



**SEVEN GENERATIONS**  
E N E R G Y

## **Drug and Alcohol Policy**

### **June 2019**

#### **1. Purpose**

Seven Generations Energy Ltd. (“**Seven Generations**”) is committed to ensuring a safe, healthy, productive and efficient work environment for its Workers and the general public in communities where Seven Generations conducts business. The purpose of this Drug and Alcohol Policy (the “**Policy**”) is to: (i) reduce the occurrence of workplace incidents in which Drugs or Alcohol are a contributing factor; (ii) deter Workers from using Drugs or Alcohol in a manner that could negatively affect their work performance or that could result in devastating workplace consequences; (iii) require Employees to disclose a Drug or Alcohol dependency prior to the occurrence of a Drug or Alcohol related incident; and (iv) identify circumstances where Seven Generations will provide assistance to Employees who disclose a Drug or Alcohol dependency in accordance with this Policy.

#### **2. Scope**

- (a) This Policy applies to all Seven Generations’ Workers; however, only those Employees and Supervisory Consultants that occupy Safety Sensitive Positions shall be subject to Drug and/or Alcohol testing.
- (b) In circumstances where, as a condition to gain and/or maintain access to a third party site, Seven Generations is required to have a Drug and Alcohol testing program that at least meets the client’s Drug and Alcohol testing program, such additional requirements will be incorporated into this Policy. Any such additional requirements will be communicated to Workers in advance of dispatching Workers to the client site.

#### **3. Roles & Responsibilities**

Seven Generations and its Workers have a shared responsibility for maintaining a safe and Drug and Alcohol free workplace. Specifically:

- (a) Seven Generations will:
  - i. provide all Workers with a copy of this Policy;
  - ii. provide information, instruction and assistance to all Employees whose performance may be affected by Drugs, Alcohol, or Medication, in order to protect the health and safety of Employees, and to promote the protection of assets, property, Equipment and the environment;
  - iii. educate Employees and communicate its expectations with respect to health and safety issues associated with Drug, Alcohol or other impairing substances, use and/or abuse;

- iv. determine and provide appropriate levels of training to Supervisors to assist in fulfilling their obligations pursuant to this Policy;
  - v. guide Employees who voluntarily seek assistance for Drug or Alcohol dependencies to appropriate resources while maintaining confidentiality to the greatest extent possible under the circumstances;
  - vi. make arrangements for a Substance Abuse Assessment if, in the course of any performance-related discussion, an Employee states they have a Drug or Alcohol dependency, or an emerging problem with Drugs or Alcohol; and
  - vii. take appropriate steps to investigate any possible violation of this Policy.
- (b) Employees are expected to:
- i. read, understand and fully comply with this Policy;
  - ii. actively engage in training activities in order to fulfil their responsibilities pursuant to this Policy;
  - iii. arrive Fit for Duty and remain Fit for Duty during their period of work;
  - iv. disclose if they have a current or emerging Drug or Alcohol dependency prior to the occurrence of a Drug or Alcohol related incident in the workplace;
  - v. consult, with a pharmacist or licensed physician, about the effects of any prescription or non-prescription Medication that the Employee is taking, and to immediately advise his or her Supervisor if taking such Medication may impede the safe operation of business assets and/or risk the health and wellbeing of others;
  - vi. immediately advise their Supervisor if they are using medically authorized cannabis;
  - vii. seek advice and follow appropriate treatment if they have a current or emerging Drug or Alcohol dependency, and follow recommended monitoring programs after attending treatment;
  - viii. intervene as appropriate to encourage other Workers to access assistance before a Drug or Alcohol dependency or an emerging problem impacts performance or safety; and
  - ix. notify their Supervisor if they believe anyone on Company Premises are not Fit for Duty.
- (c) Seven Generations' Supervisors, in addition to any responsibilities they may have as Employees, are expected to:
- i. actively engage in training activities in order to fulfil their responsibilities pursuant to this Policy;
  - ii. monitor and evaluate work performance with an objective of early identification and handling of all performance issues;
  - iii. ensure that investigations of work related incidents are carried out in accordance with Seven Generations' incident investigation procedures and applicable law;

- iv. immediately advise Human Resources when a Worker discloses use of a prescription Medication that their licensed medical practitioner or pharmacist has advised would interfere with their ability to work in a Safety Sensitive Position;
  - v. immediately advise Human Resources when an Worker has disclosed the use of medically authorized cannabis;
  - vi. refer an Employee for a Drug and/or Alcohol test when required to under this Policy;
  - vii. monitor Policy compliance and take appropriate action as required by his Policy;
  - viii. confer with Human Resources on Drug and/or Alcohol dependency or abuse issues as appropriate; and
  - ix. arrange for safe transportation of an Employee to their residence or nearest public transportation when appropriate in accordance with this Policy.
- (d) Workers, who are not Employees or Supervisory Consultants are expected to:
- i. have a drug and alcohol policy that meets or exceeds the Policy;
  - ii. provide Seven Generations with a copy of its drug and alcohol policy on request;
  - iii. arrive Fit for Duty and remain Fit for Duty during their period of work; and
  - iv. comply with the requirements and conditions of the Policy as it applies to them.

#### **4. Prohibited Conduct**

- (a) The following acts are prohibited:
- i. Workers are prohibited from reporting to work under the influence of Drugs, Alcohol, or Medication that could affect a Worker's ability to perform work safely;
  - ii. Workers are prohibited from use, possession, cultivation, manufacture, storage, distribution, offering or sale of Alcohol or Drugs on Company Premises or during working hours;
  - iii. Workers are prohibited from use, possession, storage of Medication prescribed to another individual or the use, possession, or storage of Medication without a prescription from a licensed physician;
  - iv. tampering or attempting to tamper with a Drug and/or Alcohol test sample;
  - v. failing to report promptly for a Drug and/or Alcohol test;
  - vi. refusing to undergo a Drug and/or Alcohol test when required under this Policy;
  - vii. refusing to agree to disclose the results of a Drug and/or Alcohol test result to Seven Generations; or
  - viii. eluding or attempting to elude a Drug and/or Alcohol test when required under this Policy.

- (b) There are limited exceptions to the prohibition on use and possession of Alcohol on Company Premises. As an exception to 4(a)ii of this Policy,
  - i. moderate and responsible use of Alcohol on Company Premises at social events sponsored by Seven Generations may be permissible. Seven Generations is required to take responsible action to ensure safe transportation for all participants; or
  - ii. receipt of a gift consisting of a small quantity of Alcohol, so long as such Alcohol remains unopened while on Company Premises however, in this instance, Company Premises excludes camp facilities.

## **5. Worker's Right to Refuse Work**

A Worker shall refuse dangerous or unsafe work assigned, if on reasonable grounds, the Worker believes an imminent danger or dangerous condition presently exists that is causing, or may cause, a loss to the health, safety, and/or welfare of themselves, another worker or person, property, equipment, materials, the environment, and/or the general public if Worker appears to be impaired by substances such as Alcohol or Drugs (including prescription Drugs) in a Safety Sensitive Position.

A Worker who refuses work based on the above grounds shall promptly report the refusal and the associated reason(s) for the refusal to their direct supervisor in accordance with the Refusal of Unsafe Work Procedure in Seven Generations' Health and Safety Manual.

## **6. Medication**

If an Employee is required to take Medication which could affect his or her ability to perform work safely, or if the use of such Medication would result in a Positive Test, the Employee is required to immediately report the use of such Medication to his/her Supervisor. Such disclosure will not result in disciplinary action, but may require the Employee to be reassigned, placed on modified duties, or placed on an unpaid leave of absence until the Employee can comply with this Policy, to ensure the safety of the Employee and others.

## **7. Voluntary Disclosure - Employees**

Seven Generations recognizes that Drug and/or Alcohol dependency or abuse may be an illness or mental health problem and encourages Employees who suspect they may have a Drug and/or Alcohol dependency or abuse problem to seek rehabilitation. No adverse employment action shall be taken against an Employee because they voluntarily disclose, prior to the occurrence of a Drug and/or Alcohol-related incident at the Company Premises, a personal substance dependency or abuse problem to Seven Generations. In appropriate circumstances, Employees who disclose that they have a Drug and/or Alcohol dependency or abuse problem to their Supervisor will be required to undergo a Substance Abuse Assessment, comply with any recommended treatment, rehabilitation and/or performance improvement plan, and/or consent to follow-up testing. Employees who occupy Safety Sensitive Positions and do not voluntarily disclose:

- (a) a Drug and/or Alcohol dependency or abuse problem prior to a Positive Test; or

- (b) use of Medication which could affect his or her ability to perform work safely, and the use of such Medication subsequently results in a Positive Test;

will violate this Policy and the Employee may be terminated without notice or pay in lieu of notice.

## **8. Drug and/or Alcohol Testing**

Seven Generations may conduct Drug and/or Alcohol testing of prospective and current Employees and Supervisory Consultants who will, or currently occupy, Safety Sensitive Positions. Tests will only seek information about the presence of Drugs or Alcohol and will not test for any medical condition. An Employee or Supervisory Consultant who occupies (or who has been hired and/or engage to perform) a Safety Sensitive Position will be required to undergo a Drug and/or Alcohol test in the following circumstances:

- (a) Pre-Employment Testing: all job applicants for Safety Sensitive Positions will first, as a condition of any offer of employment and/or engagement, be required to undertake and successfully pass a Drug test.
- (b) Re-employment and/or Re-classification: An Employee rehired or reclassified into a Safety Sensitive Position by Seven Generations shall be subject to the same pre-employment testing referred to section 8(a) above.
- (c) Pre-Access: if, as condition to gain and/or maintain access to a third party site, pre-access Drug and/or Alcohol testing is required.
- (d) Post-Incident: if, during Company Business, the Employee and/or Supervisory Consultant is involved in the following:
  - i. any accident that results in a fatality and/or serious personal injury to any individual;
  - ii. any accident that involves damage to any assets or Equipment;
  - iii. any environmental spill with significant implications;
  - iv. a Near Miss incident that had the potential to cause significant injury or damage; and
  - v. any accident or Near Miss incident where, following an investigation, a Supervisor or other official who is trained to identify Drug and/or Alcohol use by an individual, determines that Drugs and/or Alcohol may have been a contributing factor.
- (e) Reasonable cause: Reasonable cause testing may take place if Seven Generations has reasonable grounds to believe that the actions, appearance, or conduct of an Employee and/or Supervisory Consultant while on duty is indicative of the use of Drugs or Alcohol. Observations which may lead to reasonable cause testing include, but are not limited to: odor of Alcohol or cannabis on breath or clothing, slurred speech, glassy eyes, unsteadiness in walking, standing, flushed face, disoriented and/or drowsy, incidents or injuries, or credible complaints of Drug or Alcohol use at work. The decision to require an Employee and/or Supervisory Consultant to undergo a Drug and/or Alcohol test shall be made by a Supervisor.

- (f) Return to Duty: If an Employee is permitted to resume employment with Seven Generations following a Policy violation, or after receiving treatment for a Drug or Alcohol dependency, the Employee will be required to pass a return to duty Drug and/or Alcohol test, and follow up testing will be conducted to monitor the returning Employee. The frequency of testing will be determined by the Substance Abuse Professional in consultation with Human Resources and will be designed to assist the Employee in remaining Drug and/or Alcohol free while on Company Premises.

## **9. Testing Procedure**

- (a) Testing will be conducted by qualified personnel and the results will be analyzed by an Accredited Laboratory. All health assessment information, including all Drug and/or Alcohol testing information, will be maintained in separate, confidential records away from the Employee's and/or Supervisory Consultant's file.
- (b) Seven Generations must obtain the express consent of Employees and/ Supervisory Consultants (or prospective Employees and/or Supervisory Consultants) prior to conducting Drug and/or Alcohol testing. However, failure to report promptly for a test, refusal to submit to a test, refusal to agree to disclosure of a test result to Seven Generations, tampering or attempted tampering with a test sample, or failure to report an incident which may necessitate testing under this Policy, are all violations of this Policy.
- (c) An Employee and/or Supervisory Consultant subject to post-incident testing or reasonable cause testing will be provided with transportation to the collection site or hospital/clinic depending on the circumstances, and then to the Employee's and/or Supervisory Consultant's place of residence or to the care of another person. The Employee may be placed on a leave of absence or temporarily reassigned pending completion of any investigation.
- (d) All tests will be subject to a confirmatory test. An Accredited Laboratory will collect and process urine specimens for Drug testing as required. Alcohol screen testing will be with an approved saliva tester or breath test. All Alcohol screening tests will be confirmed with an approved Evidential Breath Alcohol Testing Device.
- (e) Test results will be forwarded to a Medical Review Officer for verification.

## **10. Positive Test Results**

An Employee and/or Supervisory Consultant will contravene this Policy if a Drug and/or Alcohol test results in a Positive Test.

## **11. Consequences of a Policy Violation**

- (a) The consequences for failing to abide by this Policy will reflect the Employee's and/or Supervisory Consultant's individual circumstances and may include a referral to a Substance Abuse Assessment, reassignment, rehabilitation, counselling, revocation of an employment offer and/or a consulting engagement, termination of a consulting engagement, and/or disciplinary measures up to and including immediate termination of employment for just cause, without notice or payment in lieu thereof.

- (b) For Employees, mandatory participation in and satisfactory completion of a Drug or Alcohol abuse assistance or rehabilitation program may be made a condition of continued employment upon violation of this Policy.
- (c) Except for circumstances set forth in section 4(b), the use, sale or possession of any Alcohol or illegal Drugs while on Company Business or Company Premises may result in:
  - i. immediate termination of employment for just cause, without notice or payment in lieu thereof;
  - ii. termination of a consulting engagement;
  - iii. removal from Company Premises; and/or
  - iv. illegal substances turned over to the appropriate law enforcement agency.
- (d) In all situations, an investigation will be conducted pursuant to Seven Generations' incident investigation procedure and applicable law, and the Worker will be permitted to participate in, and respond to the investigation. The appropriate consequence in a particular case will depend on the nature of the Policy violation and the surrounding circumstances.

## **12. Training**

Seven Generations recognizes that Employee education on Drug and/or Alcohol dependency or abuse and this Policy is a critical step in achieving the objectives of this Policy. Seven Generations will ensure that all Employees and Supervisors receive appropriate training as follows:

- (a) Employee Training: Employees will receive awareness education in regards to how this Policy applies to everyone including: the risks of Drug and/or Alcohol use and their potential impact on safety in the workplace, importance of voluntary disclosure prior to a Positive Test, consequences for a Policy violation, available resources for Employee assistance services, explanation of the testing procedures and situations when testing will occur.
- (b) Supervisor Training: Supervisors will be given the above training as well as more specific training on how to recognize signs and symptoms of Drug and/or Alcohol use in the workplace and the appropriate response.

## **13. Confidentiality and Record Keeping**

Confidentiality will be maintained to the greatest extent possible except where limited disclosure is necessary for related health and safety concerns. Only information limited to the level of functionality (e.g., Fit for Duty and any restrictions that may apply) will be shared with Supervisors for the purposes of determining Fit for Duty, appropriate work accommodations, and/or work re-entry initiatives. Records will be kept separate from personnel files. Negative test results will be maintained for no less than one year with Positive Test results and Substance Abuse Professional assessments maintained for a five-year period. A third party administrator can maintain records on behalf of Seven Generations.

## 14. Definitions

In this Policy, the following terms shall have the meanings set forth below:

**Accredited Laboratory** – means a laboratory that meets guidelines and standards of the Substance Abuse and Mental Health Services Administration which is the certifying agency for forensic urine and oral Drug testing laboratories in Canada.

**Alcohol** – means the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols including methyl or isopropyl alcohol.

**Company Business** – means all business activities undertaken by Workers in the course of Seven Generations' operations regardless of where the activities are conducted.

**Company Premises** – includes but is not restricted to all land, facilities, operations, Equipment and worksites used for the purpose of performing Company Business. Worksites include any work location to which Workers have been assigned including any offsite work location.

**Drug** – means any substance, including but not limited to Medication, cannabis, and illicit drugs, which change and/or adversely affect the way a person thinks, feels, or acts or has the potential to do so.

**Employee** – means all full time, part time, temporary, casual and seasonal employees of Seven Generations.

**Equipment** – includes all vehicles, machinery and equipment which are owned, leased or otherwise controlled by Seven Generations for the purpose of conducting Company Business. This also includes Seven Generations provided transportation.

**Evidential Breath Alcohol Testing Device** – means a device capable of measuring the Alcohol content of deep lung breath samples with sufficient accuracy for evidential purposes.

**Fit for Duty** – means being capable of performing work related duties in a safe, efficient, productive manner with no Drugs, Alcohol, or Medication in the body that may impede the safe operation of Equipment, business assets and/or risk the health and wellbeing of others.

**Medical Review Officer** – means a licensed physician responsible for receiving laboratory results generated by Seven Generations' Drug and Alcohol testing program that has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed Positive Test together with his or her medical history and any other relevant biomedical information.

**Medication** – means a Drug that is obtained over-the-counter, through a licenced physician's prescription or from any other source.

**Near Miss** – means an unplanned workplace incident which does not cause significant injury or damage to property or Equipment, but had the potential to do so.

**Positive Test** – means a Drug and/or Alcohol test that results in:

- (a) the detection of Alcohol;
- (b) a confirmatory test cut-off concentration limit equal to or in excess of that set out in Appendix A for any Drug.

**Safety Sensitive Position** – means a role that could result in a serious incident or accident affecting the health and safety of any person, the environment or the assets or property of the Company, as further identified and described in Appendix B.

**Substance Abuse Assessment** – means an assessment conducted by a Substance Abuse Professional to determine whether an Employee has a substance dependence or abuse disorder.

**Substance Abuse Professional** – means a licensed physician or a licensed or certified psychologist, social worker, employee assistance professional or an addictions counselor. All must have knowledge of and clinical experience in the diagnosis and treatment of Alcohol, Drugs and related disorders.

**Supervisory Consultant** – means a contract supervisor engaged by Seven Generations that is directly responsible for the performance and oversight of individuals on Company Premises.

**Supervisor** – means an Employee or Supervisory Consultant accountable for a particular work area or shift of Workers, including leaders, managers, directors and others in supervisory positions that are directly responsible for the performance of others.

**Workers** – means all of Seven Generations directors, officers, Employees, Supervisors, prospective employees, contingency workers, and all contractors and vendors, and employees of contractors and vendors, engaged by Seven Generations or to carry out work on Company Premises.

**Appendix A  
Urine Drug Concentration Limits**

Drugs or Classes of Drugs	Initial Test Cutoff Concentration	Confirmatory Test Analyte	Confirmatory Test Cutoff concentration
Marijuana Metabolites	50 ng/mL	THCA	15 ng/mL
Cocaine Metabolites	150 ng/mL	Benzoyllecgonine	100 ng/mL
Codeine/Morphine	2000 ng/mL	Codeine Morphine	2000 ng/mL 2000 ng/mL
Hydrocodone/ Hydromorphone	300 ng/mL	Hydrocodone Hydromorphone	100 ng/mL 100 ng/mL
Oxycodone/ Oxymorphone	100 ng/mL	Oxycodone Oxymorphone	100 ng/mL 100 ng/mL
6-Acetylmorphine	10 ng/mL	6-Acetylmorphine	10 ng/mL
Phencyclidine	25 ng/mL	Phencyclidine	25 ng/mL
Amphetamine/ Methamphetamine	500 ng/mL	Amphetamine Methamphetamine	250 ng/mL 250 ng/mL
MDMA/MDA	500 ng/mL	MDMA <sup>1</sup> MDA <sup>2</sup>	250 ng/mL 250 ng/mL
Barbiturates	300 ng/mL	Barbiturates	100 ng/mL
Benzodiazepines	300 ng/mL	Benzodiazepines	50 ng/mL
Propoxyphene	300 ng/mL	Qualitative Result	
Methadone	300 ng/mL	Methadone	100 ng/mL

<sup>1</sup> Methylenedioxyamphetamine (MDMA)

<sup>2</sup> Methylenedioxyamphetamine (MDA)

The laboratory will use the cut-off concentration levels of the above chart for initial and confirmation drug tests. All cut-off concentrations are expressed in nanograms per milliliter (ng/mL)

This Appendix A may be modified or amended at any time at Seven Generations' sole discretion.

**Appendix B  
Tracking Form for Identifying Safety Sensitive Positions**

<b>Date:</b>	
<b>Position:</b>	

Job Description attached: Yes  No

Hazard/task analysis attached: Yes  No

Employment type: Employee  Contractor

Safety sensitive roles are roles that could result in a serious incident or accident affecting the health and safety of any person, the environment or the assets/property of the Company, including any one of the following:

**Does this role require:**

- Driving a company vehicle
- Driving a personal vehicle for work purposes
- Working at heights
- Working with equipment and/or machinery
- Working at a field site
- Working alone, and/or working with little or no supervision

Yes	No

**Based on answers above, is this position safety sensitive?**

Yes	No

**Comments:**

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Reviewed by:	Signature	Date
Hiring Manager	_____	_____
Director, Health & Safety	_____	_____
Human Resources	_____	_____