

Corporate Policies & Procedures Alcohol and Drug Policy

Policy Number: HR249
Approval Date: March 3, 2005
Last Revised: August 13, 2007

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POLICY

Purpose

Nexen is committed to providing a safe, healthy and productive work environment, and to maintaining the public's trust and confidence in the Company and its products. We recognize that the use of illicit drugs and the inappropriate use of alcohol and medications can adversely affect job performance, productivity, the work environment, the well-being of employees and potentially, the communities in which we operate. It can also place the integrity and safety of Company property and operations at risk. This Alcohol and Drug Policy is intended to outline in more detail the standards and expectations associated with alcohol and drug use, and confirm the Company's commitment to minimize risk associated with our operations.

Key Definitions

- a. **"Company"** means Nexen Inc. and all of its affiliates and subsidiaries.
- b. **"Company Business"** refers to all business activities undertaken by employees in the course of the Company's operations, whether conducted on or off Company premises.
- c. **"Company Premises"** includes but is not necessarily restricted to all land, facilities, mobile equipment and vehicles owned, leased or otherwise directly controlled by the Company for the purpose of conducting Company business.
- d. **"Company Worksite"** includes any client worksite to which employees and contract workers have been assigned for the purpose of conducting Company business.
- e. **"Contractor"** refers to any person or entity, including their employees or sub-contractors, that has been contracted, sub-contracted, or otherwise engaged to provide services to the Company on an invoice basis.
- f. **"Drug"** means any substance, including alcohol, illicit drugs and drug paraphernalia, or medications, the use of which has the potential to change or adversely affect the way a person thinks, feels or acts. For purposes of this Policy, drugs of concern are those that inhibit a worker's ability to perform his or her job safely and productively, including the following:
 - **"Alcohol"** means the intoxicating agent in alcoholic beverages, ethyl alcohol, or other low molecular weight alcohols including methyl and isopropyl.
 - **"Alcoholic Beverage"** or **"Beverage Alcohol"** refers to beer, wine and distilled spirits.
 - **"Illicit Drug"** means any drug or substance that has been obtained illegally and the use, sale, possession, purchase or transfer of which is restricted or prohibited by local law (e.g. street drugs such as marijuana and cocaine).
 - **"Drug paraphernalia"** refers to any equipment, product, or material that is modified for making, using, or concealing illicit drugs such as cocaine, heroin, marijuana, and methamphetamine, or to facilitate the improper use of legal drugs.
 - **"Medication"** refers to a drug obtained legally, either over-the-counter or through a doctor's prescription.

- g. **“Employee”** includes all regular full-time, part-time, temporary, casual and fixed-term employees on the Company payroll.
- h. **“Fitness for Work/Duty”** in the context of this Policy means being able to safely and acceptably perform assigned duties without any limitations due to the use or after-effects of alcohol, illicit drugs or medications.
- i. **“Medical Review Officer” (MRO)** means a licensed physician with knowledge of substance abuse disorders and who has the ability to evaluate an employee’s positive test. A MRO is responsible for receiving and reviewing laboratory results generated by an employer’s drug testing program and evaluating medical explanations for certain drug test results.
- j. **“Policy”** means Nexen’s Alcohol and Drug Policy, as may be amended from time to time.
- k. **“Safety-Sensitive Position” (SSP)** is a position in which individuals have a key and direct role in an operation where performance impacted by alcohol or other drug use could result in: an incident affecting the health or safety of employees, contractors, customers, the public or the environment; or an inadequate response or failure to respond to an emergency or operational situation. This category includes any and all employees required to temporarily relieve in a safety-sensitive position, or who may perform the same duties from time to time.

Each area, facility or field must identify and list all safety-sensitive positions (SSP) within their organization by specific job positions or titles, and advise any employee who works in such a position that his or her position is designated as a safety-sensitive position and that he or she must abide by the provisions of this Policy accordingly.

- l. **“Scheduled on-Call”** refers to specifically designed scheduling wherein the individual is assigned set times and dates where he or she can expect to be called in to work, and excludes situations where an individual’s position responsibilities results in the possibility that he or she could be called unexpectedly at any time.
- m. **“Substance Abuse Professional” or “Substance Abuse Expert” (SAP/SAE)** is an individual with knowledge of and clinical experience in the diagnosis and treatment of alcohol and drug related disorders. An employee who violates this Policy may be referred to an SAP to assess if he or she has a potential disability, and the SAP may make recommendations regarding education and treatment, and recommend a return-to-duty monitoring program, including unannounced testing.
- n. **“Supervisor”** means the individual accountable for a particular facility, department or area, including managers and others in supervisory positions who are directly responsible for the performance of individuals.

PRACTICE

Scope and Application

The following provisions apply to all employees while they are engaged in Company business, working on Company premises or Company worksites, and operating Company vehicles and equipment. Violations of these provisions will result in corrective action up to and including termination of employment. Because of the greater risk involved in performing certain functions, some positions have been designated as “safety-sensitive”. Individuals holding these positions will be expected to meet higher standards as outlined in this Policy.

Contractors will be advised of the applicable provisions of this Policy, and will be expected to enforce these requirements for their employees, sub-contractors and agents. Any contravention will be considered a breach of their contract.

This Policy sets out core standards, which may be enhanced by any facility, site, business unit or division where there are sound reasons for more stringent standards. Proposed enhancements must be supported by documented justification and brought forward by the Corporate Program Administrator for approval by the

Corporate Health, Safety, Environment and Social Responsibility (HSE & SR) Executive Committee prior to implementation. Enhancements could be considered due to jurisdictional legislative differences, significant hazard differences, or location-specific differences related to cultural or community expectations. A guideline on policy enhancements is attached as **Appendix I**.

Standards

To minimize the risk of unsafe and unsatisfactory performance due to the use of alcohol, drugs or medication, employees are expected to comply with the following standards, and to report fit for duty and remain fit for duty throughout their workday. Failure to comply is grounds for corrective action up to and including termination.

All employees who are scheduled for call-in must remain fit for duty in compliance with these standards. If unexpected circumstances arise where an employee is requested to perform unscheduled services while under the influence of alcohol or other drugs that could impact safe operations and/or breach the standards of this Policy, it is the responsibility of that individual to decline the call.

- a) **Illicit drugs:** The following are prohibited while on Company business, Company premises and Company worksites:
- the use, possession, distribution, offering or sale of illicit drugs or drug paraphernalia;
 - the unauthorized possession of prescribed medications without a legally obtained prescription;
 - unauthorized distribution, offering or sale of prescription medications (trafficking);
 - reporting for work under the influence of illicit drugs; and
 - presence in the body of illicit drugs as determined through the testing program.
- b) **Alcohol:** Employees are expected to use alcohol responsibly in those situations where it is permitted, and to report and remain fit for work in compliance with this Policy. The following are prohibited:
- the use, distribution, offering or sale of alcoholic beverages on designated Company premises or Company worksites with the exceptions noted below;
 - possession of open containers of alcoholic beverages on designated Company premises or Company worksites with the exceptions noted below;
 - an alcohol test result of .04% Blood Alcohol Content (BAC) or greater; or
 - use of alcohol within the first eight hours after an incident or until tested or advised by the Company that a test is not required.

Alcohol standards are subject to the following exemptions:

- sealed containers of alcohol may be stored in vehicles parked on Company premises provided it is locked in the trunk of the vehicle or otherwise appropriately secured;
- sealed containers of alcohol may be transported or stored in vehicles provided, assigned or subsidized by the Company when not being used for Company business, provided it is locked in the trunk of the vehicle or otherwise appropriately secured;
- alcohol may be permitted at certain Company-owned residential facilities (e.g. a “Managed Camp”) with prior approval of Senior Management of the division; and
- employees may use alcohol when on travel status, at a training event or seminar, or in any other similar business-related situation, provided:
 - the formal business or training is completed;
 - they use alcohol responsibly;
 - they are not returning to work; and
 - they are able to report to work, as required by their job requirements, fit-for-duty in compliance with the standards set in this Policy.

In the case of any Company social event, appropriate regard will be taken for the safety and well-being of the individuals present and the community. Responsible alcohol use is permitted at Company sponsored social functions held on or off of Company premises with the prior approval of senior management of the hosting department, in accordance with the provisions and guidelines attached hereto as **Appendix II**.

Consistent with the above, if alcohol is made available to Company employees and/or guests in the course of conducting Company business (e.g. restaurant meetings), employees are expected to use judgment and be responsible in hosting others while complying with the Policy.

In addition to abiding by the above standards, SSPs are prohibited from consuming any alcoholic beverage when on duty including meals or other breaks, and will be removed from duty if they have an alcohol test result of .02% BAC or higher.

It is expected that the basic policy standards will be observed (e.g. no use by SSPs if returning to the job and responsible use for all others), that alcohol consumption is controlled so there is no inappropriate behaviour at the function or potential for impaired driving afterwards, and alternative transportation arrangements are made available. Additional guidelines are found in **Appendix II** attached hereto.

- c) **Medications:** Employees are expected to responsibly use prescribed and over-the-counter medications. The intentional misuse of medications (e.g. using the medication not as it has been prescribed or directed by the pharmacy, using someone else's prescription medication, combining medication and alcohol use against direction) while on Company business or Company premises is prohibited. Medications of concern are those that inhibit or may inhibit an employee's ability to perform their job safely and productively. A guideline on medications is attached hereto as **Appendix III**.

Employees are expected to:

- investigate (through their doctor or pharmacist) whether a medication can affect safe operation;
- take appropriate action to minimize safety risk by advising management of any need for modified duties if the medication will affect their ability to operate safely; and
- report any requirement for modified work to their supervisor if they hold a SSP, and follow any recommended course of action to minimize safety risk, which could include temporary reassignment if possible or leave as appropriate to the situation.

The Company reserves the right through the Company's medical services provider, to confirm the nature and duration of modified work requirements with the treating physician, without any breach in medical confidentiality.

Prevention, Assistance, Rehabilitation, Aftercare

- a) **Prevention:** This Policy stresses the importance of prevention and early identification of potential problem situations. The Company will make information available on health and safety hazards, recognizing related performance problems, and the process to access assistance.

Employees are encouraged to access the Company Employee and Family Assistance Program (EFAP), their personal physician, or appropriate community services for help with an alcohol or drug problem, or any other problem that may be affecting work performance.

- b) **Assessment/Rehabilitation:** The Company recognizes that alcohol and drug dependency are treatable illnesses and that early intervention greatly improves the probability of a lasting recovery. Individuals who suspect they have a substance dependency or emerging alcohol or drug problem are encouraged to seek advice and to follow appropriate treatment promptly before job performance is affected or violations of this Policy occur.

Employees that voluntarily seek help with an alcohol or drug problem will not be subject to corrective action. However, the help must be accessed prior to being notified that they must report for a test under this Policy, or prior to engaging in activities which may lead to corrective action under this Policy. Accessing assistance or declaring a problem does not eliminate the requirement for maintenance of satisfactory performance levels. Corrective action cannot be avoided by a request for assistance with a problem or by disclosure that the individual is already involved in a treatment program.

Where a medical professional, substance abuse professional (SAP), or other counselling professional advises that there may be a risk that would prevent an employee from doing his or her job safely, a medical work modification may be issued, and the employee may be assigned to alternate duties at the discretion of the Company.

- c) Aftercare: All employees who complete primary treatment (e.g., residential or out-patient treatment) for alcohol or drug problems as a result of a performance-related referral will be required to participate in an aftercare program when returning to duty in order to help them maintain recovery. They will be expected to enter into a written agreement, which will outline the conditions governing their return to the job and the consequences for failing to meet those conditions.

Confidentiality will be maintained except where limited disclosure is necessary for related health and safety concerns (e.g., where there is deemed to be a potential for risk to self, others or the Company). That is, only the information strictly limited to the level of functionality (e.g., fitness for work and any restrictions that may apply) may be shared with management for purposes of determining fitness for work, appropriate work accommodation, and/or work re-entry initiatives.

Investigative Procedures

The normal process of job performance monitoring and counselling will continue to be emphasized. Through this process, individuals with apparent performance problems will be reminded that they should access assistance should a personal problem be affecting their job performance.

In all situations when there are grounds to believe an employee is unfit to be on the Company worksite, responsible escort procedures will be followed. The employee will be escorted to a safe place, interviewed, and given an opportunity to explain why he or she appears to be in a condition unfit for duty. If the supervisor conducting the interview still believes the employee is in a condition unfit for normal duty, and after consultation and agreement of a second level of supervision or management (e.g., immediate supervisor, Emergency Response Plan (ERP) call out list, etc.), he or she may take any of the following actions:

- refer the employee for medical attention if there are immediate medical concerns (to a health centre, local hospital or clinic);
- refer the employee for an alcohol and drug test if there are reasonable grounds to believe alcohol or drug use may be a factor in the situation; and/or
- provide transportation and escort to the collection site or hospital/clinic depending on the circumstances, and then transportation to his or her place of residence or the care of another adult person.

The employee may be temporarily removed from his or her duties or reassigned pending completion of any investigation. Depending on the test result, a fitness for duty assessment may also be required before allowing the employee to return to work.

Responsible escort procedures will be set up at each facility, site, business unit or division, to address all situations where there are grounds to believe someone is unfit on Company premises, including an employee, contract worker or visitor.

Alcohol and Drug Testing

All employees will be subject to testing in accordance with the procedures attached hereto as **Appendix IV** in the following circumstances:

- a) Reasonable Cause: Testing will take place whenever the Company has reasonable grounds to believe that the actions, appearance or conduct of an employee while on duty are indicative of the use of drugs or alcohol. The decision to test shall be made by a supervisor, with the concurrence of a second level of supervision or management (e.g., the immediate supervisor, the Department Manager, an individual on the Emergency Response Plan call out list, etc.). The referral for a test will be based on specific, personal observations resulting from, but not limited to such indicators as:
- observed use or evidence of use of a substance (e.g., smell of alcohol);
 - erratic or atypical behaviour of the employee;
 - changes in the physical appearance of the employee;
 - changes in the behaviour of the employee; or
 - changes in the speech patterns of the employee.

- b) Post Incident: Alcohol and drug testing is required after a significant work-related incident as part of a full investigation into the circumstances. The decision to refer an employee for a test will be made by the supervisor investigating the incident and with agreement of a second level of supervision or management (e.g., the immediate supervisor, the Department Manager, an individual on the Emergency Response Plan call out list, etc.).

A significant incident is defined as:

- a fatality or serious personal injury to any individual;
- an environmental spill with significant implications;
- significant loss or damage to any property, equipment or vehicles;
- significant loss of any revenues; or
- a near-miss incident that had the potential to cause significant injury or damage.

In the case of an incident, the following procedures apply:

- whether the incident is significant or not (i.e., categorized as minor, noticeable, or a near miss); testing will be sufficiently justified where employees provide reasonable cause though atypical behaviour or appearance;
 - employees referred for a test will only be those who are identified, with reasonable grounds, as having been directly involved in the chain of acts or omissions leading up to the event;
 - a test is automatic after a significant incident, unless there is clear evidence that the acts or omissions of employees could not have been a contributing factor (e.g., structural or mechanical failure);
 - employees to be tested must not use alcohol for eight hours after the incident until tested or advised a test is not required;
 - employees are obliged to report the situation to their immediate supervisor as soon as possible following an incident; and
 - employees are expected to participate fully in any subsequent investigation.
- c) Return to Duty – Post Violation: In those situations where employment is continued after a policy violation, individuals may be required to pass a return to duty test and may be subject to unannounced testing for a minimum of two (2) years and a maximum of five (5) years as a condition of continued employment.
- d) Return to Duty - Post Treatment: Any employee assuming duties after primary treatment for an alcohol or drug problem which resulted from a performance-related incident will be required to pass a return to duty test. In addition, he or she will be subject to unannounced testing with a case-specific program designed to support his or her ongoing recovery.
- e) Safety-sensitive Positions: As a final condition of certification into a safety-sensitive position (SSP), all new applicants, whether internal or external candidates, are required to undergo an alcohol and drug test. Failure to pass the test or refusal to participate means the individual is not eligible for the position.
- f) Failure to Test: The following are violations of this Policy:
- failure to report directly for a test;
 - refusal to submit to a test;
 - refusal to agree to disclosure of a test result to the Program Administrator; and
 - a confirmed attempt to tamper with a test sample.

The consequence of a violation of this Policy, in respect of a failure or refusal to test, will be termination of employment, subject to an appropriate investigation into the circumstances of the failure or refusal to test.

- g) Documentation: A reasonable cause checklist and documentation form, and a post incident documentation form are appended hereto as **Appendix V**, and must be completed as soon as possible in any test referral situation.

Possession of Alcohol or Drugs

The Company reserves the right to investigate any situation when there are reasonable grounds to believe that alcohol or drugs are present on Company premises, in violation of this Policy.

Supervisors are responsible for identifying situations where a search is justified based on a combination of indicators which could include behaviour, odour, or presence of drug paraphernalia. He or she will be responsible for advising his or her manager of the situation, who, in consultation with Corporate Security, will make the decision as to whether to initiate a search.

Seizure and future control of any alcohol, drugs, or drug paraphernalia will be determined in consultation with Corporate Security personnel, who will also advise whether law enforcement agencies will be involved.

Loss of License / Impaired Driving Charge

All employees who operate a motor vehicle on behalf of the Company are required to maintain a valid driver's license. Any loss of license must be reported to the employee's supervisor, and the employee will no longer be qualified to drive on behalf of the Company.

Employees must inform their supervisor immediately if they have been charged with an impaired driving offense when operating a Company vehicle or driving on behalf of the Company. Impaired driving would include, but would not be restricted to, having a blood alcohol level over the legal BAC (Blood Alcohol Content) in that jurisdiction, driving while impaired, or refusal to provide a sample for analysis. In these circumstances, receipt of a charge is a violation of this Policy. Failure to report the charge will be grounds for corrective action up to and including termination of employment.

Consequences of a Policy Violation

- a) General Procedures: Any violation of the provisions of this Policy will result in corrective action up to and including termination of employment. In all situations, an investigation will be conducted and documented to verify that a policy violation has occurred. Therefore, management has the authority and discretion to suspend any employee who is believed to be involved in an incident that could lead to corrective action pending the results of the investigation. The appropriate action in a particular case depends on the nature and severity of the policy violation and the circumstances surrounding the situation.
- b) Conditions of Continued Employment: Should the Company determine that employment will be continued in a specific circumstance, the employee would be required to enter into an agreement governing his or her continued employment, which may require any or all of the following actions, or any other condition appropriate to the situation:
 - temporary removal from his or her position;
 - assessment by a substance abuse professional (SAP) to determine the need for a structured treatment program;
 - adherence to any recommended treatment, monitoring, and aftercare program;
 - maintenance of sobriety and satisfactory performance on return to duty;
 - successful completion of a return to duty test;
 - ongoing unannounced testing for a period determined on a case by case basis; and
 - no further violations of the Policy.

Failure to meet the requirements of the agreement during the monitoring period will be grounds for termination of employment.

- c) Off-Duty Situations: In addition to the above, the Company will investigate any situation where off the job actions involving alcohol or drugs may have direct implications for the workplace, and will take appropriate action under the circumstances.

RESPONSIBILITIES

Employees are expected to perform their job in a safe manner consistent with established Company practices. In addition, it is expected that employees will:

- read and understand the Policy and their responsibilities under it;
- report fit for duty for any and all scheduled assignments and remain fit for duty while on Company business and Company premises;
- seek advice and follow appropriate treatment if they have a current or emerging problem, and follow recommended monitoring programs after attending treatment;
- co-operate with any work modification related to safety concerns;
- intervene as appropriate to encourage a co-worker to access assistance before an alcohol or drug problem impacts performance or safety; and
- co-operate with the implementation of this Policy and with an investigation into a violation of this Policy, including any request to participate in the testing program as and when required to do so under this Policy.

Because all individuals working at the Company have a shared responsibility for workplace safety, employees are encouraged to look out for other employees, Contractors or visitors in terms of fitness for duty. They are expected take appropriate action to ensure no individual remains in an unfit condition on Company premises or a Company worksite, such that they may endanger themselves or others, by ensuring their supervisor or another member of management is advised of the situation.

Supervisors/Managers will be responsible for:

- actively engaging in training activities;
- understanding this Policy and all facets of implementation of supporting processes;
- applying this Policy in a consistent manner;
- ensuring ongoing performance management to promote safe operations and effectiveness of the program;
- guiding employees who seek assistance for a problem to appropriate resources (e.g., the Employee Assistance Program or community services) while maintaining confidentiality as may be appropriate under the circumstances;
- taking appropriate steps to investigate any violation of the standards set out above;
- making referrals for an alcohol and drug test in a post accident or reasonable cause situation as and when required to do so under this Policy; and
- monitoring policy compliance of contract workers.

Human Resources, in support of this Policy, will designate a Corporate Program Administrator, who will be responsible for:

- resolving any questions regarding the interpretation of this Policy;
- supporting supervisors in meeting their responsibilities;
- co-ordinating development and delivery of employee education and supervisor/manager training programs;
- supporting and assisting any employee who seeks assistance for a problem;
- assisting management in conjunction with the appropriate HR representatives in any investigation or meeting, in the development of any performance improvement plan, and the determination and administration of any corrective action;
- overseeing implementation of modified work, return to work agreements, or similar accommodation situations;
- conducting the alcohol and drug testing program; and
- maintaining and updating this Policy as needed.

Details on the standards, definitions and procedures of terms are found in the previous sections of this Policy. It is subject to ongoing review and evaluation, and modifications will be made as deemed necessary to respond to current circumstances and evolving needs using the Company's normal process for policy change.

GUIDELINES FOR POLICY ENHANCEMENTS

Policy enhancement may be initiated by any facility, site, business unit or division where there is reasonable justification, such as jurisdictional legislative requirements, significant hazard differences, or location-specific differences related to cultural or community expectations. The following are some examples of areas for possible enhancement of this Policy:

Identification of Safety-Sensitive Positions

Each facility, site, business unit or division will be expected to identify safety sensitive positions in accordance with the definition provided in the Policy and the guideline supporting it. To ensure some degree of consistency across Company operations, positions recommended to be classified as safety sensitive are subject to a review by the Program Administrator in conjunction with Human Resources and HSE & SR.

Cut-off Level for Alcohol Testing

Currently, the Company policy has established a technical cut-off level of .04% BAC, above which a test result will be viewed as positive, and for which corrective action will follow. Those holding SSPs are immediately removed from duty if they have a positive alcohol test result of .02% BAC or higher, and which may trigger further corrective action. With reference to the nature of their operations, and with justification, a facility, site, business unit, division, or affiliated company may make the standard stricter by reducing the BAC level which will trigger corrective action to .02% BAC for a broader list of job categories.

Pre-site Access Testing

Specific projects or facilities may justify that individuals pass a test prior to accessing the site. The procedures must consider: if this is a requirement for drug testing only, or both alcohol and drug testing; if it is a requirement for all individuals, or only those performing certain functions; how recently a test will have to have been passed; how often the test must be repeated (e.g., after a certain period of time away from the site); and whether someone who fails a test can reapply in future, and under what conditions.

Policy Provisions for Contractors

Minimum Fitness for Duty standards must be met by all Company contract workers. Core statements of expectations for contractors have been developed for sole proprietors and contractor companies. The specific application of these provisions is within the jurisdiction of each facility, site, business unit or division, who will be expected to communicate them to all affected contractors. Contractors must be advised if the work they are doing is considered safety-sensitive, or if the site they are operating on is a safety-sensitive location where higher standards must be met.

Random Alcohol and Drug Testing

A program of random testing may be initiated for specific job categories, when it is concluded the other policy components are not sufficient to meet critical safety objectives. In this situation, the testing would take place on an unannounced basis, spread evenly throughout the year, with selection handled by an independent qualified Third Party Administrator (TPA).

GUIDELINES FOR THE HOSTING OF SOCIAL EVENTS

The use of alcohol in conjunction with any Company social event is permitted on or off of Company premises provided it has the prior approval of management of the hosting department and is conducted in accordance with the following guidelines:

Dependant upon the size and formality of the function, it is recommended that:

- professional/trained servers work at each event and/or supervise the use of untrained servers;
- a designated individual will ensure the obtaining of appropriate permits;
- appropriate opening and closing times, food and beverage arrangements, etc., are observed; and
- bars are attended at all times.

In all situations, it is required that:

- events are managed in a way that all reasonable steps have been taken to avoid the potential for accidents, including identifying and eliminating potentially harmful situations;
- alcohol is not served to individuals who appear to be intoxicated;
- all reasonable steps are taken to prevent abusive or unsafe behaviour;
- all reasonable steps are taken to prevent an apparently intoxicated attendee from driving, after the function;
- alternate transportation or accommodation is provided, when necessary; and
- the appropriate authorities are contacted if an incident occurs or an attendee disregards advice and attempts to drive in an intoxicated state.

Responsible serving practices will include:

- providing food and non-alcoholic drinks, including coffee and tea before, during and after the bar has closed;
- establishing a firm time to end the event; and
- stopping service of alcohol at least one hour prior to the event being over.

Any hosting situation that results in inappropriate behaviour or risk to health and safety of attendees or the community will result in a review of how these guidelines were applied, and the development of active steps to ensure the problems do not occur again.

GUIDELINE ON MEDICATIONS

All employees are expected to manage potential impairment during working hours due to the legitimate use of medications. The following drug categories have been associated with performance impairment and are provided as a list to guide employees in assessing their own situation. The list is not exhaustive and there are numerous other over-the-counter and prescription drugs which when taken may impact negatively on performance.

Employees are expected to:

- consult with their personal physician or a pharmacist to determine if use of the medication will have any potential negative impact on job performance;
- take appropriate action to minimize safety risk by advising management of any need for modified duties if the medication will affect their ability to operate safely; and
- report any requirement for modified work to their supervisor if they hold a safety-sensitive position (SSP), and follow any recommended course of action to minimize safety risk.

The Company reserves the right to use its medical service provider to confirm the nature and duration of any required work modification resulting from the use of legally prescribed or over-the-counter medications. Examples of medications that may require work modification include, but are not limited to, the following:

- **Antihistamines** (e.g., Chlor-Triplon, Dimetane) - widely prescribed for hayfever and other allergies; also found in many cold medications
- **Motion Sickness Drugs** (e.g., Gravol, Antivert) - used to prevent motion sickness and nausea
- **Barbiturates, Sedatives, Hypnotics, Tranquilizers, Antidepressants** (e.g., Phenobarbitol, Valium, Halcion, Librium, Elavil, Anafranil) - some of these ingredients are also found in medications taken for digestive and other disorders
- **Narcotics** (e.g., Demerol, Codeine, Morphine) - often found in combination drugs such as 222s or 292s or Tylenol 1, 2, 3s.
- **Stimulants** (e.g., amphetamines or medications sold as "diet pills") - used for central nervous system stimulation and for appetite suppression; can produce sensations of well-being which may have an adverse effect on judgment, mood and behaviour
- **Anticonvulsants** (e.g., Dilantin) - used to control epileptic seizures and can cause drowsiness in some patients
- **Analgesics** - (e.g., Darvon, Indocid) – colloquially known as painkillers
- **Cold Tablets/Cough mixtures** (e.g., Sinutab, Contac, Triaminic, Tussionex and preparations containing dextromethorphan (DM) or codeine) – used to suppress cold and flu symptoms; may induce drowsiness
- **Muscle Relaxants** (e.g., Flexeril, Robaxial) – used to decrease muscle tone, in order to alleviate symptoms such as muscle spasms and gastrointestinal over-activity

ALCOHOL AND DRUG TESTING PROCEDURES

Sample collection, testing and reporting of results will be conducted in accordance with standards established by the U.S. Department of Health and Human Services and accepted in Canada, in order to ensure the accuracy and integrity of results. The following procedures are followed:

- Testing will be conducted in those circumstances outlined under the Company policy to determine the presence of cannabinoids, amphetamine/methamphetamine, cocaine, opiates, phencyclidine and alcohol. The testing program will cover alcohol and the specified drugs only; it will not include testing for other substances or medical conditions except on the advice of medical or substance abuse professionals (SAP) in a post treatment situation.
- Alcohol tests will be administered by a calibrated breathalyzer with a printout of test results. Only in those situations when a breath analyzer is not readily available will alcohol testing be done with a saliva strip and urine collection for analysis in the laboratory.
- All drug tests will be administered by urinalysis using split sample procedures to allow for verification testing if required.
- Collection of urine specimens and administration of alcohol tests will be performed by trained nurses or trained collection agents at Company-designated collection sites. In post accident and reasonable cause testing situations, samples will be collected as soon as possible after the triggering incident, but collection attempts will end eight (8) hours after the incident for an alcohol test, and thirty-two (32) hours after the incident for a drug test.
- All employees who are tested are required to sign a form to acknowledge the accuracy of the employee and Company information and authenticity of the specimen(s). They will be given a copy of the Drug Testing Custody and Control Form and the Breath Alcohol Testing Form for their records.
- Urine samples will be analyzed by a fully qualified and accredited laboratory using a two-step process with initial screening by immunoassay and all confirmations being performed by gas chromatography/mass spectrometry (GC/MS).
- Confirmed positive test results will be reviewed by a qualified Medical Review Officer (MRO) who will discuss the result with the employee in an effort to determine whether a positive test could have resulted from the legitimate use of medications or other medical explanations. The employee concerned will be given an opportunity to explain the finding to the MRO who will then determine whether the result will be reported to the Company as a negative or a verified positive.
- For the purpose of this Policy, a positive alcohol test will be one in which the blood alcohol concentration is at or above .02% BAC for those holding safety-sensitive positions (SSPs), and at or above .04% BAC for all other employees. In those instances where an employee is subject to an unannounced testing program on return to duty after a policy violation or treatment, a positive test will be one in which the blood alcohol concentration is .02% or more.
- A positive drug test is one in which the amount of drug in the sample identified by the confirmation test is at or exceeds the cut-off levels established by the U.S. Department of Health and Human Services for workplace testing programs throughout North America as noted below:

Drug	Initial Test Levels (ng/ml)*	Confirmation Test Levels (ng/ml)*
Marijuana	50	15
Cocaine	300	150
Opiates	2,000	
Morphine		2,000
Codeine		2,000
Phencyclidine (PCP)	25	25
Amphetamines	1000	500
Methamphetamine		500

** A ng/ml means nanograms per millilitre. A nanogram is one billionth of a gram. A millilitre is one thousandth of a litre.*

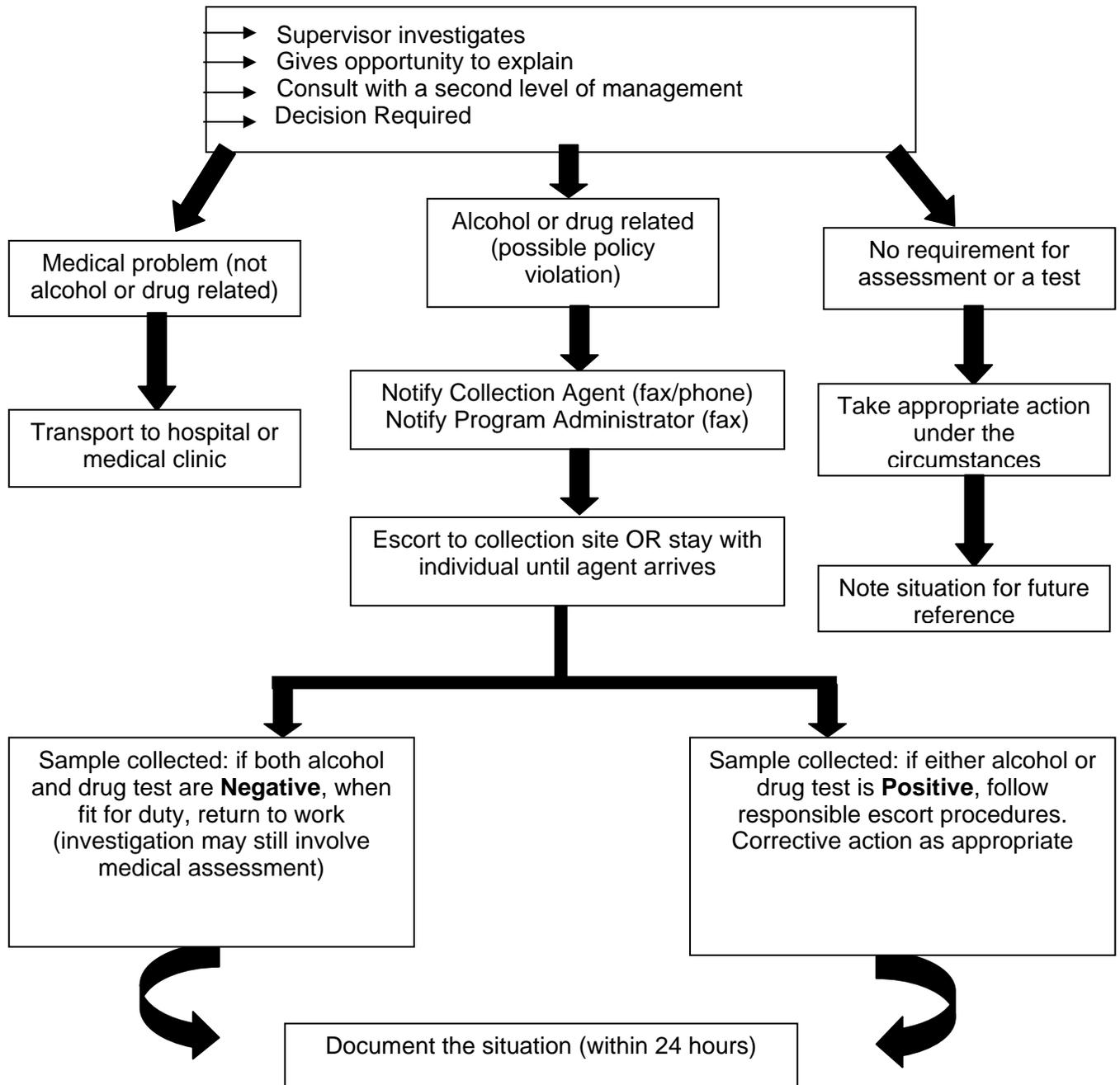
- If a urine test conducted in accordance with this Policy is verified as positive, the person who has been tested may request the MRO to direct the split sample to be tested by an accredited laboratory of that person's choice within seventy-two (72) hours of receiving his or her results. If a second confirmed positive test is reported, the person who requested the second analysis is responsible for reimbursing the Company for the associated costs.
- Any positive test result will be considered a violation of this Policy, whether or not the drugs or alcoholic beverage were actually consumed on Company business or Company premises. Failure to report directly for a test, refusal to submit to a test, refusal to agree to disclosure of a test result to management or an attempt to tamper with a test sample are grounds for corrective action up to and including termination.
- All test results will be reported directly to the Company Program Administrator or designate. Except for the release of information in accordance with this Policy and in situations affecting the health and safety of workers and the public, results of all testing will be maintained by the Program Administrator and will be kept confidential.

CHECKLISTS AND FORMS

The following checklists and forms are provided for quick reference:

- **Unfit for duty procedures flowchart**
- **Drug and/or alcohol checklist for reasonable cause testing referrals / unfit for duty actions**
- **Reasonable cause referral form (for Nexen records)**
- **Incident situation procedures flowchart**
- **Post incident alcohol and drug test form (for Nexen records)**

UNFIT FOR DUTY PROCEDURES FLOWCHART (Situation must be investigated)



Note: Collection should be arranged as soon as possible after the decision to test. The Company Program Administrator should be advised of any reason for delay, and attempts to collect a sample should cease 8 hours (alcohol) and 32 hours (drugs) after someone has been requested to submit for a test.

**DRUG AND/OR ALCOHOL CHECKLIST
FOR REASONABLE CAUSE TESTING REFERRALS/
UNFIT FOR DUTY ACTIONS**

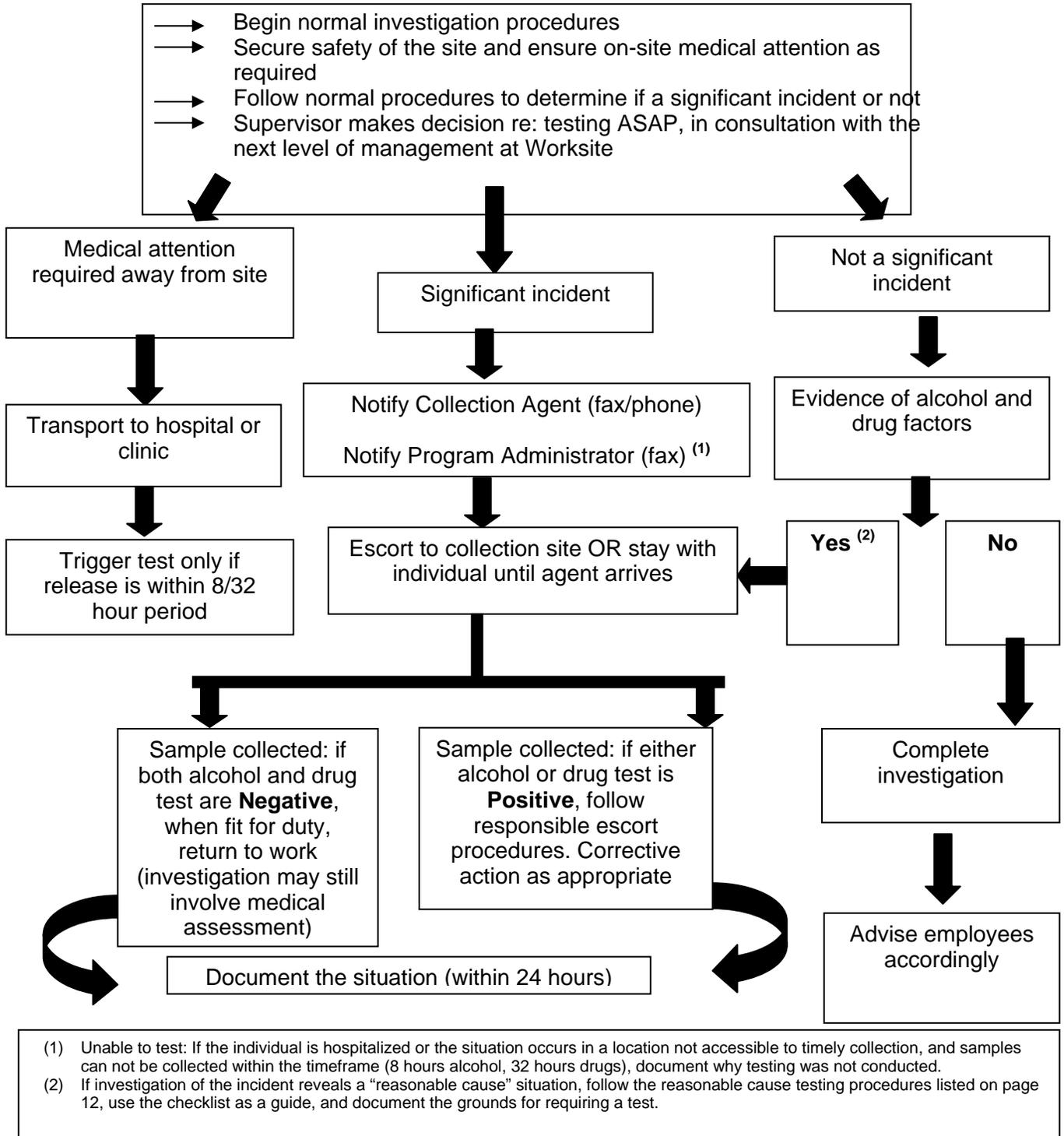
QUESTIONS	YES	NO	QUESTIONS	YES	NO
1. Smell of alcohol on breath of person?	<input type="checkbox"/>	<input type="checkbox"/>	8. Skin Colour:		
			Pale?	<input type="checkbox"/>	<input type="checkbox"/>
2. Speech:			Flushed?	<input type="checkbox"/>	<input type="checkbox"/>
Slurred?	<input type="checkbox"/>	<input type="checkbox"/>	9. Excessive perspiration?	<input type="checkbox"/>	<input type="checkbox"/>
Confused?	<input type="checkbox"/>	<input type="checkbox"/>	10. Excessive trips to rest room?	<input type="checkbox"/>	<input type="checkbox"/>
Fragmented?	<input type="checkbox"/>	<input type="checkbox"/>	11. Bloodshot eyes?	<input type="checkbox"/>	<input type="checkbox"/>
Slow?	<input type="checkbox"/>	<input type="checkbox"/>	12. Dilated pupils?	<input type="checkbox"/>	<input type="checkbox"/>
Unusually soft?	<input type="checkbox"/>	<input type="checkbox"/>	13. Pinpoint pupils?	<input type="checkbox"/>	<input type="checkbox"/>
Unusually loud?	<input type="checkbox"/>	<input type="checkbox"/>	14. Traces of alcohol in any containers?	<input type="checkbox"/>	<input type="checkbox"/>
3. Disorientation: Is the employee confused about:			15. Confession that employee:		
Where he/she is?	<input type="checkbox"/>	<input type="checkbox"/>	Was drinking alcohol?	<input type="checkbox"/>	<input type="checkbox"/>
What day it is?	<input type="checkbox"/>	<input type="checkbox"/>	Ingesting drugs?	<input type="checkbox"/>	<input type="checkbox"/>
What time it is?	<input type="checkbox"/>	<input type="checkbox"/>	16. Confirmation by other employees?	<input type="checkbox"/>	<input type="checkbox"/>
4. Apparent inability to focus on work?	<input type="checkbox"/>	<input type="checkbox"/>	17. Presence of substances with:		
5. Unusual or unexplained resistance to authority or refusal to follow reasonable directions?	<input type="checkbox"/>	<input type="checkbox"/>	appearance of drugs?	<input type="checkbox"/>	<input type="checkbox"/>
6. Lack of motor coordination?	<input type="checkbox"/>	<input type="checkbox"/>	drug paraphernalia?	<input type="checkbox"/>	<input type="checkbox"/>
7. Mood:			18. Smell of marijuana?	<input type="checkbox"/>	<input type="checkbox"/>
Belligerent?	<input type="checkbox"/>	<input type="checkbox"/>	19. Seen congregating with others in remote areas or areas not usually frequented?	<input type="checkbox"/>	<input type="checkbox"/>
Moody?	<input type="checkbox"/>	<input type="checkbox"/>	20. Weariness/fatigue/exhaustion?	<input type="checkbox"/>	<input type="checkbox"/>
Ecstatic?	<input type="checkbox"/>	<input type="checkbox"/>			
More nervous than usual?	<input type="checkbox"/>	<input type="checkbox"/>			
Giddy?	<input type="checkbox"/>	<input type="checkbox"/>			
Talkative?	<input type="checkbox"/>	<input type="checkbox"/>			
Drowsy?	<input type="checkbox"/>	<input type="checkbox"/>			
First Reviewing Person: (initials) _____			Second Reviewing Person: (initials) _____		
(Date) _____			(Date) _____		

**DRUG AND/OR ALCOHOL CHECKLIST
FOR REASONABLE CAUSE TESTING REFERRALS/
UNFIT FOR DUTY ACTIONS CHECKLIST (continued)**

QUESTIONS	YES	NO	QUESTIONS	YES	NO
21. Deteriorating physical appearance?	<input type="checkbox"/>	<input type="checkbox"/>	34. Unusually high incidence of colds, flu, upset stomachs and headaches?	<input type="checkbox"/>	<input type="checkbox"/>
22. Yawning excessively?	<input type="checkbox"/>	<input type="checkbox"/>	35. Breathing difficulties?	<input type="checkbox"/>	<input type="checkbox"/>
23. Blank stare or expression?	<input type="checkbox"/>	<input type="checkbox"/>	36. Unusual sneezing/ nasal congestion?	<input type="checkbox"/>	<input type="checkbox"/>
24. Sudden and/or unpredictable change in energy level?	<input type="checkbox"/>	<input type="checkbox"/>	37. Needle marks on arms?	<input type="checkbox"/>	<input type="checkbox"/>
25. Unusually energetic?	<input type="checkbox"/>	<input type="checkbox"/>	38. Tardiness?	<input type="checkbox"/>	<input type="checkbox"/>
26. Shaking or trembling of hands?	<input type="checkbox"/>	<input type="checkbox"/>	39. Unexplained departures from work or disappearances from the job area?	<input type="checkbox"/>	<input type="checkbox"/>
27. Sunglasses worn at inappropriate times?	<input type="checkbox"/>	<input type="checkbox"/>	40. More than average number of job-related injuries or mistakes, accidents?	<input type="checkbox"/>	<input type="checkbox"/>
28. Changes in appearance after lunch / break?	<input type="checkbox"/>	<input type="checkbox"/>	41. Decrease in efficiency or productivity?	<input type="checkbox"/>	<input type="checkbox"/>
29. Withdrawal and avoidance of peers?	<input type="checkbox"/>	<input type="checkbox"/>	42. Careless operation of equipment?	<input type="checkbox"/>	<input type="checkbox"/>
30. Complaints from co-workers?	<input type="checkbox"/>	<input type="checkbox"/>	43. Careless performance of job?	<input type="checkbox"/>	<input type="checkbox"/>
31. Excessive absenteeism, especially Monday, Friday, days before or after holidays or paydays?	<input type="checkbox"/>	<input type="checkbox"/>	44. Other signs or explanations? (describe below)	<input type="checkbox"/>	<input type="checkbox"/>
32. Unauthorized or unscheduled absences?	<input type="checkbox"/>	<input type="checkbox"/>			
33. Prolonged lunch hours?	<input type="checkbox"/>	<input type="checkbox"/>			
First Reviewing Person: (initials) _____ (Date) _____			Second Reviewing Person: (initials) _____ (Date) _____		



POST – INCIDENT REPORT



**POST INCIDENT ALCOHOL AND DRUG TEST FORM
(For Nexen Records)**

1. Significant Incident Category: This incident resulted in or could have resulted in:

- a fatality;
- serious personal injury to an individual;
- an environmental spill with significant implications;
- significant loss or damage to property, equipment, or vehicles; significant loss of any revenues;
or
- a near miss incident that had the potential to cause significant injury or damage.
- other: _____

2. Test Candidate: (use separate form if more than one):

(Print full name)

3. Basis for Test Decision: Provide full details to support conclusions in previous sections, including dates, times, locations, names of witnesses (if any), description of events and any other relevant information from the preliminary incident investigation. To the extent that this information is documented in a standard incident report form, make reference to the source document and do not repeat it here. If it was not possible to test the individual, or if a decision not to test was made, document the reasons below. *(Reverse side if necessary)*

<p>First Authorizing Person:</p> <p>_____ (Print Full Name)</p> <p>_____ (Signature)</p> <p>_____ (Date)</p>	<p>Second Authorizing Person:</p> <p>_____ (Print Full Name)</p> <p>_____ (Signature)</p> <p>_____ (Date)</p>
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cc Program Administrator