contact the Company's HR Director, Executive Director or CEO. Employees may also contact the nearest office of the EEOC or the DFEH, as listed in the telephone directory or on the Internet.

PROHIBITED DISCRIMINATION

In accordance with applicable law, Proteus prohibits sexual discrimination and discrimination because of race; color, national origin, primary language, immigration status, or ancestry; gender/sex; gender identity; gender expression; age; physical or mental disability, perceived disability or perceived potential disability; denial of Family and Medical leave; pregnancy or perceived pregnancy, childbirth, breastfeeding or related medical conditions; religion (including religious dress and grooming practices) or creed; marital status; registered domestic partner status; medical condition (including Cancer, HIV, and AIDS); citizenship; military and veteran status; sexual orientation; genetic characteristics; genetic information (including information from the employee's genetic tests, family members' genetic tests, and the manifestation of a disease or disorder in the Employee's family members); the possession of a driver's license granted under Section 12801.9 of the Vehicle Code; enrollment status in a public benefit program; political affiliation; past engagement in protected activities or being related to someone who has engaged in such activities; or any other basis protected by federal, state, or local law. All such discrimination is prohibited and will not be tolerated.

Proteus's Complaint Procedure

Proteus's complaint procedure provides for an immediate, thorough, and objective investigation of any claim of prohibited discrimination, appropriate disciplinary action against one found to have engaged in prohibited discrimination, and appropriate remedies for any victim of discrimination. All complaints will be documented and tracked to ensure that they progress reasonably and have a timely closure. All complaints will be designated as confidential, to the extent possible. A claim of discrimination may exist even if the employee has not lost a job or some economic benefit.

If employees believe they have been discriminated against on the job, or if they are aware of the discrimination of others, they should provide a written or verbal complaint to their supervisor/manager, any other supervisor/manager with the Company, the Human Resources Department, or the Chief Executive Officer as soon as possible. The complaint should be as detailed as possible, including the names of individuals involved, the names of any witnesses, direct quotations when language is relevant, and any documentary evidence (notes, pictures, cartoons, etc.). Managers/supervisors will refer all complaints of discrimination to the Human Resources Department or the Chief Executive Officer.

Applicable law also prohibits retaliation against any employee by another employee or by the Company for using this complaint procedure or for filing, testifying, assisting, or participating in any manner in any investigation, proceeding, or hearing conducted by a governmental enforcement agency. Additionally, the Company will not knowingly permit any retaliation against any employee who complains of prohibited discrimination or who participates in an investigation concerning alleged prohibited discrimination.

All incidents of prohibited discrimination that are reported will be investigated. The Company will immediately undertake or direct an effective, thorough, and objective investigation of the discrimination allegations. The investigation will be completed and a determination regarding the reported discrimination will be made and communicated to the employee who complained and to the accused employee(s), subject to the right of privacy of each employee.

If the Company determines that prohibited discrimination has occurred, the Company will take effective remedial action commensurate with the circumstances. Appropriate action will also be taken to deter any future discrimination. If a complaint of prohibited discrimination is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken. The Company will not retaliate against an employee for filing a complaint or providing information related to a complaint and will not knowingly tolerate or permit retaliation by management, employees, co-workers, or others in the workplace.

The Company encourages all employees to report any incidents of discrimination, forbidden by this policy, **immediately** so that complaints can be quickly and fairly resolved.

Liability for Discrimination

Any employee of Proteus, whether a co-worker, supervisor, or other member of management, who is found to have engaged in prohibited discrimination is subject to disciplinary action, up to and including termination of employment. The Company does not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, the Company reserves the right not to provide a defense or pay damages assessed against employees for conduct in violation of this policy.

Additional Enforcement Information

In addition to the Company's internal complaint procedure, employees should also be aware that the federal Equal Employment Opportunity Commission (EEOC) and the California Department of Fair Employment and Housing (DFEH) investigate and prosecute complaints of unlawful discrimination in employment. Employees who believe that they have been unlawfully discriminated against may file a complaint with either of these agencies. The EEOC and the DFEH may serve as neutral fact finders and attempt to help the parties voluntarily resolve disputes.

For more information, contact the Company's HR Director. Employees may also contact the nearest office of the EEOC or the DFEH, as listed in the telephone directory or on the Internet.

PROHIBITED RETALIATION

Proteus is committed to providing a workplace free from prohibited retaliation and/or prohibited retaliatory activities. Company policy prohibits any prohibited retaliation and/or prohibited retaliatory activities by anyone in its employ against another employee because that employee participated in "protected activities."

What is retaliation: Retaliation is an employee (or several employees) taking revenge against an employee because that employee has engaged in protected activities.

What are "protected activities": A protected activity is an action by an employee that is protected under federal or California law. Some examples of protected activities are: (1) making a complaint to a supervisor and/or member of management based on a reasonable and good faith belief that unlawful conduct in the workplace has occurred; (2) filing a complaint with a government agency, in good faith, regarding perceived unlawful conduct in the workplace; and (3) participating in an investigation into an employee's complaint of perceived unlawful conduct in the workplace.

Proteus's Prohibited Retaliation Policy applies to all persons involved in the operation of the Company and prohibits retaliation and/or retaliatory activities by any employee of the Company, including supervisors and those in management.

Proteus's Complaint Procedure

Proteus's complaint procedure provides for an immediate, thorough, and objective investigation of any claim of prohibited retaliation and/or prohibited retaliatory activities; appropriate disciplinary action against one found to have engaged in prohibited retaliation and/or prohibited retaliatory activities, and appropriate remedies for any victim of prohibited retaliation and/or prohibited retaliatory activities. All complaints will be documented and tracked to ensure that they progress reasonably and have a timely closure. All complaints will be designated as confidential, to the extent possible. A claim of retaliation may exist even if the employee has not lost a job or some economic benefit.

If employees believe they have been retaliated against on the job, or if they are aware of retaliation against others, they should provide a written or verbal complaint to your supervisor/manager, to any other supervisor/manager with the Company, to the Human Resources Department, or to the Chief Executive Officer as soon as possible. The complaint should be as detailed as possible, including the names of individuals involved, the names of any witnesses, direct quotations when language is relevant, and any documentary evidence (notes, pictures, cartoons, et cetera). Managers/supervisors

will refer all complaints of retaliation and/or retaliatory activities to the Human Resources Department or the Chief Executive Officer.

All incidents of prohibited retaliation and/or retaliatory activities that are reported will be investigated. The Company will immediately undertake or direct an effective, thorough, and objective investigation of the retaliation allegations. The investigation will be completed and a determination regarding the reported retaliation will be made and communicated to the employee who complained and to the accused employee(s), subject to the right of privacy of each employee.

If the Company determines that prohibited retaliation and/or retaliatory activities have occurred, the Company will take effective remedial action commensurate with the circumstances. Appropriate action will also be taken to deter any future retaliation. If a complaint of prohibited retaliation is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken. The Company will not retaliate against an employee for filing a complaint and will not knowingly tolerate or permit retaliation by management, employees, co-workers, or others in the workplace.

The Company encourages all employees to report any incidents of retaliation forbidden by this policy **immediately** so that complaints can be quickly and fairly resolved.

Liability for Retaliation

Any employee of Proteus, whether a co-worker, supervisor, or other member of management, who is found to have engaged in retaliation and/or retaliatory activities is subject to disciplinary action, up to and including termination of employment. The Company does not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, the Company reserves the right not to provide a defense or pay damages assessed against employees for conduct in violation of this policy.

Additional Enforcement Information

In addition to the Company's internal complaint procedure, employees should also be aware that governmental agencies, such as the federal Equal Employment Opportunity Commission (EEOC), the California Department of Fair Employment and Housing (DFEH), and the Labor Commissioner, investigate and prosecute complaints of unlawful retaliation in employment. Employees who believe that they have been unlawfully retaliated against may file a complaint with any of these agencies. The EEOC and the DFEH may serve as neutral fact-finders and attempt to help the parties voluntarily resolve disputes.

For more information, please contact the Company's HR Director. An employee may also contact the nearest office of the EEOC, the Labor Commissioner, the DFEH, or other appropriate governmental agency, as listed in the telephone directory or on the Internet.