

ANTI-HARASSMENT POLICY

PURPOSE

The purpose of the Anti-Harassment Policy ("Anti-Harassment Policy") is to establish guidelines for Heritage-Crystal Clean, Inc. and its wholly owned subsidiaries (collectively, "Company") to create and maintain a work environment where people are treated with dignity, decency, and respect. The environment of the Company should be characterized by mutual trust and the absence of intimidation, oppression, and exploitation. The Company will not tolerate unlawful discrimination or harassment of any kind.

SCOPE

The Anti-Harassment Policy applies to all Company employees, regardless of their position. All Company employees are covered and expected to comply and take appropriate measures to ensure that prohibited conduct does not occur. Managers and supervisors who knowingly allow or tolerate discrimination, harassment, or retaliation, including the failure to immediately report such misconduct to senior management or Human Resources ("HR"), are subject to corrective action.

POLICY

1. Prohibited Conduct

a. Discrimination:

- 1) Employees may not discriminate with respect to employment opportunities, benefits, or privileges; or create work conditions or use evaluative standards in employment if the basis of that treatment is, in whole or in part, discriminatory to the person's race, color, national origin, age, religion, disability status, gender, sexual orientation, gender identity, genetic information, or marital status.
- 2) Discrimination of this kind may also be strictly prohibited by a variety of federal, state, and local laws, including Title VII of the Civil Rights Act 1964, the Age Discrimination Act of 1975, and the Americans with Disabilities Act of 1990. The Anti-Harassment Policy is intended to comply with these anti-discrimination laws. Any violation will be subject to disciplinary measures, up to and including termination.

b. Harassment:

- 1) The Company prohibits harassment of any kind and will take immediate action in response to complaints or knowledge of violations. For purposes of the Anti-Harassment Policy, harassment is any verbal or physical conduct designed to threaten, intimidate, or coerce an employee, co-worker, or any person working for or on behalf of the Company.

- 2) The following examples of harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation:
 - Verbal harassment: Comments that are offensive or unwelcome regarding a person's national origin, race, color, religion, gender, sexual orientation, age, body, disability or appearance, including epithets, slurs, and negative stereotyping.
 - Nonverbal harassment: Distribution, display, or discussion of any written or graphic material that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group because of national origin, race, color, religion, age, gender, sexual orientation, pregnancy, appearance, disability, sexual identity, marital status, or other protected status.
- 3) Courteous, mutually respectful, pleasant, and noncoercive interactions between employees that are appropriate in the workplace and acceptable to and welcomed by both parties are not considered to be harassment.

c. Sexual Harassment:

- 1) Sexual harassment is a form of unlawful employment discrimination under Title VII of the Civil Rights Act of 1964 and is prohibited under the Company's Anti-Harassment Policy.
- 2) Sexual harassment occurs when unsolicited or unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature:
 - Is made explicitly or implicitly a term or condition of employment;
 - Is used as a basis for an employment decision; or
 - Unreasonably interferes with an employee's work performance or creates an intimidating, hostile, or otherwise offensive environment.
- 3) Sexual harassment may take different forms. The following examples of sexual harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation:
 - Verbal sexual harassment: Innuendoes; suggestive comments; jokes of a sexual nature; sexual propositions; lewd remarks and threats; requests for any type of sexual favor (this includes repeated, unwelcome requests for dates); and verbal abuse or "kidding" that is oriented toward a prohibitive form of harassment, including that which is sexual in nature and unwelcome.
 - Nonverbal sexual harassment: The distribution, display, or discussion of any written or graphic material, including calendars, posters, and cartoons that are sexually suggestive or show hostility toward an individual or group because of sex; suggestive or insulting sounds; leering; staring; whistling; obscene gestures; content in letters, notes, facsimiles, e-mails, photos, text messages, tweets, and Internet postings; or other forms of communication that are sexual in nature and offensive.
 - Physical sexual harassment: Unwelcome or unwanted physical contact, including touching, tickling, pinching, patting, brushing up against, hugging, cornering, kissing, fondling, and forced sexual intercourse or assault.

d. Consensual Romantic or Sexual Relationships:

- 1) The Company strongly discourages romantic or sexual relationships between a manager or other supervisory employee and his or her staff (an employee who reports directly or indirectly to that person). Such relationships create conflicts of interest, or the appearance of such conflicts, and employment decisions affecting the staff employee may be regarded as favoritism or bias. Due to the uneven balance of power within such relationships, consent by the staff employee is suspect and may be viewed by others, or later by the staff employee, as the result of coercion or intimidation. The atmosphere created by such appearances of bias, favoritism, intimidation, coercion or exploitation undermines the trust and mutual respect that is essential to a healthy work environment.
- 2) If any employee of the Company enters into a consensual relationship that is romantic or sexual in nature with a member of his or her direct or indirect staff, or if one of the parties is in a supervisory capacity in the same department as the other party, the parties must notify the HR director or another appropriate corporate officer. Reporting is mandatory because of quid pro quo harassment. This requirement does not apply to employees who do not work in the same department or to parties where neither one supervises or manages responsibilities over the other.
- 3) Once the relationship is reported, the Company will review the situation with HR and determine whether one or both parties need to be moved to another department. If only one party must be moved and there are jobs in other departments available for both, the parties may decide who will be the one to apply for a new position. If the parties cannot come to a decision, or the party is not chosen for the position to which he or she applied, the HR director and senior management will decide which party will be moved. That decision will be based on which move will be least disruptive to the organization as a whole. If no other jobs are available for either party, the parties will be given the option to terminate their relationship or resign.

e. Retaliation:

- 1) No employee will be subject to any form of discipline or retaliation for reporting perceived violations of the policy in good faith, pursuing any claim, or cooperating in the investigation.
- 2) If an employee believes someone was subject to retaliation, the employee should bring the matter to the immediate attention of any member of HR or the HR Director. The Company will review the circumstances and take corrective action if it is deemed necessary. These actions may include, but are not limited to:
 - Counseling;
 - Verbal or written discipline;
 - Suspension; or
 - Immediate termination.
- 3) The Company cannot remedy claimed harassment or retaliation unless the employee brings these claims to the attention of management. Failure to report claims of

harassment and/or retaliation prevents the Company from taking steps to solve the problem.

2. Procedures:

a. Reporting:

- 1) The following steps have been put in place to ensure the work environment at the Company is free of discrimination and harassment:
 - If an employee believes someone has violated the policy, the employee should promptly bring the matter to the immediate attention, either verbally or in writing, to any management employee, including his or her supervisor, or any member of HR.
 - If the employee makes a complaint under the policy and does not receive a satisfactory response, he or she should contact the HR Director.
- 2) Additionally, employees may report any concerns through our 24-hour hotline at 1-877-571-1134. Complaints or concerns made to the hotline number may be anonymous.

b. Investigation:

- 1) The Company will promptly investigate the facts and circumstances of discrimination or harassment. Employees must cooperate in all investigations. The Company will generally interview the complainant, the alleged harasser, and others as necessary. The Company will then inform the parties involved of the findings, as needed at the Company's sole discretion.
- 2) Every supervisor or manager who learns of any employee's concern about conduct in violation of the policy, whether in a formal complaint or informally, must immediately report the issues raised to senior management or to any member of HR. All information pertaining to a complaint or investigation will be maintained in secure files within the HR department.
- 3) Upon completion of the investigation, the Company will take corrective action against any person who has engaged in conduct in violation of the policy, if the Company deems it necessary. These actions may include, but are not limited to:
 - Counseling;
 - Verbal or written discipline;
 - Suspension; or
 - Immediate termination.

3. Confidentiality:

- a. All complaints and investigations are treated confidentially to the extent possible, and information is disclosed strictly on a need-to-know basis. The HR Director will take adequate steps to ensure that the complainant is protected from retaliation during and after the investigation.