

HLC Inc. is committed to the ethical principles of integrity, confidentiality, honesty, and transparency. To ensure that our enterprise conducts business according to these principles, we implement policies and procedures that define what we expect of our people.

Equal Employment Opportunity

The Homer Laughlin China Company is committed to providing a work environment in which all employees are treated with respect and dignity. The Homer Laughlin China Company is an equal opportunity employer, which means we are committed to providing equal employment opportunity to all employees and applicants without regard to race, color, creed, religion, sex, national origin, age, status as a Vietnam era or special disabled veteran, marital status, disability, genetic predisposition, or genetic carrier status. It is also the policy of the Company to prohibit any form of harassment in the workplace by any person. This policy applies to all terms and conditions of employment including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

Any conduct of any employee, including a supervisory employee, in violation of this policy will result in disciplinary action, up to and including dismissal from employment. It is the policy of the Company to ensure that all persons receive equal employment opportunities solely on the basis of their skills, abilities, job-related qualifications, competence and job performance. If an employee feels that he or she has been denied an equal employment opportunity, he or she should immediately contact the Human Resources Supervisor and/or the Manager of Operations. The Company will initiate an investigation of the complaint and notify the employee of its resolution. Please be assured that no retaliatory action will be taken against any employee who files a complaint. Every employee's continued cooperation in carrying out this policy is essential to ensure that equal opportunity is a reality for all employees of The Homer Laughlin China Company.

Non-Harassment Policy

It is the policy of The Homer Laughlin China Company to prohibit harassment of any employee on the basis of race, color, creed, religion, sex, national origin, age, disability, marital status, veteran status, genetic predisposition, or genetic carrier status. This policy applies to all employees.

The Homer Laughlin China Company expects that all relationships among persons in and out of the office, from the most senior employee to the most junior administrative staff member, will be businesslike and free

of bias, prejudice and harassment. The Company recognizes that its employees may be subjected to harassment by non-Company employees who conduct business with the Company. In these circumstances, the Company acknowledges its responsibility to support and assist the employee subjected to such harassment.

One form of unlawful discrimination is conduct that harasses an individual on account of his or her protected status. Harassment cannot and will not be tolerated. Behavior constituting harassment includes unwelcome jokes or teasing, and other similar, unwelcome verbal or physical conduct.

Any employee who feels that he or she has been subjected to harassment should immediately report the matter to the Human Resources Department personnel or the Plant Superintendent. All reported or suspected occurrences of harassment will be promptly and thoroughly investigated. Every effort will be made to conduct the investigation in a discreet and confidential manner.

Violation of this policy will result in disciplinary action up to and including discharge.

Sexual Harassment Policy

It is The Homer Laughlin China Company's policy to regard sexual harassment as an extremely serious matter. Sexual harassment is strictly prohibited in all work and work related settings. This policy applies to all employees.

Any employee who feels that he or she is a victim of sexual harassment or any other form of harassment should immediately report the matter to Human Resource Personnel or the Plant Superintendent.

What Constitutes Sexual Harassment?

The Equal Employment Opportunity Commission has issued separate guidelines dealing with sexual harassment. Consistent with those guidelines, sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and/or other verbal or physical conduct of a sexual nature when:

- 1) Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; or
- 2) Submission to or rejection of such conduct by an employee is used as the basis for decisions affecting the employee; or
- 3) Such conduct has the purpose or effect of unreasonably interfering with an employee's performance, or creates an intimidating, hostile, or offensive working environment.

An employee cannot assume that his or her conduct is inoffensive just because it seems acceptable to the employee, or because the recipient of the employee's conduct does not complain about it. Behavior that is in fact offensive to the recipient can be sexual harassment. This could include, but is not limited to, the following:

- Verbal harassment or abuse of a sexual nature
- Pressure for sexual activity
- Insulting or degrading sexual remarks or innuendoes
- Unwelcome touching
- Graphic or descriptive comments relating to an individual's body or physical appearance
- Offensive sexual jokes, posters, etc.
- Threats or implications that one's job, promotion, etc. depends in any way upon accepting or tolerating advances or sexually oriented conduct

Retaliation

Retaliation against employees for exercising their rights under The Homer Laughlin China Company's Non-Harassment and Sexual Harassment policies is strictly prohibited, and will not be tolerated. This would include retaliation against any individual for inquiring about his or her rights, or for making a complaint of a violation or possible violation, or for truthfully assisting in a complaint investigation.

All employees are encouraged to promptly report any conduct that they are subject to, or that they witness, which violates this policy. If the Company does not know of the conduct, responsive action cannot be taken.

All reports and complaints will be kept confidential to the greatest extent practicable, consistent with the need to conduct an adequate investigation. An employee with a complaint may be asked to provide a written statement and provide available details about the incident(s) in question. The ensuing investigation will be conducted as discreetly as possible. All investigations will be carried out in a consistent manner as detailed in the procedures listed above. If the investigation reveals that there has been a violation of these policies, action will be taken to rectify the situation.

Conduct which is found to violate The Homer Laughlin China Company's Non-Harassment and Sexual Harassment policies will be regarded as a serious offense and will be dealt with accordingly. Employees who violate these policies may be subject to disciplinary action, up to and including termination from The Homer Laughlin China Company, consistent with applicable laws and agreements.