

DRUG, ALCOHOL & CANNABIS POLICY

PETRONAS ENERGY CANADA LTD.

DOCUMENT AUTHORIZATION

Approved By:

Name	Mark Fitzgerald	
Position	President & CEO	
Date	26-NOV-2018	

Document Owner:

Name	James Cummings	
Position	General Counsel & Corporate Secretary	
Date	26-NOV-2018	

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1. Summary Statement

The Company recognizes that the inappropriate use of Drugs and Alcohol can adversely impact the safety and well-being of Employees, Contractors, members of the public, and potentially the communities in which it operates. The Company is committed to providing a safe and healthy work environment and to maintaining the public's trust and confidence.

The Company and its Employees share a responsibility to ensure their own safety as well as the safety of those affected by their activities. Awareness of the potential risks associated with the use of Alcohol and Drugs can assist in providing and maintaining a safe and healthy workplace.

The Company has adopted this Policy, and its Supporting Procedures, with a view to minimizing the risks associated with Drugs and Alcohol on Company Premises as well as ensuring compliance with applicable laws and the Company's corporate governance policies and procedures, including but not limited to the Code of Business Conduct and Ethics Policy and the Health, Safety, Security and Environment Policy. This Policy is part of a comprehensive and multi-faceted approach to safety and health.

The Company protects all personal information that is acquired under this Policy and its Supporting Procedures, including the results of any Drug or Alcohol testing, in accordance with the <u>Privacy Policy</u>.

2. Objectives

The objectives of this Policy are to:

- Minimize the risks associated with the use or misuse of Drugs and Alcohol in the workplace;
- Ensure that all Employees attend work Fit for Duty and outline the Company's expectations regarding Fitness for Duty;
- Outline the prohibitions against the use, misuse, and possession of Drugs and Alcohol on Company Premises;
- Encourage prevention and assistance for Drug and Alcohol issues;
- Reserve the Company's right to conduct Drug and Alcohol testing and related searches;
- Set out the potential consequences following a violation of this Policy and/or the Supporting Procedures; and
- Outline situations in which the reasonable use of Alcohol may be permitted.

3. Scope

This Policy applies to all Employees, Company Business, and Company Premises.

Contractors (including self-employed contractors), are required to implement and adhere to a policy which has standards at least as stringent as those set out in this Policy and its Supporting Procedures, or agree to implement this Policy and adopt and enforce it as their own. Contractors are also required to cooperate with the Company as it relates to enforcing their own or this Policy and provide documentation or information to confirm that appropriate implementation and enforcement of their own or this Policy and its Supporting Procedures is in place.

4. Definitions

Capitalized terms used herein have their meanings as set out below or as found in the Master Glossary.

Alcohol	Any substance that may be consumed and that has an alcoholic content in excess of 0.5 per cent by volume.		
Company Premises	Includes, but is not limited to, all land, facilities, operations, camps, vehicles, Equipment and property used for the purpose of performing the business of the Company. Worksites include any work location to which Employees have been assigned, including any offsite work location at which work is being performed.		
Drug(s)	A substance which: (i) has a physiological or psychological effect when ingested or otherwise		
	introduced into the body; and/or		
	(ii) is sold, used, procured, or possessed for non-medical purposes; and/or		
	(iii) is restricted or controlled, and/or illegal to possess, cultivate or traffic pursuant to the <i>Controlled Drugs and Substances Act</i> , the <i>Criminal Code of Canada</i> , the <i>Cannabis Act</i> and/or any other applicable legislation or regulation.		
	Drug(s) includes recreational cannabis, but does not include Medications.		
Drug Paraphernalia	Includes any personal property that is associated the use of any drug, substance, chemical or agent the possession of which is unlawful in Canada, or the use of which is regulated by legislation such as cannabis.		
Failure to Test	Includes the failure to report directly for a Test, refusal to submit to a Test, or refusal to agree to disclosure of a Test result to the Company. A Failure to Test will also include an inability to provide sufficient quantities of a breath or urine fluid to be tested without a valid medical explanation.		
Fit(ness) for Duty	The status of Employees who are mentally and physically able to perform the duties of their position, as required. Additionally, being able to safely and acceptably perform assigned duties and any task under the given working conditions without any limitations due to the use, misuse or after-effects of Alcohol, Drugs or Medications.		
Medication	Any substance, chemical or agent prescribed by a licensed health care professional to treat diagnosed medical conditions including over-the-counter medications.		
Reasonable Cause	Includes information established by the direct observation of the employee's conduct or other indicators, such as the physical appearance and behaviour of the employee, the smell associated with the use of Alcohol or Drugs on his or her person or in the vicinity of his or her person, his or her attendance record or unexplained absences during regular work hours, circumstances surrounding an incident or near miss and the presence of Alcohol, Drugs or Drug Paraphernalia in the vicinity of the employee or the area where the employee worked.		
Substance Abuse Assessment (SAA)	An assessment conducted by a SAP aimed at determining whether a Worker needs assistance resolving an Alcohol or Drug dependency, problem or issue.		
Substance Abuse Professional (SAP)	A SAP is a licensed physician, a licensed or certified social worker, a licensed or certified psychologist, a licensed or certified employee assistance professional, or an Alcohol and Drug abuse counsellor. A qualified SAP must possess extensive training and clinical experience in the assessment and treatment of substance abuse-related disorders and has an understanding of the safety implications of substance use and abuse.		
Supporting Procedures	Any procedures adopted in furtherance of the Drug and Alcohol Policy, as may be adopted or amended from time to time, including the Drug and Alcohol Testing Procedure and Medication Procedure.		

5. Requirements

5.1 Responsibilities

5.1.1 Employee Responsibilities

Employee responsibilities include:

- Reading, understanding and complying with this Policy and its Supporting Procedures;
- Reporting and remaining Fit for Duty while on Company Business and Company Premises, and when designated on-call;
- Assuming ownership of a Drug or Alcohol dependency by seeking professional assistance and making use of the resources and services provided by the Company or third party assistance providers;
- Seeking advice and following any recommended treatment or rehabilitation programs where applicable;
- Notifying a Supervisor or Human Resources (HR) if he/she believes they, an employee, a Contractor, or other worker are not Fit for Duty due to the use or misuse of Drugs, Alcohol or Medications;
- Reporting to a Supervisor or HR any Medication which could affect his/her Fitness for Duty;
- Obtaining advice from a physician or other qualified medical professional regarding whether any Medication could affect his/her ability to safely perform his/her duties or otherwise render him/her not Fit for Duty and report any concerns in this respect to a Supervisor or HR;
- Co-operating with any investigation into a violation or potential violation of this Policy and/or
 its Supporting Procedures, including any request to participate in testing, as described in the
 <u>Drug & Alcohol Testing Procedure</u>;
- Reporting for testing and promoting the integrity of the testing process without tampering, adulterating or interfering with testing (e.g., masking agents, diluting, substituting samples or falsely representing oneself);
- Not using Drugs or Alcohol (other than the necessary use of Medications) after being involved in or observing an Incident until the earlier of the following occurs:
- (i) the Employee has been tested, or
- (ii) the Employee has been advised by the Company that they will not be tested.
- Refusing any work request when he/she is not Fit for Duty and is contacted by the Company to perform unscheduled services, and reporting the refusal to his/her Supervisor.

5.1.2 Supervisors Responsibilities

Supervisors' responsibilities include:

- Ensuring the safety of workers, sites, and tasks in all cases and at all times;
- Stopping work, testing and conducting searches to ensure the safety of workers, sites, and tasks, where necessary and applicable;

- Consulting with the Health, Safety, Security and Environment (HSSE), Legal and Corporate Security departments as soon as possible following an Incident to ensure the safety of workers, sites, and tasks;
- Ensuring this Policy and its Supporting Procedures are communicated to employees;
- Implementing this Policy and its Supporting Procedures;
- Identifying employee behaviour, performance concerns and problems that may be linked to the use or misuse of Drugs, Alcohol or Medications and notifying HR as appropriate;
- Ensuring that an employee who is not Fit for Duty is safely removed from Company Premises and that HR is notified and has arranged for applicable assessments where appropriate;
- Documenting (as appropriate) an employee's refusal to report for work by reason of not being Fit for Duty;
- Following and implementing the <u>Drug and Alcohol Testing Procedure</u> where applicable;
- Demonstrating leadership and supervision to ensure a safe and healthy work environment at all times;
- Assisting employees who seek assistance to appropriate resources in conjunction with HR; and
- Fully co-operating with and participating in any investigation with respect to any violation of this Policy or its Supporting Procedures.

5.2 Prohibited Conduct

The following are prohibited while on Company Business or on Company Premises:

- the use, possession, cultivation, manufacture, storage, distribution, consumption, dispensation, trading, offering or sale of Alcohol, recreational cannabis, Illicit Drugs or Drug Paraphernalia save and accept as provided for by this Policy;
- the possession, storage or use of prescription Medications prescribed for another individual or the possession, storage or use of prescription Medications without being able to produce a personal prescription from a licensed treating physician;
- reporting to or engaging in work, on Company Premises while not Fit for Duty.

5.3 Prevention, Assistance, Rehabilitation

The Company will provide ongoing education and make information available on health and safety issues associated with Drug and Alcohol use and abuse. Employees are encouraged to access assistance through the Company's Employee Assistance Provider (EAP), HR, physician, Supervisor, or other community or local assistance providers for help with any Drug or Alcohol dependency that has the potential to affect their safe work performance.

Employees who suspect they have a dependency or emerging Drug or Alcohol problem that could affect their ability to perform their duties safely and effectively must advise their Supervisor or HR immediately. Accommodation of an Employee's self-disclosed substance dependency must be substantiated by medical documentation.

Employees should understand that accessing assistance or admitting a problem does not eliminate the requirement to remain Fit for Duty while at work or on-call. Any discipline or testing may not be

avoided simply because a request for assistance or disclosure that an employee is involved in a treatment program was made.

Where a medical professional or other qualified professional advises that an employee's Fitness for Duty is in question, the employee may be precluded from being on Company Premises or a medical work modification may be issued and the employee may be assigned to alternate duties where available and at the Company's discretion.

Employees will be expected to comply with any recommended treatment or after-care programs and may be required to participate in testing prior to returning to the workplace and periodically thereafter pursuant to a Return to Work Agreement.

In appropriate cases, the employee may be placed on leave pending a Substance Abuse Assessment (SAA) from a Substance Abuse Professional (SAP) and/or the completion of rehabilitation.

5.4 Testing

In order to support a safe work environment, the Company reserves the right to conduct testing where necessary and in appropriate circumstances, including:

- pre-employment (safety-sensitive positions only);
- pre-access;
- reasonable cause;
- post-Incident; and
- random unannounced testing (as part of a Return to Work Agreement).

Employees must report for and submit to testing as required in accordance with this Policy and the <u>Drug & Alcohol Testing Procedure</u>. Any employee required to undergo testing will be provided with the reason(s) for same.

5.5 Searches

PECL reserves the right to conduct searches of Company Premises where there is reasonable cause to believe that Alcohol, Drugs or Drug Paraphernalia may be present in violation of this Policy. In some circumstances, law enforcement agencies may be involved.

5.6 Violations of this Policy

Any violation of this Policy may result in discipline up to and including termination of employment depending on the nature and circumstances of the violation. The Company will conduct an internal review or investigation to satisfy itself that a Policy violation has occurred. Violations of this Policy include:

- A failure to comply with this Policy and/or Supporting Procedures;
- A positive test; or
- A Failure to Test.

An invalid or inconclusive test cannot be relied on and in such situations, the employee will be sent for further testing.

After any confirmed positive test, an employee may be referred to an SAP for an SAA. Failure to meet with an SAP or attend a scheduled SAA, where applicable, may be considered as a violation of this Policy and/or its Supporting Procedures.

5.7 Return to Work Agreement

Following a violation of this Policy and/or its Supporting Procedures, an employee's continued employment may be subject to a Return to Work Agreement which could include but is not limited to any or all of the following conditions:

- temporary removal from their position;
- adherence to any recommended treatment and/or aftercare program;
- successful completion of a negative return to work test;
- successful completion of random unannounced testing for the duration of the Agreement;
- adherence to any ongoing rehabilitation conditions or requirements; and
- no further Policy and Supporting Procedures violations during the term of the Agreement.

Failure to meet any of the conditions of a Return to Work Agreement may be grounds for discipline up to and including termination.

5.8 Company/Non-Company Events and On-Call Duty

The consumption and use of Alcohol or recreational cannabis is not endorsed or encouraged by PECL. Under no circumstances is any employee:

- allowed to return to work on Company Premises after consuming Alcohol or recreational cannabis at a PECL-sponsored or non-company event; or
- permitted to consume Alcohol and/or recreational cannabis while on-call, or report to work after having consumed Alcohol and/or recreational cannabis while on-call.

5.8.1 Company Events

All PECL-sponsored events must be conducted in accordance with all applicable laws.

Alcohol

Subject to the requirements of this Policy, the provision and/or use of Alcohol in conjunction with any PECL event may be permitted, provided that:

- a) It has first been approved by the Senior Management of the hosting department(s);
- b) An accountable employee for the event:
 - has been designated by Senior Management or Management;
 - ensures that events are managed in accordance with the requirements of this Policy as well as its Supporting Procedures; and

- Ensures that events are managed in a manner that ensures reasonable steps have been identified and taken to avoid the potential for Incidents, including identifying and eliminating potentially harmful situations.
- c) The event is conducted in accordance with the requirements of this Policy, its Supporting Procedures, and the following quidelines:
 - Servers must work at each event, ensure bars are attended at all times, and/or supervise the use of untrained servers;
 - An accountable employee must ensure all applicable licenses, permits or authorizations are obtained;
 - Steps will be taken to prevent abusive or unsafe behaviour;
 - Alternate transportation will be encouraged and/or provided where applicable;
 - The appropriate authorities will be contacted if an Incident or other event occurs;
 - Responsible serving practices will be followed; and
 - Food and non-alcoholic beverages will be available.

Recreational Cannabis

Possession and/or use of recreational cannabis at any PECL-sponsored event is strictly prohibited.

5.8.2 Non-Company Events

The provision and/or use of Alcohol and/or recreational cannabis may be permitted at events **NOT** sponsored by PECL. In such instances, employees who attend such events as representatives of PECL and/or its affiliates are required to exercise reasonable discretion and behave responsibly in accordance with this Policy, its Supporting Procedures and all applicable laws. Such events may include but are not limited to:

- · Breakfasts, lunches or dinners;
- Golf tournaments/curling bonspiels
- Stampede functions; and
- sporting events

5.9 Camps

Under no circumstances are Drugs and/or Alcohol permitted in camps, in accordance with the requirements of this Policy, its Supporting Procedures, and any PECL camp rules, as applicable.

5.10 Confidentiality

Confidentiality will be maintained to the greatest extent possible and disclosure will be restricted to where it is necessary for related health and safety concerns. Only information relating to the level of functionality (e.g., Fitness for Duty and any restrictions that may apply) may be shared with

Supervisors and only for the purpose of determining an Employee's Fitness for Duty, appropriate work accommodations and/or work re-entry initiatives.

5.11 Review and Amendments

This Policy is subject to ongoing review and modification as may be necessary from time to time.

Policy deviations and enhancements must be approved in accordance with the Company's <u>Governance Policy</u>.