



La Posada Providencia's DRUG AND ALCOHOL POLICY

In compliance with the Drug-Free Workplace Act of 1988, La Posada Providencia (the “Company”) has a longstanding commitment to provide a safe, quality-oriented, and productive work environment. Alcohol and drug use poses a threat to the health and safety of Company employees, as well as the Company’s equipment and facilities. For these reasons, the Company is committed to a workplace free from drug and alcohol use.

This Policy applies to all employees, whether full-time, part-time, temporary, or seasonal. This Policy also applies at all Company worksites and other workplaces, locations, functions (conferences, work events, lunches, etc.), or situations and/or places where employees may be working or representing the Company.

Employees must report to work fit for duty and free of any adverse effects of illegal drugs or alcohol. This Policy does not prohibit employees from the lawful use and possession of prescribed medications as described below. However, employees are responsible for complying with this Policy.

Illegal Drugs

Employees must not bring any illegal drugs to work or have them in their possession at work. Employees must not sell (or make arrangements to do so outside of work while at work), consume or dispense illegal drugs, or prescription or pharmacy drugs at work.

Such conduct constitutes serious misconduct and may also constitute a criminal offense, in which case the company may notify the police or other appropriate authority.

Prescription and Pharmacy Drugs

The Company recognizes that employees may have legitimate medical reasons for taking some drugs, specifically where a medical practitioner has prescribed lawful drugs for medical purposes or where the drug is lawfully available at pharmacies (with or without a prescription) and is required for medical purposes.

These drugs are referred to in this Policy as “prescription drugs” and “pharmacy drugs.” Where employees are taking prescription drugs or pharmacy drugs for medical purposes, they will not breach this Policy by attending work. However, employees must take prescription and pharmacy drugs in accordance with the instructions of their medical practitioner and normal directions applying to the use of those drugs to ensure a safe work environment. Workers must not misuse or abuse prescription drugs or pharmacy drugs, or become intoxicated by prescription of pharmacy drugs as set out in this Policy. Employees are also responsible for informing themselves of the impact of consumption of alcohol on prescription drugs and pharmacy drugs and ensuring they limit consumption accordingly. It is also each employee’s responsibility when



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Version: 1

taking prescription drugs or pharmacy drugs to check with their medical practitioner about the effect of the drug on their ability to drive vehicles, operate machinery, and safely perform their normal work duties. If an employee's ability to perform work safely is, or may reasonably be affected in any way, that employee should consult with an appropriate medical practitioner as soon as practicable. The employee must also notify the Company as soon as possible if their performance is affected, in any way, by the use of prescription and pharmacy drugs. Failure to notify the Company may result in disciplinary action, up to and including dismissal.

If the Company suspects that an employee's ability to efficiently and safely perform work is affected by prescription or pharmacy drugs, the Company may take steps to address the issue in accordance with this Policy. If an employee knowingly misuses or abuses prescription or pharmacy drugs then the occurrence will be treated the same as for illegal drugs.

Smoking

prohibit smoking and vaping on all company premises to provide a safe and healthy work environment for all employees. Smoking is defined as the "act of lighting, smoking or carrying a lighted or smoldering cigar, cigarette or pipe of any kind." Vaping refers to the use of electronic nicotine delivery systems or electronic smoking devices such as e-cigarettes, e-pipes, e-hookahs and e-cigars.

Work Rules

1. Whenever employees are working, are operating any Company vehicle, are present on Company premises, or are conducting company-related work offsite, they are prohibited from: a) Using, possessing, buying, selling, manufacturing, or dispensing an illegal drug (to include possession of drug paraphernalia). b) Being under the influence of alcohol or an illegal drug as defined in this policy. And c) Possessing or consuming alcohol.
2. As described above, the Company will also not allow employees to perform their duties while taking prescribed drugs that are adversely affecting their ability to safely and effectively perform their job duties. Employees taking a prescribed medication must carry it in a container labeled by a licensed pharmacist or be prepared to produce the container if asked.
3. The presence of any detectable amount of any illegal drug, illegal controlled substance or alcohol on an employee, while performing Company business or while in a Company facility is prohibited.
4. Any illegal drugs or drug paraphernalia will be turned over to an appropriate law enforcement agency and may result in criminal prosecution.

Reasonable suspicion

Employees are subject to testing based on (but not limited to) observations by at least two members of management of apparent use, possession, or impairment of drugs or alcohol in the workplace. Management must use the Reasonable Suspicion Checklist accompanying this Policy; however, provided below are potential examples of specific observations and behaviors



Created 5/26/2023

Version: 1

that might create a reasonable suspicion of an employee being under the influence of illegal drugs or alcohol.

- Odors (smell of alcohol, body odor, or urine)
- Movements (unsteady, fidgety, dizzy)
- Eyes (dilated, constricted or watery eyes, or involuntary eye movements)
- Face (flushed, sweating, confused, or blank look)
- Speech (slurred, slow, distracted mid-thought, inability to verbalize thoughts)
- Emotions (argumentative, agitated, irritable, drowsy)
- Actions (yawning, twitching)
- Inactions (sleeping, unconscious, no reaction to questions)

When reasonable suspicion testing is warranted, management will meet with the employee to review and report on any observations or behaviors that might result in the employee being required to submit to a drug and/or alcohol test. Refusal by an employee will be treated as a positive drug test result and will result in immediate termination of employment. Under no circumstances will the employee be allowed to drive themselves to the testing facility. A member of management must transport the employee or arrange for a driver pick-up and arrange for the employee to be transported home.

Post-accident

The Company has a legal obligation to provide a safe and healthy working environment for all workers and acknowledge that a vehicle may be a workplace in certain situations. Employees must comply with alcohol concentration limits applicable to particular duties they perform or may be called on to perform. Further, employees must not, in any circumstances, drive a company vehicle or operate machinery if they are intoxicated by alcohol or illegal drugs.

When there is a “reasonable possibility” that drug or alcohol use caused or contributed to a work-related accident, employees are subject to testing. This specifically includes when it is believed that an employee causes or contributes to an accident that seriously damaged a Company vehicle, machinery, equipment, or property or that resulted in an injury to themselves or others requiring medical attention. A circumstance that constitutes probable belief will be presumed to arise in any instance involving a work-related accident or injury in which an employee who was operating a motorized vehicle (including any Company forklift, pickup truck, overhead crane or aerial/man-lift, etc.) is found to be responsible for causing the accident. In any of these instances, the investigation and subsequent testing must take place immediately following the accident. Refusal by an employee will be treated as if the employee received a positive drug test result and will be subject to immediate termination.

Collection and Testing Procedures

1. Employees subject to alcohol testing will be transported to a Company designated facility and directed to provide specimens pursuant to the Employee Agreement and Consent to Drug and/or Alcohol Testing. Specimens will be tested by trained technicians using federally approved testing devices capable of producing printed results that identify the employee.



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Version: 1

2. This drug test will be at no cost to the employee.
3. Employees will be required to sign a consent form for the testing and release of the test results to the Company as part of their condition of employment.
4. Applicants and employees may provide specimens in private unless they appear to be submitting altered, adulterated, or substituted specimens. Collected specimens will be tested for evidence of marijuana, cocaine, opiates, amphetamines, PCP, benzodiazepines, methadone, methaqualone, and propoxyphene use. (Where indicated, specimens may be tested for other illegal drugs.)
5. An employee will be given the opportunity to provide notification of any information which they consider relevant to the test, including currently or recently used drugs or other relevant information.
6. In the event an employee wishes to challenge the results of the Company's test, they may do so as provided they have had the sample collected within one hour of the Company's sample and such retest must be in accordance with the standards set forth in this Policy.
7. Any employee testing positive for alcohol or controlled substances as a result of this Policy will be subject to termination.

Confidentiality

Information and records relating to positive test results, drug and alcohol dependencies, and legitimate medical explanations provided to management will be kept confidential to the extent required by law and maintained in secure files separate from normal personnel files. Such records and information may be disclosed on a need-to-know basis and may also be disclosed when relevant to a grievance, charge, claim, or other legal proceeding initiated by or on behalf of an employee.

Inspections

Company reserves the right to inspect all portions of its premises for drugs, alcohol, or other contraband. All employees, contract employees, and visitors may be asked to cooperate in inspections of their persons, work areas, and property that might conceal a drug, alcohol, or other contraband when there is a belief such exists on Company property. Employees who possess such contraband or refuse to cooperate in such inspections are subject to appropriate discipline, up to and including discharge.

Employee Assistance

The Company will assist and support employees who voluntarily seek help for drug or alcohol problems. Such employees will be allowed to use accrued paid time off, placed on leaves of absence, referred to treatment providers, and otherwise accommodated as required by law. Employees may be required to document that they are successfully following prescribed treatment and to take and pass follow-up tests if they hold jobs that are safety-sensitive or require driving, or if they have violated this policy previously.



Created 5/26/2023

Version: 1

Once a drug test has been initiated under this Policy, unless otherwise required by the Family and Medical Leave Act or the Americans with Disabilities Act, the employee will have forfeited the opportunity to be granted a leave of absence for treatment and will face possible discipline, up to and including discharge if the drug test results are positive.

Crimes Involving Drugs

The Company prohibits all employees, from manufacturing, distributing, dispensing, possessing or using an illegal drug in or on company premises or while conducting company business. Employees are also prohibited from misusing legally prescribed or over-the-counter (OTC) drugs as further outlined in this Policy. Law enforcement personnel may be notified, as appropriate, when criminal activity is suspected.

The Company does not desire to intrude into the private lives of its employees but recognizes that employees' off-the-job involvement with drugs and alcohol may have an impact on their ability to perform their job. Therefore, the Company reserves the right to take appropriate disciplinary action for drug use, sale or distribution while off company premises. All employees who are convicted of, plead guilty to, or are sentenced for a crime involving an illegal drug are required to report the conviction, plea or sentence to management within five days. Failure to comply may result in discharge.

Violation of Policy

Employees who test positive, or otherwise violate this Policy, will be subject to discipline, up to and including termination. Depending on the circumstances, the employee's work history/record and any state law requirements, the Company may offer an employee who violates this Policy or tests positive the opportunity to return to work on a last-chance basis pursuant to mutually agreeable terms, which could include follow-up drug testing at times and frequencies determined by the Company for an amount of time determined solely at the Company's discretion. If the employee does not complete a required rehabilitation program or tests positive after completing a required rehabilitation program, the employee will be immediately discharged from employment.

Definitions

"Company premises" includes all buildings, offices, facilities, grounds, parking lots, lockers, places, and vehicles owned, leased, or managed by the Company or any site on which the company is conducting business.

"Illegal drug" means a substance whose use or possession is controlled by federal law but that is not being used or possessed under the supervision of a licensed healthcare professional. (Controlled substances are listed in Schedules I-V of 21 C.F.R. Part 1308.)

"Refuse to cooperate" means to obstruct the collection or testing process; to submit an altered, adulterated or substituted sample; to fail to show up for a scheduled test; to refuse to complete the requested drug testing forms; or to fail to promptly provide specimen(s) for testing when



Created 5/26/2023

Version: 1

directed to do so, without a valid medical basis for the failure. Employees who leave the scene of an accident without justifiable explanation prior to submission to drug and alcohol testing will also be considered to have refused to cooperate and will automatically be subject to discharge.

“Under the influence of alcohol” means an alcohol concentration equal to or greater than .04, or actions, appearance, speech or bodily odors that reasonably cause a supervisor to conclude that an employee is impaired because of alcohol use.

“Under the influence of drugs” means a confirmed positive test result for illegal drug use per this policy. In addition, it means the misuse of legal drugs (prescription and OTC) when there is not a valid prescription from a physician for the lawful use of a drug in the course of medical treatment (containers must include the patient’s name, the name of the substance, quantity/amount to be taken and the period of authorization).