



## **VALE ALCOHOL AND DRUG INSTRUCTION EXPECTATIONS FOR CONTRACT WORKERS**

### **PURPOSE:**

Vale (the Company) is committed to be an industry leader and to protect the health, safety, and environment of our employees and contractors and the communities in which we operate. It is well understood that the use of illicit drugs, and the inappropriate use of alcohol and medications can adversely affect the safety and well being of employees, the work environment, and job performance. It can also place the integrity and safety of company facilities and operations at risk. The company has a legislative duty to prevent individuals who are under the influence of drugs, narcotic substances or alcohol from entering the mine or mining plant as set out in provincial Occupational Health and Safety legislation.

Therefore, this Instruction is being implemented as a key component of our health and safety program and in recognition of our legislative obligations. It is consistent with our Vision, Mission, Values which supports providing safe and rewarding work environments that contribute to personal growth for employees, and positively contributing to social, environmental and economic well-being in the communities where we operate.

### **RESPONSIBILITIES:**

- i. **Contractors** are expected to ensure that their representatives remain free from any adverse performance effects of alcohol or other drugs in compliance with the standards below when engaged in Vale business, at all times when on Vale premises and property, including when operating vehicles and equipment. Contractors are encouraged to implement an Alcohol and Drug Policy of their own which meets or exceeds these requirements, however having their own Policy is not obligatory (see bullet 5 under Investigations Section).
- ii. **Contract Workers** are expected to:
  - report fit for duty, and remain fit throughout their work day or shift,
  - adhere to the fitness for duty standards that have been set out below,
  - maintain a valid drivers license if it is a condition of work and report any loss of license immediately (no later than 24 hours after losing the license),
  - conduct themselves in an appropriate manner while on Vale business, premises, and property; and
  - co-operate with an investigation into an Instruction violation including any testing requirements.

If unexpected circumstances arise where a contract worker is requested to perform services while under the influence of alcohol or other drugs that could impact safe operations, it is the responsibility of that individual to inform the Contractor or a Vale representative that he or she cannot accept that assignment.

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## STANDARDS:

i. **Illicit Drugs**: The following are prohibited while on Vale business, premises, and property:

- the use, possession, cultivation, manufacture, distribution, offering or sale of illicit drugs or illicit drug paraphernalia;
- reporting to work or being at work while under the influence of illicit drugs; and
- a positive drug test as determined through the testing program.

ii. **Alcohol**:

The use, possession, distribution, offering or sale of beverage alcohol is prohibited when on Company business, premises, and property consistent with the dry site rules and industry regulations. In addition, contract workers can not:

- report for work or remain at work under the influence of alcohol from any source;
- consume any product containing alcohol (including beverage alcohol) when on duty including during meals or breaks;
- return to work or report for work after consuming alcohol at a social event;
- have a positive test result as determined through the testing program; and
- use alcohol after an incident until tested or advised testing is not required.

Alcohol use or possession is permitted at off-site residential facilities unless specifically prohibited by site management.

iii. **Medications**:

Contract workers are expected to responsibly use prescribed and over the counter medications. They should investigate (through their doctor or pharmacist) whether a medication can affect safe operation, and take appropriate steps to minimize associated risk, which would include notifying their company or a Vale representative of any need for modified work under the circumstances. The following are prohibited while on Vale business, premises, and property:

- the possession of prescribed medications without a legally obtained prescription, and distribution, offering or sale of prescription medications (trafficking); and
- the intentional misuse of medications (e.g. using the medication not as it has been prescribed, using someone else's prescription medication, combining medication and alcohol use against direction).

## INVESTIGATIONS:

i. **Unfit for Work Investigations**: Vale reserves the right to require a Contractor to fully investigate a possible Instruction violation if a contract worker is on duty in an unfit condition, including the requirement for a reasonable cause test.



If the contract worker is a sole provider or small independent contractor, the individual will be removed from the immediate worksite and an appropriate investigation will be undertaken by a Vale representative. As a part of the investigation process, the Company reserves the right to request an alcohol and drug test at their discretion.

- ii. **Impaired Driving Situations:** If required to operate any company vehicle on behalf of Vale, contract workers are expected to report the loss of their driver's license. In addition, they are required to immediately report receipt of an impaired driving charge to their contract manager or supervisor if it is received while operating a vehicle on behalf of Vale, and to comply with all investigation procedures and consequences.
- iii. **Incident Investigations:** Vale reserves the right to require a contract worker to be tested for alcohol and drugs as part of an investigation into a serious or potentially serious incident. The decision to refer someone, or a group of individuals, for a test will be made by the Vale representative investigating the incident in conjunction with the Contractor.
- iv. **Other Testing Circumstances:** Vale reserves the right to require contract workers who hold a higher risk position, or who are assigned to work on a high risk operating or project site to be tested prior to assignment. Testing may also be required on an unannounced basis when it is deemed necessary to meet the objectives of this Instruction. All Contractors affected will be advised in advance of these requirements.
- v. **Access to Testing Services:** Minimum standards for the testing program are provided in the appendix. In those situations where testing is required, Vale may allow contractors to access the company's employee testing system or to independently obtain testing services (procedures consistent with those set out in this Instruction).

Any contractor accessing the Company's employee testing system will be required to sign a waiver indemnifying Vale from any legal liability associated with the provision of testing services. Vale reserves the right to invoice the contractor for reasonable and customary charges associated with providing this service. In any situation where workers are tested under the Vale employee testing system, that individual must confirm in writing that their results can be released to the Vale Program Administrator and applicable Site Administrator.

- vi. **Possession of Alcohol or Drugs:** Vale reserves the right to conduct investigations when there are reasonable grounds to believe that alcohol or illicit drugs are present on company premises or property. A contract worker, who refuses to submit to an investigation requested by a Vale representative, will be removed from the premises.

**VIOLATIONS OF CONTRACTOR EXPECTATIONS:** If there is any reason to believe any contract worker is on duty in an unfit condition, or otherwise in contravention of the basic intent and provisions of this Instruction, an investigation will take place.

- i. **Contractor's employee, sub-contractor or agent:**
  - the Vale representative will disengage the worker from the work, conduct the individual to a safe place, and advise the Contractor;

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- the Contractor will be expected to investigate the situation to the Vale representative's satisfaction, including conducting a reasonable cause test as appropriate;
- the contractor must satisfy the Vale representative that there was not a breach of the Instruction;
- if the Contractor confirms that a breach of the Instruction has occurred, they are required to take the appropriate steps to prevent further risk to people, property, the environment or the company's business; and
- in this situation, the individual will not be allowed to return to work for Vale without written permission, and will be required to adhere to any conditions governing their return.

**ii. Single Proprietors/Small Contractors:**

- The individual will be escorted from the worksite and given an opportunity to explain the situation. If the Vale representative still believes the individual is unfit for normal duty, and after consultation and agreement of a second level of supervision or management whenever possible:
  - the individual will be taken for a reasonable cause test if there are grounds to believe alcohol or other drugs may be a contributing factor; or
  - if there are grounds to believe there is a medical problem, the individual will be taken for appropriate medical attention; or
  - the Vale representative will take other action appropriate to the situation; and
  - in the case of a confirmed violation resulting from this investigation, the individual will not be allowed to return to work for Vale without written permission from the Company, and will be required to adhere to any conditions governing their return.

**iii. Failure to Test:**

Failure to report directly for a test, refusal to submit to a test, refusal to agree to disclosure of a test result to the Designated Program Administrator at the site, a confirmed attempt to tamper with a test sample, or failure to report an incident which may require testing, are a violation of this Instruction.

**CONSEQUENCES:** Failure of a contract worker to abide by these provisions may result in permanent removal from Vale work. Failure of the Contractor or the Contractor's representatives, to meet these expectations may be considered a breach of the contract, and may result in triggering penalty clauses under the contract, or suspension or termination of the contract.

A positive drug test, a failure to test, and an alcohol test result of .04 BAC or higher are all considered a violation of this Instruction.

**KEY DEFINITIONS:**

- i. **Vale Business** refers to all business activities undertaken by contract workers in the course of performing duties, whether conducted on or off Vale premises.
- ii. **Vale Premises and Property** includes but is not necessarily restricted to all land, facilities, work sites, and vehicles owned, leased or otherwise controlled by Vale for the purpose of

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conducting Vale business as well as any other location to which a worker has been assigned.

- iii. **Vale Representative** refers to the person accountable for a particular area or shift, including managers, and others in supervisory positions who direct others.
- iv. **Drug** means any substance, including alcohol, illicit drugs 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 Instruction, drugs of concern are those that inhibit a worker's ability to perform his or her job safely and productively.
  - Alcohol means the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols including methyl and isopropyl.
  - Beverage Alcohol refers to beer, wine and distilled spirits.
  - Illicit drug means any drug or substance that is not legally obtainable and whose use, sale, possession, purchase or transfer is restricted or prohibited by law (e.g. street drugs such as marijuana and cocaine).
  - Medication refers to a drug obtained legally, either over-the-counter or through a doctor's prescription.
- v. **Drug Paraphernalia** is any personal property which is associated with the use of any drug, substance, chemical or agent, the possession of which is unlawful in Canada. This would also include any product or device that may be used to attempt to tamper with a testing sample.
- vi. **Fitness for Work** in the context of this Instruction 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.
- vii. **Significant Incident** refers to any incident that results in, or may reasonably have resulted in, any of the following:
  - a fatality;
  - serious personal injury to a worker, a member of the public or any other individual;
  - an environmental incident that causes or has potential to cause adverse effects;
  - significant loss or damage to property, equipment or vehicles;
  - significant loss of Company or client revenues; or
  - any other significant work-related incident or a near miss considered to have had significant potential for more serious consequences.



## APPENDIX

### ALCOHOL AND DRUG TESTING PROCEDURES

Sample collection, testing and reporting of results must be conducted consistent with the forensic quality assurance standards established by the U.S. Department of Health and Human Services (DHHS) and accepted in Canada, in order to ensure the accuracy and integrity of results. Rigorous sample collection, storage and chain-of-custody procedures, in conjunction with independent medical review of results as required, must be followed.

Standards for testing include the following:

- Testing will be conducted in those circumstances outlined under the Vale Alcohol and Drug Instruction Expectations for Contractors to determine the presence of cannabinoids, amphetamine/ methamphetamine, cocaine metabolites, opiates, phencyclidine, oxycontin, and alcohol. The testing program will cover alcohol and the specified drug classes only; contractors who wish to test for other substances must do so under their own Policy.
- Alcohol tests will be administered by a calibrated U.S Department of Transportation approved 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 and/or by collection of an oral fluid (saliva) sample for analysis in a fully qualified and accredited laboratory. A “point of collection” (screen at collection site) urine drug screening test can be administered provided appropriate adulterant checks are utilized and any result that is not negative is forwarded to a laboratory for confirmation analysis.
- Collection of specimens for drug testing and administration of alcohol tests must be performed by trained nurses or trained collection agents. In post incident 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. Any reason for a delay beyond two hours must be documented and provided to the Vale representative.
- All individuals who are tested are required to sign a form to acknowledge the accuracy of the employee and employer 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. Supervisors or Vale Representatives are given an authorization form outlining POCT results to communicate to the employee.
- Urine samples will be analyzed by a fully qualified laboratory accredited by the U.S. Department of Health and Human Services (DHHS) using a two-step process with initial screening by immunoassay and all confirmations being performed by gas chromatography/ mass spectrometry (GC/MS). If a point of collection screening device is used, any non-negative result will be forwarded to a laboratory for confirmation analysis. Saliva samples for

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Sarah Paterson: 204-778-2115 or Dave McDonald 204-778-2724



drug testing will be analyzed at the laboratory using a similar process with all confirmations being performed by liquid chromatography/mass spectrometry/mass spectrometry (LC/MS/MS), or gas chromatography/mass spectrometry/mass spectrometry (GC/MS/MS).

- For the purpose of this Instruction, a positive alcohol test will be one in which the blood alcohol concentration is at or above .04 BAC. A positive urine 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 noted below which have been established for workplace testing programs throughout North America.

| <b>Drug</b>         | <b>Initial Test Levels (ng/ml)*</b> | <b>Confirmation Test Levels (ng/ml)*</b> |
|---------------------|-------------------------------------|--|
| Marijuana           | 50                                  | 15                                       |
| Cocaine             | 150                                 | 100                                      |
| Opiates             | 2,000                               |  |
| Morphine            |                                     | 2,000                                    |
| Codeine             |                                     | 2,000                                    |
| Oxycontin           | 300                                 | 300                                      |
| Phencyclidine (PCP) | 25                                  | 25                                       |
| Amphetamines        | 500                                 | 250                                      |
| Methamphetamine     |                                     | 250                                      |
| MDMA (Ecstasy)      | 500                                 | 250                                      |
| MDA                 |                                     | 250                                      |
| MDEA                |                                     | 250                                      |

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

U.S. Department of Health and Human Services

If the contractor chooses to use oral fluid testing, Vale will advise on the appropriate cut-off levels.

- Laboratory positive test results must be reviewed by a qualified Medical Review Officer (MRO) who is independent of the laboratory and who will provide the donor an opportunity to discuss the result in an effort to determine whether a positive test could have resulted from the legitimate use of medications or other medical explanations. The individual 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, a verified positive, or a tampered or substituted specimen.
- In the case of a verified positive test result of a urine test conducted in accordance with this Instruction, the person who has been tested may request the MRO to direct the second/split sample to be tested by an accredited laboratory within seventy-two (72) hours of receiving their results. Where split samples are not collected, the donor can request that their original sample be reanalyzed. In both cases, associated costs would apply.

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- All test results for individuals directed for testing by a Vale representative using the Vale testing system will be reported directly to the company's Program Administrator or designate who will communicate the result to the contractor. Contractors using independent testing facilities will be expected to advise Vale site management whether any individual under their direction is in violation of these requirements, or any agreement of continued assignment.
- Any positive test result will be considered a violation of this Instruction, whether or not the drugs or alcoholic beverage were actually consumed on company business, premises, or property. 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 a violation of the Instruction.