

## HEMLOCK SEMICONDUCTOR OPERATIONS LLC ABUSE STANDARD FOR CONTRACTING FIRMS, SERVICE PROVIDERS & CONTINGENT WORKERS

**Version 1 January 2018**

**Purpose:** Hemlock Semiconductor Operations LLC (“HSC”) is committed to providing a safe work place and maintaining programs that promote high standards of employee health. In conjunction with the spirit and intent of this commitment, HSC will require all contracting firms and their employees (each, a “Contingent Worker” or “Transient Worker”) to abide by the following standard; governing the use of illegal drugs, controlled substances, and alcohol.

**Scope:** Contingent Worker is defined under this standard as: a non-HSC worker performing work on behalf of a contracting firm, performing work on behalf of a contracted project engagement (statement of work), performing work on behalf of a contracted service provider, at a HSC site/location. This standard also addresses Transient Workers defined under this standard as a non-HSC worker who performs work at US Sites on an irregular basis, such as: emergency repair activity, maintenance or repair activity during infrequent or emergency shutdowns.

**Goal:** To maintain a work environment that is free from the effects of alcohol and drug abuse. Agreement to adhere to this standard should be included in all contracts between HSC and Contracting Firms, between HSC and External Service Providers and in the standard Purchase Order template.

**Standard:** HSC will only engage with Contracting Firms and External Service Providers who will adhere to this standard and have a Substance Abuse Policy and active Substance Abuse Program (“Contractor Program”) that is effective in ensuring their employees are free from illegal drugs, illegally used controlled substances and alcohol. The Contracting Firm and/or External Service Provider shall provide evidence and/or allow auditing of an effective Contractor Program upon request from HSC.

When a Contingent Worker and/or a Transient Worker possesses, uses, manufactures, or distributes illegal drugs, controlled substances, or alcohol, on HSC property, that worker poses an unacceptable risk to the safety and security of HSC assets.

The Contractor Program shall, at a minimum, require that Contingent Workers and Transient Workers who will be assigned to a HSC Site or perform temporary/emergency work comply with the following substance testing requirements at the expense of the Contract Agency or Service Provider:

**Pre-Assignment:**

Contingent Workers shall submit to a Substance Test (as defined below) and produce a favorable result of such test no more than 12 months prior to requesting unescorted access to a HSC site.

Transient Workers shall submit to a Substance Test (as defined below) and produce a favorable result of such test at the time of becoming employed by their current employer (pre-employment substance test).

**Random:** As part of this standard each Contracting Firm and External Service Provider will be required to have and provide evidence of a Random Drug Testing Program.

**For Cause/Reasonable Suspicion:** HSC may require a blood test, hair sample, urinalysis, or other Substance Testing of a Contingent or Transient Worker upon reasonable suspicion that such worker is or may be using or under the influence of an illegal drug, other controlled substance, or alcohol.

**Substance Testing:** For purposes of this standard, a "Substance Test" shall mean a drug screen that includes testing for illegal drugs or illegal use of other controlled substances through a 9-panel urine sample. The cutoff levels for such Substance Test shall remain in accordance with the Mandatory Guidelines for Federal Workplace Drug Testing Programs published by the Substance Abuse and Mental Health Services Administration SAMSHA or equivalent. Refusal by a Contingent or Transient Worker to submit to a Substance Test when requested will be treated as an unfavorable result.

Being under the influence of illegal drugs or alcohol or illegally using other controlled substances is considered "use and possession". HSC does not recognize marijuana as a legal or prescription drug. The use, sale, purchase, transfer, or possession of illegal drugs or alcohol and the illegal use, sale, purchase, transfer or possession of other controlled substances on HSC property is strictly prohibited.

Any Contingent or Transient Worker found to be in violation of these requirements will immediately be removed from HSC property. At HSC's sole discretion, we reserve the right to refuse re-admittance to any HSC site to any Contingent Worker, Transient Worker, Contracting Firm or External Service Provider that has failed to meet these requirements.

Notwithstanding anything mentioned in this standard, HSC reserves the right to require a Substance Test of any or all Contingent and Transient Workers at any site and at any time. All Contingent and Transient Workers will be required to submit to such a Substance Test and any refusal to submit to such Substance Test will be treated as an unfavorable result and a violation of these requirements.

**Audit Program and Scope:** The Audit Program is part of the company's internal controls framework and will be performed periodically and/or prior to contracts being renewed. The Audit Program is a proactive measure to determine whether the service providers which HSC conducts business with are operating within compliance of the Substance Abuse Standard. There will be annual/periodic Substance Abuse Standard compliance reviews of contract agencies and service providers.