



HUNTSVILLE UTILITIES OPERATIONAL STANDARD

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Standard #: OS-HR-50-005

Standard: Internal Investigations

Policy Reference(s): HR-50-04

Responsible Department/Title: Human Resources (HR)/HR Director

Purpose: To provide guidance for conducting internal investigations regarding violations of company policies, standards of conduct and procedures, alleged unlawful discrimination, harassment and other violations. This organization is committed to ensuring all company-initiated investigations are conducted in a fair, impartial, thorough, and thoughtful manner in compliance with all applicable laws within the United States.

Whenever an agent of Huntsville Utilities (HU) (i.e., employee, leader or otherwise) receives a complaint or other information indicating a possible violation of law or HU policy, appropriate HU personnel will conduct an investigation. The investigation will be handled in such a manner as to maintain the privacy and dignity of both the subject under investigation and the individual(s) issuing the complaint.

RESPONSIBILITY

The departments below will promptly initiate an appropriate investigation into all alleged violations of law and HU's policy.

- ⊖ The HR Department designee will have primary responsibility for investigating complaints relating to employee misconduct, violation of company policies, standards, procedures, etc.
- The Safety and Security Department designee will have primary responsibility for investigating complaints that may include but are not limited to on-the-job-or work-related injuries, vehicle accidents, damaged property, employee complaints relating to unsafe acts and working conditions, failure to follow safety policies, standards or safe work procedures, theft of property, theft of services, and threats or any security concerns to facilities, employees or property.
- The Equal Employment Opportunity/Diversity, Equity & Inclusion Department designee will have primary responsibility for investigating complaints relating to violations of Title VII under the Civil Rights Act and other federal and state laws regarding discrimination and harassment (e.g., discrimination based on race, color, age, religion, sex, disability, and national origin).
- The Process Excellence Department will have primary responsibility for investigating complaints relating to potential fraud, violations of Alabama's ethics law, or misappropriation of HU resources.

In certain situations, the Legal Department may assume responsibility for specific investigations and instruct other HU personnel to gather information for the investigation. In such cases, the assigned investigator(s) will follow counsel's instructions relating to communications and evidence to ensure that "attorney-client" and "attorney work product" privileges are preserved.

SITUATIONS TO BE INVESTIGATED

The following list, while not all-inclusive, provides examples of the types of situations that HU will investigate:

- Alleged conduct that potentially deprives an employee or third party (i.e., customer, persons or entities desiring to engage in business with the company) of rights because of race, color, religion, sex, sexual orientation, national origin, age, disability, marital status or other characteristics protected by law.



Internal Investigations

- Alleged verbal or physical conduct that threatens, denigrates or shows hostile feelings toward any individual, whether or not related to race, color, religion, sex, sexual orientation, gender identity or expression, pregnancy, age, national origin, disability status, genetic information, protected veteran status, or any other characteristic protected by law. This includes conduct that has the purpose or effect of any of the following:
 - Creating an intimidating, hostile, or offensive work environment.
 - Unreasonably interfering with an employee's work performance.
 - Affecting an individual's employment opportunity at HU.
- Alleged conduct or behavior that violates HU's standards of conduct, policy, or affects the safety or well-being of fellow employees, visitors, operations, or other HU-related activities. Such behavior includes threatening communication, physical injury or potential physical harm to another, aggressive or hostile action, intentional damage to company property, and possession of any weapon in violation of HU' Firearms Policy (GV-09).
- Employee reports they have been involved in a motor vehicle accident in a HU-owned vehicle.
- Employee reports they have been involved in an on-the-job injury or an injury they have sustained while at work.
- Claims relating to unfair labor practices.
- Theft, financial misconduct, or unethical behavior.
- Conduct that violates HU's policies, procedures, standards of conduct, or the law.

CONFIDENTIALITY

HU investigations will be conducted on a need-to-know basis. Information will be treated confidentially and only shared as necessary to perform a reasonable investigation. No one should share investigation information without the approval of the investigator(s).

RETALIATION

HU prohibits retaliation, including making threatening communication by verbal, written, or electronic means against any individual who reports or provides information concerning unlawful discrimination, harassment, or other violations of company policies, rules, and standards of conduct. Any employee found to be engaging in retaliation will be subject to corrective action up to and including termination. HU investigator(s) will make a reasonable effort to ensure the complainant(s) or person(s) providing information during an investigation are not exposed to any threats of violence, intimidation, or personal risk. If any such situations are identified or have occurred, HU will proceed with the appropriate response, as advised by the General Counsel. Any HU employee found to have engaged in threatening behavior will be subject to corrective action up to and including termination, in accordance with HU' Workplace Anti-Bullying Policy (HR-50-03).

THIRD-PARTY INVESTIGATOR REQUIREMENTS

In most cases, General Counsel will approve the retention of any third party for purposes of conducting a HU-initiated investigation regarding employee misconduct. The third party must be professionally licensed, if required by state statutory requirements, and must provide evidence of professional liability insurance (i.e., errors and omissions coverage) prior to conducting any company-initiated investigation.

ADMINISTRATIVE LEAVE

Subjects of the investigation may be placed on paid/unpaid administrative leave during the investigatory process as deemed appropriate by the VPEE, HR designee, and/or General Counsel.

INVESTIGATIVE TIMELINE

HU will make all reasonable efforts to initiate an investigation into the allegation(s) and conclude the investigation in a timely fashion, as appropriate.

INVESTIGATIVE TASKS

The following steps should be undertaken as appropriate for the investigation:



Internal Investigations

Step	Action
1.	Obtain verbal and written statements from all parties involved, including the complainant and accused. Secure all publicly available reports from police or other agencies concerning the reporting (if applicable).
2.	Take photographs/videos of any injury or damage (if applicable).
3.	Preserve all evidence and secure the evidence in a locked location. Document all evidence obtained. The HU investigator will be responsible for maintaining the chain of custody of the evidence.
4.	Determine if there is a potential for risk occurrence. If there is a potential, take all measures appropriate to protect employees, visitors, and property.
5.	Complete an investigation report, and provide all relevant and necessary information, including findings.

DOCUMENTATION OF FINDINGS

Based on the investigation, HU investigator(s) should determine whether the allegation(s) were founded, unfounded or inconclusive. This determination should be documented in writing and made part of the investigative report. The determinations are as follows:

- Violation found. Where a violation of HU policies, workplace rules, or law is found to have occurred, the accused should be notified of the finding and specific or corrective actions to be taken. The accused employee's supervisor will also be notified, if appropriate. No details about the nature or extent of corrective actions will be disclosed to the complainant(s) or witness(es) unless there is a compelling reason to do so (e.g., personal safety). Other information regarding the investigation, exclusive of the nature or extent of any corrective actions that resulted, may be disclosed to the complaining party(s) on a case-by-case basis as deemed appropriate by the investigator, the VPEE, and General Counsel.
- No violation found. In this situation, the complainant and accused should be notified HU investigated the allegation(s) and determined the evidence did not support the claim. Making false, vicious or malicious statements are a violation of HU's Conduct Standard (OS-HR-50-004).
- Inconclusive investigation. In some cases, the evidence may not conclusively indicate whether the allegation(s) was founded or unfounded. If such a situation occurs, the notification to the complainant and accused should state that HU completed a thorough investigation but has been unable to establish the truth or falsity of the allegation(s). HU will take appropriate steps to ensure the persons involved understand the requirements of HU, policies and applicable law and HU will monitor the situation to ensure compliance in the future.

RETENTION OF INVESTIGATIVE RECORDS

Unless advised otherwise by the Legal Department or HR Department, HU will retain records relative to a HU-initiated investigation for the greater of a period of five years or the minimum retention period required by law.

RELEASE OF INVESTIGATIVE RECORDS

HU will not release any investigative files, including interviews and findings unless authorized by the HR or Legal Department or pursuant to a court-authorized request (i.e., subpoena, court order).

Any information obtained and reported by third parties employed or engaged by HU concerning an employee's creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living will be considered a "consumer report" under the Fair Credit Reporting Act. Accordingly, HU will notify the employee that such reports have been received. The employee may request and obtain a copy of the consumer report.



Internal Investigations

NOTICE TO GOVERNMENT AGENCIES

Before notifying any government agency concerning a HU-initiated investigation, the Legal Department will conduct a full review of the investigation and determine what information, including documents, should be released to the government agency. Examples may include state licensing agencies or immigration officials when terminating foreign employees.

DISCLOSURES TO THIRD PARTIES

No HU employee or agent may disclose to third parties (e.g., lawyers, investigators, insurance representatives, media reporters) the particulars of any HU-initiated investigation without prior approval from the Legal Department. Any communication or request for information received at HU from an attorney should be forwarded to General Counsel.

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