



Drug and Alcohol Abuse

This policy applies to Kaptive C & P (“Company”) employees (except where noted in this policy or where it is inconsistent with applicable law) and to all applicants for employment. This policy revises and supersedes the Company’s previous drug and alcohol testing policies.

Policy Statement

Purpose of Guideline

It is the intent of the Company to maintain a workplace that is free of drugs and alcohol and to discourage drug and alcohol abuse by its employees. Employees who are under the influence of a drug or alcohol on the job compromise the Company’s interests and endanger their own health and safety and the health and safety of others. Substance abuse in the workplace can also cause a number of other work-related problems, including absenteeism and tardiness, substandard job performance, increased workloads for co-workers, behavior that disrupts other employees, and inferior quality in products or service.

To further its interest in avoiding accidents, to promote and maintain safe and efficient working conditions for its employees, and to protect its business, property, equipment, and operations, the Company has established this policy concerning the use of alcohol and drugs. As a condition of continued employment with the Company, each employee must abide by this policy.

Definitions

For purposes of this policy:

- “Illegal drugs or other controlled substances” means any drug or substance listed under the Federal Controlled Substances Act that, regardless of state or local law, (a) is not legally obtainable; or (b) is legally obtainable but has not been legally obtained; or (c) has been legally obtained but is being sold or distributed unlawfully.
- “Legal drug” means any drug, including any prescription drug or over-the-counter drug, that has been legally obtained and that is not unlawfully sold or distributed.
- “Abuse of any legal drug” means the use of any legal drug (a) for any purpose other than the purpose for which it was prescribed or manufactured; or (b) in a quantity, frequency, or manner that is contrary to the instructions or recommendations of the prescribing physician or manufacturer.
- “Possession” means that an employee has the substance on their person or otherwise under their control.



- “Reasonable suspicion” includes a suspicion that is based on specific personal observations such as an employee's manner, disposition, muscular movement, appearance, behavior, speech or breath odor; information provided to management by an employee, by law enforcement officials, by a security service, or by other persons believed to be reliable; or a suspicion that is based on other surrounding circumstances.

Prohibited Conduct

The prohibitions of this section apply whenever the interests of the Company may be adversely affected, including any time an employee is (1) on Company premises; (2) conducting or performing Company business, regardless of location; (3) operating or responsible for the operation, custody, or care of Company equipment or other property; or (4) responsible for the safety of others in connection with, or while performing, Company-related business.

Alcohol: The following acts are prohibited and will subject an employee to discipline, up to and including immediate discharge: (1) the unauthorized use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of alcohol; or (2) being under the influence of alcohol.

Illegal Drugs: The following acts are prohibited and will subject an employee to discipline, up to and including immediate discharge: (1) the use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of any illegal drug or other controlled substance listed under the Federal Controlled Substances Act; or (2) being under the influence of any Federally listed illegal drug or other controlled substance.

Prescription Drugs: This policy prohibits (1) the abuse of any legal drug; (2) the purchase, sale, manufacture, distribution, transportation, dispensation, or possession of any legal prescription drug in a manner inconsistent with law; or (3) working while impaired by the use of a legal drug whenever such impairment might endanger the safety of the employee or some other person, pose a risk of significant damage to Company property or equipment; or substantially interfere with the employee's job performance or the efficient operation of the Company's business or equipment. Nothing in this policy is intended to prohibit the customary and ordinary purchase, sale, use, possession, or dispensation of over-the-counter drugs, so long as that activity does not violate any law or result in an employee being impaired by the use of such drugs in violation of this policy.

Drug Testing

Reasonable Suspicion Testing

If the Company has reasonable suspicion that the employee is working in an impaired condition or otherwise engaging in conduct that violates this policy, the employee will be asked about any observed behavior and offered an opportunity to give a reasonable



explanation. If the employee is unable to credibly or adequately explain the behavior, they will be asked to take a drug test in accordance with the procedures outlined below. If the employee refuses to cooperate with the administration of the drug test, the refusal will be handled in the same manner as a positive test result.

Post-Accident Testing

Where there is a reasonable possibility that an employee's drug use contributed to a workplace accident involving any injury or property damage, or a "near miss," the employee will be tested when permissible under applicable law.

Post-accident testing will be administered if the accident causes a non-trivial injury (requiring treatment at a medical facility) or serious property damage and there is reasonable suspicion that the employee involved in the accident was under the influence of drugs and/or alcohol.

Procedures for Testing

Drug Testing

- The Company and its laboratories will follow procedures which conform to applicable law and are modeled upon testing guidelines promulgated by the U.S. Department of Health and Human Services. Where state law requires the use of certain cutoffs or procedures, the Company will adhere to them and understands that the laboratories adhere to such requirements.
- Appropriate laboratory personnel will inspect all incoming specimens for tampering and proper paperwork. Specimens suitable for testing will be screened.
- The same specimen that resulted in an initial inconclusive (positive) screen shall be confirmed by Gas Chromatography/Mass Spectrometry (GC/MS) or another appropriate test. However, initial inconclusive (positive) on-site screen results will not be confirmed for applicants who have withdrawn from the hiring process.

Alcohol Testing

- Employees and applicants subject to alcohol tests shall be escorted to a Company-designated medical facility where they shall be required to present a photo identification and cooperate with the facility's normal procedures. Trained collectors shall use Evidential Breath Testing ("EBT") Devices to screen the test breath specimens for alcohol, where lawful.

All employees or applicants whose lab results are positive will be given a reasonable opportunity to explain or rebut the results confidentially.

If an employee fails the test, they will be considered to be in violation of this policy and will be subject to discipline accordingly.

Acknowledgment and Consent

Any employee subject to testing under this policy will be asked to sign a form acknowledging the procedures governing testing, and consenting to (1) the collection of a



urine sample for the purpose of determining the presence of alcohol or drugs, and (2) the release to the Company of medical information regarding the test results. Refusal to sign the agreement and consent form, or to submit to the drug test, will result in the revocation of an applicant's job offer, or will subject an employee to discipline up to and including termination.

Confidentiality

All drug testing-records will be treated as confidential.

Disciplinary Action

Violation of this policy may result in disciplinary action up to and including immediate termination. An employee who is convicted under a criminal drug statute for a violation occurring in the workplace or during any Company-related activity or event will be deemed to have violated this policy. Mandatory participation in and satisfactory completion of an inpatient or outpatient drug or alcohol abuse assistance or rehabilitation program may become a condition of continued employment upon violation of this policy.