



Policy Name: **Respectful Workplace**

Policy Number: HR 257

Policy Owner: General Manager, Compensation and Benefits

Policy Approver: Vice President, Operational Services, Technology and
Human Resources

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Policy Statement:

The Company is committed to maintaining a work environment where all Employees are treated with dignity and respect and are free from Harassment, Bullying and Workplace Violence. All actions will comply with the legislation concerning such issues at the location of an incident.

1. Definitions:

Area Manager – means the most senior manager who is responsible for the day-to-day operations at the location.

Bullying - means offensive, intimidating, malicious or insulting behaviour, and includes an abuse or misuse of power through means intended to undermine, humiliate, denigrate or injure the recipient.

Company (or Nexen) – refers to Nexen Inc. and its majority owned subsidiaries.

Complainant – means a person making a complaint of Harassment.

Contractor – means any person or entity, including their employees or sub-contractors that have been contracted, sub-contracted or otherwise engaged to provide services to the Company. The Contractor may be identified by, but not limited to, such terms as third party, direct hire, independent or Contractor.

Corrective Action – means intervention when unacceptable behaviour occurs. The Corrective Action Guidebook suggests appropriate Corrective Action measures. In the UK, Corrective Action refers to the Disciplinary Policy and appropriate disciplinary action.

Employee - means a regular full-time, part-time, temporary, casual or fixed term employee of the Company.

Harassment - means any type of conduct that ought reasonably to be known to be unwelcome and inappropriate. For example, Harassment may include conduct involving unwelcome



advances, derogatory racial comments or jokes, or verbal or physical conduct of a sexual nature when:

- such conduct might reasonably be expected to cause insecurity, discomfort, offence or humiliation to another person or group
- submission to such conduct is made either explicitly or implicitly a condition of employment or is used as a basis of any employment decision
- such conduct interferes with a person's work performance or creates an intimidating, hostile or offensive work environment
- such conduct constitutes a threat to the health or safety of the person

For the purposes of this policy, Harassment includes Bullying.

Respondent (Harasser) – means the person who is alleged to be harassing another individual.

Workplace Violence - is the threatened, attempted, or actual conduct of a person that causes or is likely to cause physical injury, whether work related or at a work site. Examples of Workplace Violence include, but are not limited to:

- threatening behaviour such as shaking fists, destroying property or throwing objects
- verbal or written threats that express an intent to inflict harm
- physical attacks such as hitting, shoving, pushing or kicking
- any other act that would arouse fear in a reasonable person in the circumstances

2. Objectives:

The objective of this policy is to ensure that all Employees have a clear understanding of what constitutes Harassment and Workplace Violence and what steps can and will be taken to end these practices, should they occur. It is also important that Employees are aware that some behaviours and acts are also illegal and must be reported to the authorities.

3. Persons Affected:

This policy affects all individuals, including Employees and Contractors, at a Nexen worksite or property and at other work related events such as conferences, seminars, business trips and social events.

4. Policy:

Conduct involving Harassment or Workplace Violence for any reason is against Company policy, is unacceptable and will not be permitted or condoned. Further, certain forms of



Harassment, including sexual Harassment are illegal. All Employees should take responsibility to ensure that such conduct does not occur.

4.1 Harassment

All employees are responsible for ensuring that the workplace is free from harassment, especially when such conduct is based upon gender (including same-sex harassment), race, colour, religion, national origin, age, disability or any other unlawful basis. Extreme cases of Harassment are usually obvious but they may also occur in less obvious circumstances.

Examples of what constitutes Harassment include:

- spreading malicious rumours or insulting someone (particularly on the grounds of gender/race or disability)
- exclusion or victimisation
- ridiculing or demeaning someone – picking on them or setting them up to fail
- overbearing supervision or other misuse of power or position
- unwelcome sexual advances – such as standing too close, display of offensive materials, suggestive remarks, sexual jokes or compromising invitations, demands for sexual favours, leering/whistling

These are examples and may not cover all circumstances. Individuals should exercise their own judgement if they feel that they are being harassed or bullied and are encouraged to seek guidance from Human Resources. When determining if Harassment has taken place, the focus, in any particular case, will consider whether the behaviour is unwelcome or unwanted by the person to whom the conduct is directed.

Harassment is considered a serious offence and may result in a number of Corrective Action measures, including termination of employment.

Harassment can exist even where there is no intention to harass or offend. Every person must take care to ensure his or her conduct is not offensive to others.

Harassment is not day-to-day management or supervisor decisions involving work assignments, job assessment and evaluations, workplace inspections, implementation of appropriate dress codes, legitimate, constructive and fair criticism of an Employee's performance or behaviour at work and the occasional raised voice or argument. However, managerial/supervisory decisions must be carried out in a manner that is reasonable and not abusive.

Whether or not conduct amounts to harassment, is a subjective assessment from the point of view of the individual who believes he or she has been harassed. While the Company does not wish to provide examples of conduct which would not amount to harassment as each situation will fall to be determined on its own facts, the following sorts of conduct may be appropriate:



- physical contact necessary for the performance of work using accepted industry standards
- conduct which all parties expressly agree is inoffensive or welcome
- conflict or disagreements in the workplace that are not based on one of the prohibited grounds and which do not result in violence or which demean, humiliate, embarrass or intimidate another individual
- workplace banter if everyone involved expressly agrees and no-one involved is demeaned, humiliated, embarrassed or intimidated

4.2 Workplace Violence

The Company strictly prohibits Workplace Violence. Violations of this policy may lead to Corrective Action up to and including termination of employment and involvement of law enforcement authorities where appropriate. Examples of Workplace Violence are provided in the Definition section of this policy. In the interest of reducing the threat of potential violence, possession of a weapon in the workplace (including all Nexen offices and job sites) will be considered Workplace Violence.

Any person who makes a threat, exhibits threatening behaviour, or engages in a violent act on Company premises shall be removed from the property as quickly as possible taking into consideration the safety and legal aspects of the situation. Any person who is engaging in Workplace Violence may be suspended from entering all Company premises pending the outcome of an investigation into the incident. People who commit these acts outside the workplace, but the results of which impact the workplace, are also violating this policy and will be dealt with appropriately. An example would be at a work-sponsored social event or conference.

When threatening behaviour is exhibited or acts of violence are committed, the Company will initiate action under the Workplace Violence Guidelines (see HR 257 COP-05) as developed and updated from time to time by Corporate Security.

The Human Resources Department will refer any and all complaints to the Investigation Committee (see HR 257 COP-02).

4.3 Confidentiality

The Company understands the sensitivity of information requested in Harassment or Workplace Violence situations. In order to enable Employees to feel confident in raising these problems, this policy stresses the importance of confidentiality. Only those people who need to know about the situation will be involved. It is the responsibility of anyone who is part of the procedure to respect the high level of confidentiality that is required. Breaches of confidentiality may result in a number of Corrective Action measures.

For the anonymous and confidential reporting of violations of this policy, Employees are encouraged to use the Nexen Integrity Helpline.



5. Roles and Responsibilities:

Employees – are responsible for reading and complying with this policy and ensuring their colleagues are treated with respect and dignity. If Employees have any questions concerning this policy, they should contact their Supervisor/Manager or Human Resources Manager. Employees are also responsible for communicating the policy to Contractors for which they are responsible.

Employees are also entitled to lodge a complaint with the relevant governmental agency. Employees who are considering such action are encouraged to seek guidance on a confidential basis from Human Resources.

Supervisors/Managers – Supervisors and Managers are responsible for ensuring this policy is applied within their departments, taking Corrective Action if necessary to ensure compliance, and contacting Human Resources for clarification as to the proper application of this policy.

Supervisors and Managers are also responsible for understanding the importance of their behaviour and the influence it has in the workplace. Showing respect for workers at all levels is critical. If the Supervisor or Manager thinks Harassment or Workplace Violence may be taking place, he or she must act promptly and appropriately.

Appropriate action can include:

- speaking privately to the Employee who is potentially being harassed to find out if he or she has experienced unwelcome behaviour
- speaking privately to the person whose conduct may be harassing to indicate that his or her conduct is potentially offensive
- directing Employees to remove offensive material or displays that are in contravention of the applicable legislation or this policy
- bringing serious concerns to the attention of senior management
- holding an awareness session on Harassment and Workplace Violence
- assessing the existing work environment to determine if there are any specific Employees who may be at greater risk of being victims of threats or violence than others. For example, a land person who may be dealing with a possible hostile landowner or a receptionist that is not in a secured area and therefore may be exposed to an unpredictable public. Specific procedures should be developed for these situations in order to minimize risk.

A Supervisor who neglects to follow up on a complaint of sexual or other forms of Harassment may be liable under legislation for failing to take prompt and appropriate action.

Human Resources – is responsible for ensuring there is an effective complaints procedure in place including the coordination and resolution of complaints. Human Resources will provide



guidance and assistance to Supervisors and Managers and Company Employees regarding Harassment or Workplace Violence situations and subsequent Corrective Action as required.

Corporate Security - In the event of a threat or act of workplace violence, Corporate Security is responsible for providing guidance and assistance in securing an area, ensuring the safety and security of persons involved, participating in an investigation with the Investigation Committee, and, where required and appropriate contacting and briefing the authorities.

6. Compliance:

Compliance with this policy is an obligation of all Employees. This policy complies with the legislation of all Company locations.

7. Codes of Practice:

The following codes of practice (COP) enable implementation of this policy.

- HR 257 COP-01 Reporting a Complaint
- HR 257 COP-02 Investigation Process
- HR 257 COP-03 Resolving the Complaint
- HR 257 COP-04 Response Procedures for Workplace Violence
- HR 257 COP-05 Workplace Violence Guideline

See the Corrective Action Guidebook concerning performance management and the disciplinary process.

8. Company Policy:

The following Company policy may also be consulted:

HR 217 – Employee Relations

9. Revision History:

DATE	REVISION #	DESCRIPTION OF CHANGE
January 29, 2010	New Policy	- This new policy states the Company's "no tolerance" stance regarding Harassment, Bullying and Workplace Violence.



HR-257-COP-01 Reporting a Complaint

The following are recommended steps for reporting a complaint. The recommended steps are however not exhaustive, as the individual situation or case may require an alternative approach.

Informal Resolution

Direct Approach

While Harassment has no place in worker relations, it may well be unintentional. Silence can be and often is, interpreted as acceptance. Wherever possible, Employees who believe that they have been the subject of Harassment or Workplace Violence should, in the first instance, explain to the individual whose conduct is of concern why the behaviour is unwelcome and ask him or her to stop the unwelcome behaviour. Often individuals may not be aware that their behaviour is bothersome, and will change the behaviour once they realize this.

This informal stage will not generally result in any formal internal investigation or Corrective Action, but is intended to enable Employees to resolve the matter themselves without further escalation.

Informal Intervention

If the Complainant is unable or unwilling to deal with the Respondent directly, the Complainant may ask his or her Manager or Human Resources representative, or another Manager for assistance to help write a letter or speak to the Respondent on his or her behalf. Or, the Complainant may want the individual to be present to offer support when he or she approaches the Respondent.

The role of Supervisors or Managers and Human Resources staff is to achieve an informal resolution wherever possible and to respect the confidentiality of all concerned. All assisting staff have received training to enable them to advise and assist Employees in devising means of preventing a recurrence of unwanted behaviour.

If these attempts at an informal resolution fail, the Complainant may still file a formal complaint.

Formal Resolution

As a general principle, the decision to progress a complaint rests with the individual but if so desired the Complainant can have another person help prepare his or her formal complaint and accompany him or her to any meetings.

If the Complainant wishes to make a formal complaint, it must be put in writing and submitted to Human Resources, which is responsible for the coordination and resolution of the complaint. The Complainant must be prepared to provide full information and it will be important to keep



documentary evidence such as the dates of the alleged incidents, the nature of the behaviour, the names of any witnesses and any other information relevant to the investigation.

The Company may have a legal duty to intervene under certain circumstances.

At the Complainants' direction, complaints will be managed in a timely and confidential manner with the investigation being conducted by an Investigation Committee, generally involving senior representatives from Human Resources and Legal. All reports will be promptly investigated. The thorough and impartial investigation will pay due regard to the rights of both the Complainant and the Respondent. Both the Complainant and the Respondent can be accompanied by a fellow Employee or another person during investigations, if they wish. In the UK, the person accompanying the Complainant or the Respondent can be a fellow Employee or a Trade Union representative only. Because Harassment and Workplace Violence can be difficult and involve sensitive issues, an investigative procedure (HR 257 COP-02) has been created to help resolve complaints in a timely and confidential manner.

When making a complaint, reporting parties have an obligation to act in an ethical manner. Frivolous or vexatious claims will not be tolerated. People making these types of accusations or claims could face Corrective Action.



HR 257-COP-02 Investigation Process

The following are recommended steps for the investigation process. The recommended steps are however not exhaustive, as the individual situation or case may require an alternative approach.

Upon receipt of a complaint, the recommended investigative process to be followed by Human Resources is as follows:

1. The Human Resources Manager meets with the Complainant to discuss the allegation(s) and determine what course of action is appropriate. The best solution is to have the Complainant go back to the Respondent directly – but this may not be acceptable to the Complainant.
2. If the Complainant would like a formal investigation to proceed – he or she is asked to provide a written statement outlining the allegations. At this time he or she is advised that the Respondent will be provided the opportunity to read the written statement and will be given an opportunity to respond. The Complainant is also asked to provide names of witnesses (if any) in the written statement.
3. When the written statement is received from the Complainant, the Human Resources Manager will set up a meeting with the “Investigation Committee” who will appoint an investigator.
4. The investigator will meet with the Complainant to review the written statement to ensure there are no misunderstandings (ask clarifying questions). At this time, the names of witnesses are also confirmed and aligned with each corresponding allegation.
5. At the outset of the investigation, the investigator will separate the allegations into one of two classifications; the first classification is *"Harassment or Workplace Violence Allegation - worthy of investigation"*, and the second as *"Information Only - not Harassment or Workplace Violence by definition"*.
6. The investigator then meets with the Respondent to review the written statement; with particular focus on the allegations deemed “worthy of investigation”.
7. If the Respondent admits that the allegations are indeed correct, the investigation may end here. The investigator will request a written response from the Respondent even if he or she admits the allegations. If the Respondent does not agree, then the formal investigation will proceed and the Respondent will be asked to provide his or her side of the story (in writing) and will provide names of any witnesses he or she would like to be interviewed.



8. The investigator will conduct formal interviews with each of the witnesses identified by the Complainant and the Respondent. In some situations, the witnesses, the Complainant and/or the Respondent may be subject to follow-up interviews to reconcile and confirm relevant facts and information related to the complaint.
9. The allegations that were classified as "*Harassment or Workplace Violence Allegation - worthy of investigation*" are investigated and the findings are classified as either:
 - **Not Substantiated** – evidence is inconclusive (e.g. one person's word against the other), or
 - **No Harassment or Workplace Violence** – unsubstantiated (evidence shows that, by definition, Harassment or Workplace Violence did not occur), or
 - **Yes Harassment or Workplace Violence**– substantiated (evidence shows that, by definition, Harassment or Workplace Violence did occur).
10. When the investigation is complete, the investigator writes a report outlining the findings (with or without recommendations) and submits the report to the Investigation Committee for action.

The outcome of the investigation could result in, but is not limited to the measures outlined in HR 257-COP-03.



HR 257-COP-03 Resolving the Complaint

The following are recommended steps for the resolution of the complaint. The recommended steps are however not exhaustive, as the individual situation or case may require an alternative approach.

Resolving the Complaint

Upon completion of the investigation, the Investigation Committee will communicate its findings and intended actions to the Complainant and the Respondent. The following is a list of possible outcomes and intended actions:

Corrective Action Measures – If the Investigation Committee finds that Harassment or Workplace Violence occurred, the Respondent will be subject to appropriate corrective action measures, up to and including referral to the Employee and Family Assistance Program, or termination of employment. The outcome of the investigation and any corrective action measures undertaken will be recorded in the employment file of the Respondent. Consideration will be given to whether the Complainant and/or the Respondent should remain in their current positions or be transferred.

Even where a complaint is not upheld, (for example, where evidence is inconclusive), consideration will be given to how the ongoing working relationship between Complainant and Respondent should be managed.

Unsubstantiated Claims – if the Investigation Committee determines that no Harassment or Workplace Violence occurred, this finding will be communicated to the Complainant and the Respondent. All records of the complaint shall be removed from the employment file of the Respondent.

Protection Against Retaliation – there will be no retaliation against an individual who makes a good faith report. In most global locations, it is against the law to retaliate against anyone who has made a complaint of harassment or workplace violence in good faith or who has given reasonable evidence in support of or against a complaint.

Other Avenues of Recourse – If the Human Rights Commission or other legal body becomes involved in a complaint or dispute, the Human Resources Department and General Counsel must be contacted immediately. The case may also be handed over to the appropriate law enforcement authorities. If law enforcement authorities become involved, Corporate Security or its designates may provide guidance as to the next steps of action.



HR 257-COP-04 Response Procedures for Workplace Violence

Employees shall promptly inform their manager/supervisor or Security of any threats or acts of violence which they have witnessed, received, or have been told that another person has witnessed or received, including those related to domestic violence. It is the responsibility of any individual who becomes aware of an incident of violence not to report details of the incident to a third party without the prior consultation with the alleged victim. The Supervisor/Manager shall in turn report the information to the Human Resources Department. In the event that the Manager or Supervisor is unavailable or the Manager or Supervisor is the person issuing or exhibiting the violent behaviour, the Employee is expected to report the behaviour to the Human Resources Department.

Each Area Manager, in conjunction with Human Resources and Corporate Security, is responsible for developing workplace violence procedures for his or her specific location, including the confirmation of appropriate people to contact.

At all times Employees should consider their own personal safety in an emergency situation. Whenever possible Employees should use the response procedures outlined for the area, provided there is no personal risk.



HR 257-COP-05 Workplace Violence Guideline

WORKPLACE VIOLENCE GUIDELINES

1. Situations between Co-workers

Violence between Employees can occur and sometimes Employees observe behavior in a co-worker that concerns them but fail to report it. This prevents their co-worker from getting the assistance they require and can allow the situation to escalate. The following are examples of behavior that may cause concern:

- statements about aggressive action or repeated references to other incidents involving workplace violence or violent events
- sudden insubordination, defiant behavior or disregard for procedures
- recent deterioration in work performance
- inappropriate interest in the activities of another co-worker or Supervisor
- significant overreaction to criticism
- sudden deterioration in personal appearance
- statements about being the target of a conspiracy
- substance abuse
- repeated references to guns, power, control or a recent weapon acquisition
- statements about serious problems involving family, financial or personal matters

Employee Guidelines

Employees are encouraged to contact their Supervisor, local Security (if available), Corporate Security and/or police immediately if they become concerned that a co-worker is considering some violent action.

2. Domestic Violence

Domestic violence can endanger Employees and their co-workers. Although a restraining order or other protective order cannot guarantee protection, obtaining and enforcing one assists local Security, Corporate Security and the police in taking action if a violation occurs.

Employee Guidelines

Employees are encouraged to:



- notify their Supervisor and/or Corporate Security of serious personal issues that may have a negative impact on them at work. If Employees plan to enforce an existing protective order that identifies their work location, they should give a copy of the protective order to Corporate Security.
- notify the phone company if they are receiving unusual, harassing or threatening phone calls at home and notify their Supervisor and/or Corporate Security if they receive calls of this nature at work

3. Direct Threat

Employee Guidelines

Try to remain calm if a threat is received during a telephone conversation or meeting. Explain that threats are not tolerated and are taken very seriously by the Company.

If the person says his or her statement was not serious, tell him or her comments such as these are not tolerated. Immediately after the conversation ends, document the call detailing the threat and the response. Employees should then advise their Supervisor of the incident.

If the Employee perceives that the threat is serious, or the person refuses to clarify his or her intentions, the Employee should not discuss the situation further but do the following:

If on the phone the Employee should:

- terminate the call immediately, report the incident to his or her Supervisor and notify local Security, Corporate Security and/or the police

If the threat is made in a face to face conversation or a meeting the Employee should:

- leave the room immediately
- get to a safe location
- report the incident to his or her Supervisor, local security, Corporate Security and/or the police

Supervisor Guidelines

Subject to the protagonist's behavior, and only if and when safe to do so, consideration should be given to evacuating other personnel from the area to a safe location. Supervisors should then contact and await the arrival of local Security, Corporate Security and/or the police and provide details of the incident.

4. Violent on Site Incidents



Employee Guidelines

If the Employee is the target of the violence, he or she should try to remain calm and think rationally. Facing a serious threat in which there is no opportunity to escape, the Employee should do what the assailant says if it will help protect the Employee's safety. Further guidelines for Employees are as follows:

- do try to escape if and when it can be done safely
- do not try to confront the assailant unless that is the only option

Co-workers and/or Supervisor Guidelines

If anyone becomes aware of a violent incident on site, and if and when safe to do so, all personnel should evacuate from the floor and building to a safe location. Employees should then contact local Security, Corporate Security and/or the police.

Employees should await the arrival of the security, including the police, and provide details of the incident.

5. Potential for a Threatening Situation

There may be situations where an Employee may be required to meet with someone who has a history of abusive or threatening behavior. If the Employee has a possible concern for personal safety, the Employee is encouraged to:

- advise his or her Supervisor, local Security or Corporate Security of the meeting with someone who may create a threatening situation
- consider having the Supervisor attend the meeting or advising a co-worker to stand by for possible assistance if local Security or Corporate Security is not available. However, Security will make every effort to attend and be in the vicinity of the meeting location to provide immediate assistance if required
- consider whether the person will be accompanied by a security escort or be allowed to leave the premises on his or her own, but with loose surveillance - subject to the person's behavior during the meeting
- sit close to the door of the meeting location for a quick exit where there is potential for a threatening situation

If there is a threat to personal safety, the Employee is to:

- concentrate his or her efforts on getting out of the room and to a safe location, shouting for help as he or she leaves the room if the individual becomes violent
- contact the police and advise security if not already present
- document the incident and discuss with his or her Supervisor