Drug and Alcohol Policy

**Purpose**
Propak is committed to protecting the safety, health, and well-being of all employees and other individuals in our workplace. We recognize that alcohol abuse and drug use pose a significant threat to our goals. We have established a drug and alcohol policy that balances our respect for individuals with the need to maintain an alcohol and drug-free environment. Propak encourages employees to voluntarily seek help with drug and alcohol problems.

**Scope**
Any individual who conducts business for Propak, is applying for a position, or is conducting business on Propak premises is covered by our drug and alcohol policy. Our policy includes, but is not limited to executive management, managers, supervisors, full-time employees, part-time employees, off-site employees, and applicants.

Our drug and alcohol policy is intended to apply whenever anyone is representing or conducting business for Propak. Therefore, this policy applies during all working hours, whenever conducting business or representing the organization and while on Propak premises.

**Policy**
It is a violation of Company policy for any employee to use, possess, sell, trade, offer to sell, or offer to buy illegal drugs or otherwise engage in the illegal use of drugs during working hours or while on Company property. Employees may not report to work under the influence of drugs or alcohol. Employees who violate this policy will be terminated.

**Drug and Alcohol Testing**
To ensure the accuracy and fairness of our testing program, all testing will be conducted according to Substance Abuse and Mental Health Services Administration (SAMHSA) guidelines, where applicable, and will include a screening test; a confirmation test; the opportunity for a split sample; review by a Medical Review Officer, including the opportunity for employees who test positive to provide a legitimate medical explanation, such as a physician's prescription, for the positive result; and a documented chain of custody.

The substances that will be tested for are Amphetamines, Cannabinoids (THC), Cocaine, Opiates, Phencyclidine (PCP), [5-Panel] and Alcohol. Additional substances may be tested for including Methadone, Methamphetamines, Barbiturates, Benzodiazepines, and MDMA (Ecstasy).

Testing for the presence of alcohol will be conducted by analysis of breath. Testing for the presence of the metabolites of drugs will be conducted by the analysis of urine.

An employee will be subject to the same consequences of a positive test if:
• he or she refuses the screening or the test,
• fails to appear for a test within a reasonable amount of time (except for pre-employment),
• adulterates or dilutes the specimen,
• substitutes the specimen with that from another person,
• sends an imposter,
• will not sign the required forms, or
• refuses to cooperate in the testing process in such a way that prevents completion of the test.

When the initial result indicates that the temperature is out of range (TOOR), the individual may provide one additional sample provided that he or she does not leave the testing area and the sample is provided within three hours of the initial sample. Failure to provide an acceptable sample within the three-hour period will be considered a positive test result. Observed testing is not required when obtaining the initial or second sample, unless required by the MRO for DOT testing.

If the MRO informs Propak that a positive drug test was dilute, it will be accepted as a verified positive result. If the MRO informs Propak that a negative drug test was dilute, Propak will treat the test as a negative result.

Each employee, as a condition of employment, will be required to participate in pre-employment, random, post-incident, and reasonable suspicion testing upon selection or request of management.

**Pre-Employment** – All prospective employees must complete a drug screening prior to performing job functions. Tests shall be administered after a contingent job offer. A positive result or refusal to test will result in a withdrawal of the job offer. Individuals that test positive may reapply after three months, but must pass the pre-employment drug test.

Prospective employees for DOT regulated positions will be required to provide evidence of successful completion of DOT return to duty requirements in accordance with 40.25(j) when the employee or prior employer indicate a positive test result or refusal to test within the prior 2 years.

**Post Incident** – As soon as possible following an incident, employees will be required to take a drug and/or alcohol test. Incidents include property damage, injury/illness to another person, injury/illness to the employee that requires medical attention, and any vehicle incident. Testing for alcohol under this section may only be completed if the use of alcohol is believed to be a contributing factor in the incident.

Any driver of a commercial motor vehicle owned, leased, or rented by Propak must submit to a DOT drug and/or alcohol tests when the following conditions are met:
• He or she is involved in an accident that results in a fatality.
• He or she received a moving citation and someone is transported from the scene for medical treatment.
• He or she received a moving citation and one or more vehicles incur disabling damage requiring it to be towed from the scene.

Failure to submit to drug and or alcohol testing as outlined in the DOT Accident Policy (DOT 002) will result in termination. Non-DOT drug and/or alcohol tests may be required for other stated incidents.
**Reasonable Suspicion** – An employee may be required to submit to drug and/or alcohol testing at any time if he or she is believed to be under the influence of drugs or alcohol including, but not limited, to the following circumstances:

- drugs or alcohol on or about the employee’s person or in the employee’s vicinity,
- conduct on the employee’s part that suggests impairment or influence of drugs or alcohol,
- a report of substance abuse provided by a reliable and credible source, or
- evidence that an individual has tampered with any drug test during his or her employment.

Reasonable Suspicion Procedures:

1. When suspicious behavior is observed, contact a Propak manager or supervisor. If practicable, contact the Human Resources or Risk Management Department. Document your observations on the Reasonable Suspicion Checklist form. Do this before confronting the employee unless the employee is performing safety sensitive functions.
2. Conduct an employee conference in the presence of another manager or supervisor. Hold the conference in a private room and during working hours.
3. Do NOT detain the employee against his or her will. If the employee refused to meet with you, warn the employee that refusal will result in termination. Document the employee’s refusal to participate.
4. During the conference, explain to the employee the behavior(s) you have observed. Allow the employee the opportunity to explain his or her behaviors. Listen carefully and document the reasons, but do not diagnose the employee’s problems or discuss at length any personal issues.
5. If drug and/or alcohol testing is required, schedule a drug test or contact the after-hours drug testing number to identify a testing facility.
6. Provide transportation for the employee to the testing facility and back to the worksite.
7. If the employee attempts to operate a motor vehicle or leave the premises un-accompanied, explain to the employee that the appropriate authorities will be notified.
8. Inform the employee that he or she will be suspended without pay until further notice. Should the results be confirmed positive, actions should be followed as noted under Disciplinary Actions.
9. Submit the Reasonable Suspicion Checklist Form to the Human Resources or Risk Management Department.

**Random** – The Company conducts random testing as required by the Department of Transportation (DOT) for select safety sensitive positions. Random DOT drug and alcohol selection and screening shall be conducted at least once for each quarter of the year and until minimum requirements are met. The dates for administering Random DOT drug and alcohol screening will be spread reasonably throughout the calendar year. All DOT regulated drivers will have an equal opportunity of being selected by using a scientifically valid method and the following formula will be used to determine how many employees will be selected for the test.

\[
\text{Drug Screenings: Minimum Qty } = 50\% \times \left( \frac{\# \text{ of drivers}}{\# \text{ of selections}} \right)
\]

\[
\text{Alcohol Screenings: Minimum Qty } = 10\% \times \left( \frac{\# \text{ of drivers}}{\# \text{ of selections}} \right)
\]

**After-Hours Testing**

Post Incident and Reasonable Suspicion testing are often required outside of normal business hours. Managers may contact Pembroke’s after-hours service to locate a collection facility and schedule testing 24 hours a day by calling 800-733-1676. Federal Chain of Custody (COC) Forms and non-DOT COC forms should be available onsite for after-hours testing.
### Thresholds

<table>
<thead>
<tr>
<th>Drug Name</th>
<th>Screening Cutoff</th>
<th>Confirmation Cutoff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cannabinoids (THC)</td>
<td>50 ng/ml</td>
<td>15 ng/ml</td>
</tr>
<tr>
<td>Cocaine</td>
<td>300 ng/ml</td>
<td>150 ng/ml</td>
</tr>
<tr>
<td>Amphetamines</td>
<td>1000 ng/ml</td>
<td>500 ng/ml</td>
</tr>
<tr>
<td>Opiates</td>
<td>2000 ng/ml</td>
<td>2000 ng/ml</td>
</tr>
<tr>
<td>Phencyclidine (PCP)</td>
<td>25 ng/ml</td>
<td>25 ng/ml</td>
</tr>
<tr>
<td>Alcohol</td>
<td>.02 Non-DOT</td>
<td>.02 Non-DOT</td>
</tr>
<tr>
<td></td>
<td>.00 DOT</td>
<td>.00 DOT</td>
</tr>
</tbody>
</table>

### Medicinal Marijuana

Many states have passed laws that allow certain individuals to use and possess marijuana without being subject to prosecution. Possession of marijuana during working hours or on Propak premises remains a violation of this policy and violators will be subject to the disciplinary action process outlined. Where required by law, Propak will conduct an accommodation review when an employee receives a positive test result and meets all of his or her state requirements for the use of marijuana for medicinal purposes. The employee or applicant must initiate the accommodation review process by contacting the employee relations line at 866-468-6359 or employeerelations@propak.com.

### Prescription Medication

Prescription drugs, those prescribed by a physician for treatment of illness or disease, are subject to the following rules:

- The use of drugs/medicine prescribed by a licensed physician to the individual employee holding the prescription is permitted provided that employees in safety sensitive functions notify management if he or she is using prescribed drugs that may affect the employee’s ability to perform his or her job safely. All DOT regulated drivers must adhere to Section 391.41, which provides a list of prohibited drugs for drivers of commercial motor vehicles.
- If it is concluded that a prescribed drug will affect the safe performance of the employee, Propak reserves the right to limit or suspend the work activity of the employee during the period the physician advises the employee’s ability to perform his or her job safely may be adversely affected by the prescribed medication.
- Use of medications prescribed by a physician for someone other than the employee in question or use of prescription medication in a manner that does not conform to the physician’s prescription or instructions is strictly prohibited and will result in termination.

### Disciplinary Action

One of the goals of our drug and alcohol program is to encourage employees to voluntarily seek help with alcohol and/or drug problems. If, however, an individual violates the policy, the consequences are serious.

In the case of applicants, if he or she violates the drug and alcohol policy, the offer of employment can be withdrawn. The applicant may reapply after three months and must successfully pass a pre-employment drug test. If an employee violates the policy, he or she will be terminated from employment. The employee may be considered for rehire after three months from termination date.
With the exception of reasonable suspicion testing, employees may continue working until the test result is received when it is not immediately available.

**Searches**
Entering Propak premises constitutes consent to searches and inspections. If an individual is suspected of violating the drug and alcohol policy, he or she may be asked to submit to a search or inspection at any time. Searches can be conducted of pockets and clothing, lockers, wallets, purses, backpacks, lunchboxes, desks, and workstations. The Human Resources Department should be contacted prior to engaging in a search for drug and/or alcohol.

**Employee Assistance**
Propak recognizes that alcohol and drug abuse and addiction are treatable illnesses. We also realize that early intervention and support improve the success of rehabilitation. To support our employees, our drug and alcohol workplace policy:

- Encourages employees to seek help if they are concerned that they or their family members may have a drug and/or alcohol problem.
- Encourages employees to utilize the services of qualified professionals in the community to assess the seriousness of suspected drug or alcohol problems and identify appropriate sources of help.
- Offers all employees and their family member’s assistance with alcohol and drug problems through the Employee Assistance Program (EAP) available by contacting 800-386-7055.
- Allows the use of accrued paid leave while seeking treatment for alcohol and other drug problems.

Treatment for alcoholism and/or other drug use disorders may be covered by the employee benefit plan. However, the ultimate financial responsibility for recommended treatment belongs to the employee.

Disciplinary action will not be taken when an employee seeks help for misuse of alcohol or drugs provided that they do not request help after notification of testing or they receive a positive test result.

Employees or candidates in DOT regulated positions will be provided Propak’s Substance Abuse Professional (SAP) documentation if he or she receives a positive test result.

**Confidentiality**
All information received by Propak through the drug and alcohol workplace program is confidential communication. Access to this information is limited to those who have a legitimate need to know in compliance with relevant laws and management policies. Where required by law, a copy of the test results will be provided to the employee or applicant when requested. All requests must be made by contacting the employee relations line.

**Designated Employer Representative**
The Designated Employer Representative for all DOT related drug and alcohol testing is:

Whitney Blankenship, Transportation Compliance Manager  
5000 Rogers Avenue, Ste 800  
Fort Smith, AR 72903  
479-478-7853.

All non-DOT drug and alcohol testing is monitored by the Human Resources Department.
**Shared Responsibility**
A safe and productive drug-free workplace is achieved through cooperation and shared responsibility. Both employees and management have important roles to play.

All employees are required to report to work or be subject to duty while their ability to perform job duties is not impaired due to on- or off-duty use of alcohol or other drugs.

In addition, employees are encouraged to:
- Be concerned about working in a safe environment.
- Use the Employee Assistance Program.
- Report dangerous behavior to their supervisor.

It is the supervisor's responsibility to:
- Inform employees of the drug and alcohol policy.
- Observe employee performance.
- Investigate reports of dangerous practices.
- Document negative changes and problems in performance.
- Counsel employees as to expected performance improvement.
- Refer employees to the Employee Assistance Program.
- Clearly state consequences of policy violations.

**Communication and Training**
Communicating our drug and alcohol policy to both supervisors and employees is critical to our success. To ensure all employees are aware of their role in supporting our drug and alcohol program:
- All employees will have access to the written policy.
- The policy will be reviewed in orientation sessions with new employees.
- Employee education about the dangers of alcohol and drug use and the availability of help will be available to all employees.

All supervisors of DOT regulated employees must complete one hour of training on drugs and one hour of training on alcohol for a total of two hours. Only trained supervisors or managers can observe DOT regulated drivers for reasonable suspicion testing.