

ACUSHNET COMPANY

DRUG-FREE WORKPLACE

POLICY SUMMARY

January 31, 2017

IMPORTANT: This document is only a summary of Acushnet Company's official Drug-Free Workplace Policy. The full document is available to all associates for their review and should be reviewed with respect to specific terms, definitions, or procedures. This policy does not create a binding employment contract or modify an existing contract.

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PURPOSE

Acushnet Company (Acushnet) is committed to providing a safe, healthy, and productive work environment. Therefore, to meet this objective, as well as our obligations under applicable federal and state laws, Acushnet has a drug-free workplace policy and program that seeks to take reasonable measures to ensure that drug or alcohol use does not jeopardize the successful operation of our business, or otherwise negatively affect Acushnet, our associates, or the general public.

While the Company respects the privacy of its associates, Acushnet expects associates to report to work in a condition fit to perform their duties, and a drug-free workplace will benefit all associates.

WHO IS COVERED

The drug-free workplace policy covers all Acushnet associates including, but not limited to, temporary associates, part-time associates, full-time associates, as well as interns and co-ops.

Associates who are covered under the DOT/FMCSA regulations must comply with the DOT/FMCSA regulated rules (available from a member of the Human Resources Department) as well as Acushnet's company policy.

Associates to whom driving is an essential requirement of the job must adhere to additional requirements outlined in Acushnet Company's Driver Safety Policy.

WHEN POLICY APPLIES

The drug-free workplace policy applies to any associate while he/she is on or using Company Property and/or conducting Company Business. For purposes of this policy, the following are definitions for Company Property and Company Business.

Company Property. *Company Property includes buildings, offices, warehouses, plants, facilities, land, parking lots, and equipment. Company Property also includes vehicles which are owned, leased, or rented by Acushnet and personally owned vehicles used for Company Business where a company vehicle allowance is provided.*

Company Business. *Company Business is any activity performed by an associate on behalf of Acushnet. Company Business includes any activities on or using Company Property. Company Business also includes, but is not limited to: (i) maintaining business relationships and transactions (including selling, entertaining and traveling) on behalf of Acushnet; and (ii) driving in an Acushnet owned, leased or rented vehicle or a personal vehicle being used for Acushnet related business activities.*

AVAILABILITY OF TREATMENT

Should there be a need for treatment, coverage is based on the parameters set forth in the associate's medical benefits plan. Associates who participate in another provider's plan should refer to that plan to determine what coverage is available. Associates are responsible for all costs of treatment that are not covered by their applicable medical benefits plan.

SUPPORT FOR VOLUNTARILY SEEKING HELP

Acushnet encourages early diagnosis and sound treatment for drug- and alcohol-related problems and encourages associates and/or their family members to voluntarily and confidentially seek help.

In an effort to assist in obtaining treatment, Acushnet offers the services of an Employee Assistance Program (EAP). This service provides assessment, counseling, and referral services for associates and/or their family members with drug- and alcohol-related problems or other personal problems. This service should be accessed directly and is available 24 hours a day, 365 days a year. Anonymity and confidentiality are assured. The EAP telephone number is 1-800-451-1834.

In some circumstances, Acushnet believes that associates with drug- or alcohol-related problems can be treated while continuing in their positions. In situations where an associate requests leave for treatment, Acushnet will do its best to accommodate such requests, as required by state and federal laws.

Associates who undergo voluntary counseling or treatment and who continue to work are subject to the same job performance and behavior standards as other associates and those seeking voluntary counseling or treatment who fail to meet performance standards are subject to disciplinary action. Although Acushnet strongly encourages associates who have drug- or alcohol-related problems to voluntarily seek counseling or treatment, associates who seek counseling or treatment only after violating this policy or any other Acushnet policy are still subject to disciplinary action for such violations.

INTERVENTION WHEN NOT VOLUNTARILY SEEKING HELP

Substance abuse often involves denial of the problem, and many abusers do not voluntarily seek treatment. In such cases, Acushnet may seek to intervene.

Intervention by a Manager: Whenever a manager believes a fellow associate or manager's behavior and/or action(s) may be related to the use of drugs or alcohol, the manager will take appropriate action, which may include a drug and/or alcohol test, as described in the attached Procedures. A manager who does not take action when he/she believes an associate's or manager's behavior and/or action(s) may be related to the use of drugs or alcohol may face disciplinary action up to and including termination.

Intervention by an Associate: Whenever an associate has reasonable suspicion, as defined in the Appendix, that the behavior and/or action(s) of a fellow associate or manager may be related to the use of drugs or alcohol, the associate should contact his/her direct manager or a member of the Human Resources Department. The information provided to the manager or the member of Human Resources is confidential. He/she will pursue the situation based on appropriate procedures.

PROHIBITED CONDUCT

Acushnet has defined associate conduct that is prohibited on Company Property, on Company Business, and in company-supplied vehicles or vehicles being used for Company Business or during working hours. The policy lists the prohibited conduct, with the following as *only examples* of such prohibited conduct:

- Being under the influence of a controlled substance, illegally used drug, or alcohol.
 - Being under the influence of alcohol is defined as a positive alcohol test result yielding a blood alcohol concentration (BAC) of .02 or higher, unless otherwise specified in the Permitted Conduct section of this policy.
 - Being under the influence of a controlled substance or illegally used drug is defined as having a confirmed positive drug test result.
- Use, possession, manufacture, distribution, attempted distribution, dispensation, attempted dispensation, sale, attempted sale, purchase, attempted purchase, cultivation, or storage (including in a desk, locker, automobile, or other repository) of a controlled substance, illegally used drug, or drug paraphernalia.

In accordance with Federal law, Acushnet prohibits any associate from being under the influence of marijuana while on Company Property or engaging in Company Business, regardless of whether the associate has a medical marijuana card or prescription for medical marijuana use. Acushnet does not allow any associate to use, possess, cultivate, manufacture, distribute, dispense, sell, or store marijuana under any circumstance. Acushnet does not accept a medical marijuana card or a letter recommending/prescribing the use of marijuana for any reason.

- Use, possession, manufacture, distribution, attempted distribution, dispensation, attempted dispensation, sale, attempted sale, purchase, attempted purchase, storage (including in a desk, locker, automobile, or other repository) or being under the influence of any synthetic products simulating the effects of cannabinoid, cocaine, amphetamine products or other illegal drugs.
- Consumption, possession, manufacture, distribution, dispensation, sale, or storage (including in a desk, locker, automobile, or other repository) of alcohol unless otherwise defined in Permitted Conduct Section.

Acushnet prohibits associates who leave Company Property during work hours to consume alcohol if they will return to work (e.g. meals, breaks, between sales or service calls), unless otherwise specified in the Permitted Conduct section of this policy.

- Refusing to consent to, remain ready for, cooperate with, submit to, or tampering with a drug and/or alcohol specimen or testing process when required under the policy including switching, substituting, adulterating, or diluting a specimen when collected for a drug or alcohol test;
- Refusing to submit to an inspection when required, as outlined in the policy
- Conviction under any criminal drug or alcohol statute occurring on Company Property or while conducting Company Business (including while driving a company owned or leased or rented vehicle or a personal vehicle being used for Company Business).
- Failure to notify Acushnet of any conviction, arrest, or citation under any criminal/civil drug or alcohol statute within 24 hours or the next working day from the time of the conviction, arrest, or citation for a violation occurring on Company Property or while conducting Company Business (including while driving a company owned, leased, rented vehicle or a personal vehicle being used for Company Business or driving a personally owned vehicle where a company vehicle allowance is provided.)
- Failure by an associate to immediately report any change in driver's license status to his/her manager, if his/her job function may include driving a vehicle for Company Business.
- Taking a prescription drug that is not according to their physician's direction, as well as not following manufacturers' directions when taking over-the-counter drugs.

Note: Associate's in safety-sensitive positions must report to his/her supervisor the use of a prescription drug that may alter the associate's physical or mental ability to perform his/her safety-sensitive function and must provide a note from the prescribing licensed physician describing the extent of the associate's ability to continue to perform his/her safety-sensitive job function for the term of the prescription, including any specified restrictions. The type of drug being taken and the purpose for taking the drug need not be reported. The associate's manager and a member of the Human Resources Department or a member of the Health Services Department will determine whether the associate's job assignment should be temporarily changed while the prescription is being administered.

- Refusing, when required under Acushnet's policy, to sign the Drug-Free Workplace Policy Acknowledgment & Consent Form.

- For on-call associates who are contacted to report for duty, and the work request has not been previously scheduled, failure to notify the associate's designated manager when the associate believes that he/she may be under the influence of drugs and/or alcohol, as defined in the Appendix. The manager contacted by the associate shall determine if the associate shall report to work.
- For associates engaging in the following conduct, either off Company Property or during off-duty hours, the following is prohibited and will constitute a violation of this policy:
 - Possession, use, manufacture, distribution, dispensation, or sale of controlled substances, illegally used drugs, or alcohol off Company Property that may adversely affect the company, the associate's work performance, or the associate's safety or others' safety on Company Property or while conducting Company Business.
 - Illegal use of legal substances off Company Property or during off-duty hours that may adversely affect the company, the associate's work performance, the associate's safety or others' safety on Company Property or while conducting Company Business.

PERMITTED CONDUCT

Acushnet permits the consumption, possession and storage of alcohol, in the context of Company Business, under the following exceptions set forth in this "Permitted Conduct" section.

IMPORTANT: It is the responsibility of each associate who consumes alcohol under the situations defined below to act in a professional and responsible manner at all times.

Consumption of alcohol will be seen as a violation of the policy unless expressly permitted below.

- Consumption of alcohol is permitted while attending a mandatory or non-mandatory company-sponsored function, if consumption is authorized in advance by a member of Acushnet's Corporate Management Committee.

At any mandatory or non-mandatory company-sponsored function, alcohol is to be served by a professional bartender, unless waived by a member of Acushnet's Corporate Management Committee.

- Consumption of alcohol is permitted while attending professional events, including professional association meetings where such consumption is permitted by the sponsor of the event or meeting.
- Consumption of alcohol is permitted while conducting business-related entertainment with non-company personnel, including sales functions, or while traveling on business, provided that the associate does not return to Company Property, does not continue to conduct Company Business or does not drive a vehicle defined as Company Property.
- Consumption of alcohol is permitted while conducting business-related entertainment with company personnel, provided that the associate does not return to Company Property, does not continue to conduct Company Business or does not drive a vehicle defined as Company Property.

In general, one drink equals a 1.5-ounces of 80-proof alcohol, a 5-ounce glass of wine, or a 12-ounce beer. As a guideline, an individual weighing 180 pounds who consumes two (2) drinks in one hour will have an approximate alcohol level of .04 BAC. A 120 pound individual consuming two (2) drinks in one hour will have an approximate alcohol level of .06 BAC.

If a situation occurs where an associate believes that he/she may be “under the influence” of alcohol in the situations described above, or when a designated member of management believes an associate may be “under the influence” of alcohol, the associate is not permitted to drive a vehicle. If an associate drives a vehicle against the direction of management, it will be considered a violation of this policy. If necessary for the associate to take a taxicab or to stay in a local hotel to comply with these provisions, the reasonable costs shall be reimbursed by Acushnet.

Possession and storage of alcohol containers on Company Property will be seen as a violation of the policy unless expressly permitted below.

- Storage of unopened, sealed alcohol containers which are not visible and are locked in an associate’s vehicle, or company-supplied vehicle authorized for personal use, while the vehicle is on Company Property, being used for Company Business, or during working hours is permitted.

Storage of unsealed containers of alcohol will be seen as a violation of the policy.

NOTE: The storage exceptions above, do not apply to company-owned vehicles with company insignias. No containers of alcohol, including those that are unopened and sealed, are to be placed or stored in vehicles with company insignias.

KINDS OF TESTING

Testing is the only way to know with certainty whether someone has used drugs or alcohol in violation of the policy. Accordingly, testing for drugs and/or alcohol under certain circumstances is part of Acushnet’s Drug-Free Workplace Policy. The methods used to determine the presence of alcohol or drugs in the system under this policy include urine, saliva, blood, and/or breath tests.

For the safety of our associates, Acushnet may test for drugs and/or alcohol in the following circumstances:

- During the pre-employment period;
- During the new hire evaluation period;
- Where there is reasonable suspicion of prohibited drug or alcohol use;
- After an accident;
- When being transferred to a safety-sensitive position;
- On a random basis;
- On a return after lay-off; and
- When required by the government.

Acushnet has adopted procedures that respect associates’ privacy and confidentiality to the greatest extent possible. For example, before Acushnet requests a reasonable-suspicion test, a supervisor must document all suspected behavior and confer with another supervisor/manager to discuss the situation and to receive authorization for a referral. Whenever possible, the supervisor will discuss the reasonable suspicion referral with the associate in a private location. Further, to ensure testing reliability, Acushnet has chosen a testing laboratory, which uses the most accurate and advanced testing methods available. Before a positive test result is reported to Acushnet, an outside Medical Review Officer (MRO), who is a licensed physician, will review the test result.

CONSEQUENCES

A violation of the policy, even a first offense, will serve as the basis for discipline, up to and including termination, depending on the circumstances of each case. Certain offenses, including but not limited to possession, sale, or use of controlled substances or illegally used drugs on Acushnet premises, will normally result in immediate termination.

Consequences for a Positive Drug or Alcohol Test

Associates should also be aware of the following consequences of a positive drug or alcohol test.

- A positive pre-employment drug test will result in a no hire determination.
- A positive drug or alcohol test during employment will result in immediate termination.
- A refusal to submit to, tampering with or a failure to report for a test will result in immediate termination.

COST OF TESTING

The company will pay for any drug and/or alcohol test that it requests or requires. Should an associate request a retest, the cost is to be assumed by the associate unless otherwise stated.

INSPECTIONS

The privacy of individuals shall be respected, but in cases where Acushnet has reasonable suspicion to believe that an associate may be in possession of alcohol, drugs, or drug paraphernalia on Company Property or on Company Business, Acushnet may inspect all Company Property (including individual offices, desks, and lockers).

In addition, Acushnet may request that an associate reveal the contents of his/her personal effects (such as lunch boxes, handbags, briefcases, packages, or outer clothing) or personal vehicle on Company Property or on Company Business. Such an inspection may be requested and performed by a manager with a member of the Human Resources Department or his/her designee. Whenever reasonably possible, the associate involved will be present during the inspection.

SAFETY-SENSITIVE POSITIONS

Any job position determined by Acushnet which by the nature of the work involved is accompanied by such risk, that even a momentary lapse of attention could have serious consequences to the safety of the associate, coworkers, customers, the company, or the general public (see applicable portions of this Appendix).

WRITTEN TEST RESULTS

An associate may request, in writing, a copy of a drug and/or alcohol test result. Acushnet will provide written test results to the associate within seven working (7) days after the written request has been provided by the associate.

OPPORTUNITY TO REBUT

An associate may immediately request, at the collection site, confirmation of breath-testing result with a blood sample.

RIGHT TO A RETEST

An associate who tests positive on a confirmatory drug test required by the company may consult with the Medical Review Officer (MRO) to identify possible legitimate, biomedical explanations for the positive result. In addition, the associate may request in writing a retest of the original specimen (at his/her expense) within five (5) working days after the associate has been informed of the confirmed positive test result. An associate who tests positive for alcohol by breath is automatically given a retest, at the time of the original collection, as a confirmation.

CONFIDENTIALITY

All information, interviews, reports, statements, memoranda, and drug or alcohol test results, written or otherwise, are confidential.

RESERVATION OF RIGHTS

Acushnet Company reserves the right to interpret, change, or rescind the policy in whole or in part, with or without notice. In addition, changes to applicable federal or state laws or regulations may require Acushnet to modify or supplement the policy. This policy does not create a binding employment contract.

SAFETY-SENSITIVE & NON-SENSITIVE POSITIONS

The following positions are currently designated as safety-sensitive or non-safety sensitive positions. Acushnet reserves the right to identify additional positions as safety-sensitive at any time.

SAFETY SENSITIVE POSITIONS

Manufacturing personnel *

Research & development personnel *

Distribution personnel*

All field sales representatives and field sales support roles

All field sales management

All personnel licensed to operate a powered industrial truck

All personnel driving a company-owned, company-leased, company rented vehicle as an essential requirement of their job

All personnel driving a personal vehicle for Company Business, when a valid driver's license is required to perform the essential function of the job

* *This includes management who, as a regular part of their job function, engage in or interface with machinery or engage in the production process.*

NON-SAFETY SENSITIVE POSITIONS

Any Position Not Listed Above, Including But Not Limited To, Secretaries, Clerical Workers, And Accountants

DRUG-FREE WORKPLACE POLICY ACKNOWLEDGMENT AND CONSENT FORM

I have received the summary of the Drug-Free Workplace Policy of Acushnet Company. In addition, I have been provided the opportunity to read the Drug-Free Workplace Policy in its entirety. I understand that I am required to follow that policy. I also understand that failure to comply with this policy is the basis for discipline, up to and including termination.

I understand the Drug-Free Workplace Policy of Acushnet Company establishes conditions under which I may be required to provide a breath, blood, saliva, or urine sample for drug and/or alcohol testing. The forms of testing to be conducted by Acushnet include: pre-employment, new hire evaluation period (safety-sensitive positions only), reasonable suspicion, transfer to a safety-sensitive position, post-accident, government required (DOT/FMCSA), return after lay-off (safety-sensitive positions only), and random (safety-sensitive positions only). If this occurs, I hereby consent to such testing. I authorize the testing laboratory to release my test results to the Medical Review Officer (MRO) and/or to designated managers on a need-to-know basis.

If there is a positive test result, I understand that the MRO may ask me to provide, and I agree to provide, information about any legal nonprescription drugs and other drugs for which I have a prescription that I take routinely or have taken within the last thirty days.

I understand that any communication I may have with the collection site personnel, testing laboratories, or MRO does not create or imply a doctor/patient relationship.

Date

Applicant/Associate's Signature

Date

Applicant/Associate's Name (Printed)

Date

Parent or Guardian's Signature (Required for Minor Associates)

Note: A determination of the definition of a minor is to be ascertained on a state-by-state basis.