



Contractor
Health, Safety & Environment Expectations

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CONTRACTOR EXPECTATIONS AND RESPONSIBILITIES

Expectations

Discovery Natural Resources, LLC (Discovery) engages contractors to provide labor and services necessary for its oil and gas operations. Discovery expects all our contractors to share the common goal of completing each job in a safe and environmentally responsible manner.

Discovery's minimum expectations regarding worker safety and environmental protection are outlined in this manual. This manual does not replace the contractor's own Health, Safety & Environmental (HS&E) policies, accepted oilfield practices, or any government regulations that may apply to contractor's work and services. Discovery expects contractors to comply with their own HS&E policies, accepted oilfield practices, and all applicable governmental regulations while performing their work for Discovery.

The HS&E requirements of each job vary depending on the type of work the contractor is performing. Each contractor is responsible for assessing the specific job hazards and HS&E requirements associated with their work.

These expectations apply to all contractors who perform on-site field services in support of Discovery's oil and gas operations, including drilling, completions, and production of oil and gas wells, as well as the construction, operation, and maintenance of related facilities.

Discovery retains the right to audit contractors' compliance with the expectations outlined in this manual as well as their compliance with their own policies. Contractor's failure to cooperate with an audit or to comply with the expectations in this manual will be cause for removal from Discovery's approved contractor list.

Responsibilities

Contractors are responsible for ensuring their employees are properly trained. Upon request Contractors are expected to provide Discovery with training documentation that validates their employees and subcontractors have the appropriate knowledge and skills to perform their job duties.

Contractors are also responsible for the following:

- Comply with their HS&E rules and procedures or Discovery's if contractor does not have sufficient HS&E policies addressing the work they are performing.
- Provide and maintain all required protective equipment (PPE) and instruments necessary to perform work effectively, efficiently and safely.
- Immediately report all injuries, incidents, and spills to the appropriate Discovery representative.
- Upon request, equip all contractor-owned vehicles (including pick-up trucks) used to perform work for Discovery with a Global Positioning Satellite (GPS) device. Discovery retains the right to audit the GPS records of any vehicle

used on a Discovery location or in connection with Discovery work. GPS records must be retained for a minimum of two years following the recording date. Engineering and well site consultants driving to and from Discovery locations will be exempt from the GPS requirement.

- Use a third-party injury case management firm to track and manage injuries of their employees and employees of their subcontractors. If contractor does not have a designated third party, the use of Axiom, contracted through Discovery, is required.
- Complete a Job Safety Analysis (JSA) prior to beginning work. The contractor shall review the JSA with all individuals coming onto location and request they sign the JSA.

Discovery strictly prohibits taking photos, recordings or videos about Discovery operations, incidents, or personnel, without our express written consent, including posting such information on social media or otherwise.

CONTRACTOR ONBOARDING

During the onboarding process Discovery reviews contractors' current and past HS&E performance, insurance coverage, and other relevant information. Discovery's goal is to engage contractors who are committed to conducting their business in a safe and environmentally responsible manner.

All Discovery contract companies are required to acknowledge that they have received and read this HS&E Expectations Manual annually. Additionally, all contractor personnel conducting work on any Discovery location must complete an annual employee-level orientation and associated quiz delivered by a member of Discovery's HS&E team or their designated representative. After completion of this orientation contractor personnel will receive a sticker for their hard hat signifying their completion of the orientation for that year and their authorization to work on Discovery locations.

Discovery requires all contractors that perform field-based work to subscribe to ISNetwork (ISN) and meet ISN's requirements for Discovery contractors. Each contractor is responsible for the annual ISN subscription cost as well as meeting the data request requirements established by Discovery. Failure to be an ISN member in good standing will be cause for removal from Discovery's approved contractor list.

Discovery expects the following from all contractors:

- Maintain a written safety and compliance program.
- Conduct appropriate environmental, health, and safety training for the work being conducted for Discovery.
- Conduct pre-employment verification and ensure that its employees and the employees of its subcontractors are eligible to work.
- Conduct pre-employment background checks, including criminal background checks.
- Maintain a drug and alcohol testing program that at a minimum provides for pre-employment, random, return to duty, and post-incident testing.

Discovery retains the right to audit contractors concerning the above items, as well as Department of Transportation (DOT) compliance, Job Safety Analysis (JSA), Short Service Employees (SSE) training status, Global Positioning System (GPS) vehicle records, and other matters that may be relevant to the scope of contractor's work for Discovery. Contractors who do not cooperate or refuse the audit will be removed from Discovery's approved contractor list.

Discovery will also conduct periodic field reviews while contractors are performing services on Discovery locations to verify that contractors are implementing their HS&E program and are meeting Discovery's expectations.

Completed JSA forms and SSE training documentation must be retained for 30 days past the completion of the work or training. GPS records must be retained for a minimum of two years following the recording date.

Discovery requires contractors to provide the monthly hours worked at a Discovery location upon our request.

DRUGS, ALCOHOL, AND WEAPONS

Drug and Alcohol Testing Program

Contractors shall ensure that all employees and subcontractors working at a Discovery location are free from intoxicants and controlled substances (regardless of whether legal under any applicable federal, state, local, or tribal laws).

Discovery expects all contractors to establish and maintain a drug and alcohol-testing program that, at a minimum, provides pre-employment, random, return to duty, and post-incident testing. Contractors who operate commercial motor vehicles are also subject to the requirements of the Federal Motor Carrier Safety Administration (FMCSA) (49 CFR 382).

Drugs and Prohibited Items

Discovery prohibits the use, possession, transportation, promotion, or sale of illegal drugs. Discovery expects its contractors to do so, as well. Illegal drugs include all forms of:

- Narcotics, depressants, stimulants, cannabis, and hallucinogens whose sale, purchase, transfer, use or possession of such items are prohibited or restricted by law.
- Drugs that may not be prohibited or restricted by law, but were illegally obtained.

Discovery also prohibits the possession or use of alcoholic beverages, firearms, ammunition, weapons, or explosives on any Discovery property unless authorized in writing by a Discovery representative. Pocket knives and multi-tools are allowed.

Discovery prohibits any contractor from reporting to duty while under the influence of any drug, alcoholic beverage, intoxicant, or other substance that may impair their movement or cognitive skills.

Legal Drugs

Discovery prohibits any contractor from reporting to duty while being administered legally prescribed drugs or while taking “over the counter” medications that affect the contractor’s ability to safely and effectively perform normal duties or affect the safety of themselves and others. Discovery prohibits the misuse of any legal drug, including the use or possession of any prescription drug for which an employee does not have a valid prescription or the use or possession of any prescription drug in quantities greater than the amount prescribed.

Testing

Discovery reserves the right to conduct post-accident as well as unannounced, random alcohol and drug testing of contractors and searches of all persons and property (including personal vehicles) on a Discovery location.

GENERAL HS&E

Housekeeping

Discovery expects all contractors to maintain work areas in a clean and organized manner. For example, we expect contractors to:

- Make sure routes are clear to the exits when working inside buildings and the emergency equipment is easily accessible.
- Monitor work areas and vehicles to prevent unsecured trash and other items from blowing off Discovery's location.

Driving

Contractors are expected to observe the posted speed limits when driving on lease roads and Discovery locations. Contractors must always yield to ranch employees and operations when driving on ranch locations.

Pre-Job Safety Meetings

Contractors are required to complete a Job Safety Analysis (JSA) or equivalent before commencing work, including but not limited to identifying the hazards and any job-specific HS&E requirements. Contractors are required to document all pre-job HS&E meetings, including topics covered and personnel attending, and must provide the documentation to Discovery upon request.

Incident Reporting

Contractors shall immediately report all incidents, including injuries, occupational illnesses, vehicle incidents, property damage, near misses, and spills, occurring on a Discovery location. The contractor must verbally notify the appropriate Discovery representative immediately and submit the initial report in writing within 24 hours of the incident. Discovery expects contractors to investigate all incidents and submit documentation to Discovery that the contractor has identified and implemented corrective actions.

As previously stated, contractors shall use a third-party injury case management firm to ensure the injured party receives proper medical care. Contact Discovery HS&E if you have questions regarding this requirement. Consult with your Discovery representative prior to taking the injured party to medical care unless there is a life threatening injury.

When an incident involving a contractor's employee requires notice to a regulatory agency, such as the Occupational Safety and Health Administration (OSHA), the contractor is responsible for making timely reports to the appropriate agencies. The contractor must also immediately notify the Discovery representative and provide the name and phone number of the agency contacted.

Good Discovery Program

Discovery has created an electronic system for reporting near misses and hazardous conditions at Discovery locations. The "Good Discovery" program is available to all Discovery employees

and contractors. Contractors are all strongly encouraged to participate in this program. Near misses and hazardous conditions can easily be reported by scanning the QR code on the contractor orientation hard hat sticker and filling out an electronic form.

Short-Service Employees (SSE)

Contractors must establish and maintain an SSE program. An SSE is any employee who has less than four months of experience in a specific job role or type of work regardless of how long the employee has been employed by the contractor or any other employer. The contractor's SSE program will depend on the work duties and complexity of the job tasks, but should include, at a minimum, a documented training plan, a defined and documented mentoring process, and a process for a Discovery representative to quickly identify an SSE on location (e.g., green hard hat), and a process to advance the employee to non-SSE status. Upon request, contractors shall provide the Discovery representative with the names of all SSEs and their mentors.

Without prior approval of a Discovery representative, crews of five or more shall have no more than 20% of SSEs, and crews of less than five shall have no more than one SSE. No SSE shall be allowed to work alone on a task. SSEs should not work with active energy sources or on high-risk activities without direct supervision. Examples include energy isolation, confined space entry, work requiring fall protection, and crane and rigging operations. In no event shall a contractor's representative in charge of a contractor operation on a Discovery location be an SSE.

Signs and Postings

Contractors are required to comply with all signs and postings at Discovery's locations, facilities, leases, and lease roadways. Contractors are also required to post signs of their own when appropriate or required by their operation.

Smoking

Smoking (including e-cigarettes) is prohibited at all Discovery locations and facilities except in designated smoking areas. If a smoking area is not designated, then smoking is only permitted 75 feet or greater from a fuel source, production equipment, or outside of the well anchors. Contractors should consult with a Discovery representative if it is not clear if or where smoking is permitted.

On-Site English Speaking Capability

Contractors that assign non-English speaking employees to a Discovery location must have at least one bilingual English-speaking employee on the Discovery location at all times for communication and translation purposes.

Stop Work Obligation

All Discovery and contract employees have an obligation and the authority to **Stop Work** at any time. Stop Work may be used whenever a person identifies an actual or perceived unsafe or potentially dangerous condition, act, error, omission, or lack of understanding that could result in an undesirable event. Work will not resume until the issues and concerns have been adequately addressed. The individual who enacted the stop work authority will not be subjected to any form of retribution or intimidation for exercising the authority and obligation to stop work.

When an employee of a contractor or a subcontractor exercises the **Stop Work** obligation, the contractor must immediately notify the Discovery representative responsible for the work. The Discovery representative will complete a Good Discovery Card providing an overview of the work stoppage and clearance to start the work.



Personal Protective Equipment (PPE)

Contractors are required to provide their employees with PPE. Contractors must ensure their PPE adequately addresses the scope of their work. The minimum PPE when working on a Discovery location or in the Barnhart office/ yard is as follows:

- Hard hat – ANSI Type II, workers conducting electrical work must wear Type II, Class E hard hats. Cowboy-style and metal hard hats are not permitted, except that metal hard hats will be allowed only for emergency well control contractors adhering to their applicable PPE program and hazard assessment.
- Foot protection – must meet ASTM F-2413. Foot protection must be constructed of substantial leather, flame resistant material, or chemical/water resistant material (e.g. rubber), must have composite or steel toes, and provide over-the-ankle coverage. Foot protection must be maintained in good condition and have a non-skid, oil and chemical resistant sole. Footwear made of cloth, canvas or mesh is not permitted. Tennis shoe-type safety shoes are not permitted.

- Eye and face protection – must meet ANSI Z87.1. Prescription eyeglasses worn in the work area must meet these requirements. Personnel must wear splash-proof chemical goggles while handling hazardous chemical liquids, powders, vapors, or during operations where eyes can potentially be exposed to hazardous chemicals in liquid or solid form. Face shields are required when grinding or other tasks are being performed that cause flying debris. Safety glasses must also be worn when a face shield is on.
- Flame-resistant clothing (FRC), including long sleeves and long pants. FRC must be worn as the outermost garment and must cover the torso, arms, and legs (i.e., sleeves rolled down, body fully zipped or buttoned up). Discovery recommends that shirts be tucked in, and shirts must be tucked in when working around rotating equipment or other operations where clothing could lead to entrapment in equipment. **FRC used on Discovery locations must meet NFPA 2112.** Exceptions to the FRC requirements will be made for escorted visitors to field locations.
- H2S Personal Monitor (only field locations) - must wear a calibrated H2S monitor attached to their shirt or jacket within 12 inches of the breathing zone.

In addition to the minimum PPE described above, contractor employees may be required to wear additional PPE while completing certain other tasks. This PPE may include, but is not limited to, the following:

- Hearing protection as required per posted signs. However, if the noise levels are high and no signs are posted, contractors must wear hearing protection. Examples of high-noise areas include compressor buildings, internal combustion engine areas, and areas where mechanical tools such as grinders, impact drills, etc. are operating.
- Hand protection – All contractors are required to wear hand protection when there is exposure to high temperatures, sharp edges, chemicals, or any other material that may cause injury to the hand. When working around machinery or other equipment where there is a danger of entanglement, hand protection should be selected accordingly. Examples of appropriate glove types include:
 - Cotton or leather gloves - general work activities
 - Leather gloves - grinding
 - Chemical resistant gloves - should be appropriate based on SDS requirement
- Personal Fall Arrest System –Contractors must provide, and require their employees and subcontractors to use, a personal fall arrest system whenever a fall hazard of four feet or more is unprotected by a standard guardrail. Contractors must ensure that the personal fall arrest system components including harnesses, lanyards, anchorage points, etc., comply with applicable standards and regulations, and are used consistently with the manufacturer’s recommendations. Contractors must have a rescue plan when using personal

fall arrest systems in a confined space. When contractors are operating aerial man lifts, fall protection must be used at all times.

- Respiratory Protection – Contractors working in areas where respiratory hazards are present must have a written respiratory protection program that conforms to industry standards and OSHA requirements. Contractors must ensure that their employees and subcontractors are familiar with the contractor's respiratory protection program requirements and are trained to use and maintain the respiratory protection equipment. Contractors must perform and document required training, medical clearance, and fit tests and shall provide such documentation to Discovery upon request.

Gate guards are exempt from the PPE requirements unless they go onto the immediate work site. Additional PPE may be required depending on the particular work area or job. Contractors are responsible for identifying the PPE requirements and furnishing all necessary PPE and other safety equipment to its employees and subcontractors.

The minimum PPE as outlined above is required while working in the Barnhart office yard (east of the main Services shop). PPE is not required while working on the west side of the Services shop unless the contractor is performing a task that requires PPE, such as grinding, welding, working from heights, driving a forklift, etc.

Clothing/Personal Effects

Personal effects, such as baggy or loose-fitting clothing, rings, watches, neck chains, or loose jewelry, are not permitted when they could pose a hazard to the employee or damage to equipment. Long hair must be restrained (nets, braids, etc.) and confined as much as possible within the employee's hard hat.

Truck Drivers Entering the Barnhart Yard

The following is required of all drivers who enter the Barnhart yard (or if applicable, a Discovery field location):

- Park the vehicle as instructed by Discovery's yard representative
- Remove straps/ binders from load
- Return to the truck and remain in the vehicle cab area during the unloading
- If necessary to exit the truck, exit only after alerting the forklift operator, i.e. honking horn, making eye contact, etc., to ensure the operator is aware of the driver's presence
- Wear long pants, a shirt with at least short sleeves, and closed-toed shoes. No shorts, tank tops, sandals, or flip flops are allowed

OCCUPATIONAL HEALTH & SAFETY

First Aid

Contractors must maintain a first aid kit on their location with supplies appropriate for the job exposures and number of workers. Contractors must ensure that at least two members of every crew have current first aid and adult CPR training.

Hazard Communication

Contractors must maintain a written hazard communication program and train their employees and subcontractors on complying with the requirements of the OSHA Hazard Communication Program. Contractors may request information about chemical hazards associated with Discovery's operations from the Discovery representative. Contractors must provide Safety Data Sheets (SDS) to the designated Discovery representative for all hazardous chemicals and materials brought onsite and used by the contractor. Contractors must also ensure that all chemical containers are labeled, handled, stored, and disposed of in accordance with SDS or manufacturer's recommendations. Contractors must remove all unused chemicals upon completion of the work.

Heat-Related Illness

Contractors are responsible for identifying and mitigating heat exposure specific to their work. There are several forms of heat-related illnesses. The types and basic symptoms for each are highlighted below:

- Heat cramps – muscle cramps associated with abdominal pain
- Heat rash – localized skin redness characterized by a prickly sensation and itching
- Heat syncope/fainting – a serious heat illness characterized by fainting
- Heat exhaustion – a serious heat illness characterized by dizziness and nausea with possibly increased core body temperature
- Heat stroke – a life-threatening illness characterized by elevated core body temperature, hot dry skin, unconsciousness or convulsions

Contractors must provide crews with adequate drinking water such that each member of the crew can drink a minimum of 16 ounces of fresh water per hour during the course of their shift.

Hydrogen Sulfide (H₂S)

Contractors must ensure their personnel are trained on H₂S awareness and provided a personal H₂S monitor at all times while on a Discovery location. The monitor must attach to a shirt or jacket and be located within 12 inches of the breathing zone.

Contractors must carry on their person a training documentation card and provide the card, or make the card available for inspection, immediately upon request. If H₂S is present at 10 parts

per million or greater, the work shall be done by authorized individuals. Contact a Discovery representative to verify if your company is authorized to work in an H2S environment. Contractors shall observe and adhere to all H2S warning lights.

Naturally Occurring Radioactive Material (NORM)

NORM periodically accumulates in oil and gas production and processing equipment and facilities. Contractors are responsible for performing all work in compliance with applicable state and federal regulations and industry recommended practices involving NORM. Contractors are required to train their personnel in safe work practices related to NORM and supply proper safety equipment necessary to perform their work.

Silica

Crystalline silica is a common mineral found in materials in roads, buildings, and sidewalks. It is a common component of sand, stone, rock, concrete, brick, block and mortar. Exposure to silica dust may occur in drilling and operations involving sand products, such as in sandblasting and hydraulic fracturing. Contractors conducting activities that expose workers to silica at or above the OSHA action level (25 micrograms of silica per cubic meter of air) must comply with OSHA requirements.

SAFE WORK PRACTICES

Confined Space Entry

Contractors entering confined spaces shall ensure that their personnel understand and comply with applicable industry standards and federal, state and local regulations. Contractors must have a written program for confined space entry in accordance with OSHA and must ensure that all personnel have received appropriate training before performing operations in a confined space.

Contractors must understand the hazards of the space being entered and ensure the space is safe for entry. This includes identifying and implementing specific entry requirements, equipment isolation (LOTO) requirements, atmospheric testing, etc.

Before entering a confined space, the contractor must consult with the appropriate Discovery representative. No contractor is allowed to enter any confined space without obtaining prior authorization from the Discovery representative and completing the required non-permit space reclassification or confined space permit.

Electrical Hazards and Tools

Contractors must inform the Discovery representative before performing any electrical work. All contractors performing electrical work must be properly trained and, if applicable, licensed, before performing such work.

Before using electric tools, Contractors must inspect the tool to ensure that it is in good condition. Power and extension cords should be kept in good condition. Regularly check for bad insulation and continuity of ground conductor to ensure proper function. A ground fault circuit interrupter (GFCI) device is required on all electrical circuits when using extension cords or power tools.

Material Handling

Contractors must ensure that safe lifting and rigging practices are performed during material-handling activities such as:

- Crane operations
- Forklift and pole truck operations
- Sandblasting
- Painting
- General construction

Contractors are responsible for ensuring that personnel are trained in material-handling equipment and that the equipment is operated and maintained in accordance with industry standards and applicable federal, state and local regulations.

When using mechanical equipment to move material, contractors shall stay clear of loads,

including when the load is picked up, moved, and set down. Contractors shall not stand or pass under loads at any time.

Cranes

Use of cranes is restricted to qualified operators. Contractor is responsible for ensuring that personnel operating cranes are trained and qualified in the type of crane they will be operating. Safe operation of a crane includes but is not limited to:

- Each day before starting operations, Contractor's crane operator shall visually inspect crane booms, cables, rigging, foundation mountings, control cables, and safety devices and confirm they are functioning properly. The inspection will include a visual inspection for cracked welds, cable defects, bent braces, sheave condition, deformed or broken hooks, and any other defects
- Contractor shall conduct appropriate inspections of cranes, cables and hooks and document and maintain a record of such inspections. Contractor shall provide Discovery with a record of the inspection upon request. Inspection types and frequencies will be dictated by the manufacturer's recommendations or regulatory requirement
- Contractor must ensure that the load limit chart and the boom angle indicator for cranes are in clear view of the operator. Boom angle indicators must be permanently attached to the boom to show the operating radius. Contractor may not exceed the rated load capacity of the crane. The crane operator must check load chart, confirm boom length with the chart, and establish the load weight and maximum operating radius or corresponding minimum boom angle
- Contractor is required to use standard hand signals for controlling crane operations. A designated signalman must give all hand signals, but the operator must obey any emergency stop signal given by anyone
- Contractor must use taglines to control loads. The lines must be the appropriate length to keep ground personnel at a sufficient distance from load
- The crane operator shall properly secure the crane and boom before going off duty or when shutting down operations
- Cranes operated near, under or over energized power lines must maintain a minimum clearance distance of 45 feet unless voltage of the line has been verified and the proper clearance distance has been established in accordance with OSHA regulations. Exceptions are allowed where the power lines have been de-energized and visibly grounded at a point of work or where insulating barriers, not a part of or an attachment to the crane, have been erected to prevent physical contact with the power lines. When working in areas with power lines, high voltage proximity alarms must be mounted on the crane boom. Lifting equipment (e.g., auto-cranes, aerial lift trucks), while working near overhead power lines or energized equipment, must be grounded and barricaded

Forklifts

Use of forklifts is restricted to qualified operators. Contractor is responsible for ensuring that personnel operating forklifts are trained and qualified on the type of forklift they will be operating. Safe operation of a forklift includes but is not limited to:

- Inspect forklifts prior to use
- Operate forklifts within the rated capacity
- Do not use forklifts as a man-lift
- Set the parking brake, lower the forks, and neutralize the controls when dismounting or stowing a forklift

Personnel Lifts

- Personnel lifts include any telescoping or articulating device that is used to position personnel at height, such as in a bucket or on a work platform
- Employees operating personnel lifts must be trained and qualified on the type of lift they will be operating
- Lift controls must be tested before use to confirm they are in safe working condition
- Employees being lifted or transported in a personnel lift must wear full-body harness with a lanyard attached to the boom or basket
- Boom and basket load limits specified by the manufacturer must not be exceeded
- The brakes must be set and outriggers, when used, must be positioned on pads or a solid surface. Wheel chocks must be installed before using a personnel lift on an incline
- A personnel lift may not be moved when the boom is elevated in a working position with personnel in the basket, except for equipment which is specifically designed for this type of operation
- Controls must be plainly marked as to their function. Lower controls must provide for overriding the upper controls. Lower controls must not be operated unless permission has been obtained from the personnel in the lift, except in case of emergency
- Before moving a personnel lift for travel, the boom must be inspected to ensure that it is properly cradled, and outriggers are in stowed position

- Lifts must be maintained and inspected according to the manufacturer's recommendations or applicable regulatory requirements

Lockout/Tag out

Contractors whose employees perform work on powered equipment or piping systems, or in confined space entry operations, must develop and maintain a lockout/tag out program that complies with OSHA requirements. Contractor's representative is responsible for ensuring that tags, locks and other necessary energy isolating equipment are provided and implemented. Contact your Discovery representative to identify applicable procedures and energy control devices (lockout points).

Scaffolding

All scaffolding must be designed, built, secured and inspected in compliance with OSHA standards. No contractor may utilize scaffolding at any Discovery facility unless the contractor uses employees who are properly trained in scaffold safety and have a properly trained representative on site overseeing the scaffold work. The scaffolding must be inspected before initial use each day by a properly trained contractor employee or representative, and contractor must document the inspections and provide the documentation to the Discovery representative upon request. Contractor must use a scaffold tag system indicating the status of all scaffolding. Safe work practices when working with scaffolding include but are not limited to:

- Guardrails must be installed on all open sides and ends of scaffolds and platforms
- Toe boards are required where personnel can walk or work under the scaffold
- Planks must be secured on platforms so they cannot move. Extend and secure scaffold planks at least six inches, but no more than 12 inches, over end supports
- When scaffolds are erected above a work or walk area, the area must be posted to warn of overhead hazards
- Handrails are not to be used as weight bearing support for any work platform

Trenching and Excavation

Contractors performing trenching and excavation work are responsible for ensuring that their personnel are trained and that operations are conducted in accordance with industry standards and applicable federal, state and local regulations. Contractor must provide a "Competent Person" when excavating four feet or deeper. Contractor is also responsible for supplying signs, barriers, etc. necessary to protect workers and the public from hazards associated with the excavation. Contractor is also responsible for protecting workers from cave-in or entrapment as prescribed in OSHA.

Before beginning any excavation work, Contractor must contact "One Call" (811) to confirm that all underground utilities have been located and marked in accordance with federal, state and local regulations. Contractor is also responsible for ensuring that their personnel are trained in

the location and marking procedures used in the area. Contractor's representative must notify the appropriate Discovery representative of any third-party utility crossings before commencing the excavation.

For additional information please consult Discovery Natural Resources Ground Disturbance Protocol for Contractors. (<https://discoverynr.com/wp-content/uploads/2026/01/Ground-Disturbance-Protocol-for-Contractors.pdf>)

Welding and Hot Work

Contractors performing welding, cutting, and other hot-work activities must ensure their personnel understand and comply with recognized industry standards and federal, state and local regulations. Contractors must ensure that welding and cutting equipment is used and maintained in accordance with applicable industry standards and must establish a preventative maintenance program for such equipment.

A Discovery representative must authorize hot work before Contractor starts the work. Contractors are responsible for preparing their hot-work permit and ensuring that a qualified person issues the permit. The permit must be maintained on location during the work process. Contractor is responsible for ensuring that its employees are trained in hot-work procedures.

Contractor must ensure that a fire watch is trained to perform the functions of the role. Contractor is responsible for making all impacted personnel aware of the hot work to be performed. The requirements of Contractor's permit must be met before commencement of the hot-work activity. Upon completion of the hot-work activity, Contractor must retain a copy of the hot-work permit for future reference.

Contractor is responsible for ensuring that welding rigs are equipped with appropriate fire protective equipment, including a minimum of one 30-pound type BC dry chemical fire extinguisher. Contractor is also responsible for ensuring that its personnel have been instructed in the use of fire extinguishers and that the fire extinguishers are maintained in accordance with OSHA.

ENVIRONMENT

Spill / Release Reporting

An oil or gas spill or release is defined as any unpermitted quantity of liquid, gas or solid substance that is outside its primary containment (e.g., tank, drum, truck, pit, pipeline or storage tank), excluding beverages, food items, unused hydraulic fracturing sand (non-coated and natural) and fresh (including potable) water under specified circumstances. Contractors must immediately report to the Discovery representative all releases on a Discovery location. Timely reporting of a release allows Discovery to minimize and monitor the impact on the environment and comply with all regulatory requirements.

Discovery expects contractors to be financially responsible for the clean-up of the releases they cause. Contractors must not commence clean-up without first contacting the Discovery representative.

Pollution Prevention and Waste Management

Contractors are required to conduct their operations in a manner that protects the environment, take the necessary precautions to prevent spills and releases, and manage waste in accordance with applicable federal, state and local regulations.

Discovery's operations may require the use of products that are classified as hazardous materials. Expired, abandoned or spilled hazardous materials can become a hazardous waste. All chemicals and containers brought onto a Discovery location by a contractor must be removed at the completion of the job. If not removed, Discovery will dispose of the materials and all costs associated with disposal will be charged back to the contractor.

Waste produced by the contractor as a result of operations at Discovery locations must be managed in accordance with applicable laws. Transport and storage of waste must follow applicable regulatory requirements.

When contractors generate waste materials on a Discovery site, the materials must be segregated in a way that minimizes the need and costs for disposal.

Recyclable waste or materials should be separated from non-recyclable materials. Mixing (e.g., mixing of waste oil with a non-recyclable liquid) may reduce disposal options and increase the disposal costs. Contractors are responsible for recovering and properly disposing off-site all waste generated solely by the contractor (e.g., waste oil from equipment).

Waste disposal is subject to Discovery approval. Hazardous waste disposal must be coordinated by a certified professional, transported by licensed transporters to an approved facility, and accompanied by appropriate documentation including the Uniform Hazardous Waste Manifest.

The transport and disposal of NORM-contaminated equipment, piping, or other material must follow regulatory requirements. Only contractors licensed and equipped to perform approved disposal methods are permitted to transport and dispose of NORM-contaminated waste.

DRILLING, COMPLETION, AND WORKOVERS

Contractors performing well drilling, completion, and servicing operations shall conduct their operations in accordance with recognized industry standards, including but not limited to, those promulgated by the American Petroleum Institute (API), Association of Energy Service Companies (AESC), International Association of Drilling Contractors (IADC), as well as applicable federal, state and local regulations.

Contractors must follow the practices outlined in the latest edition of API RP 54, Occupational Safety for Oil & Gas Well Drilling and Servicing Operations, and additional recommended practices referenced therein.

Personnel should be familiar with their company's procedures and programs and industry recommended practices as they relate to their function in the job at hand and should abide by the applicable procedures, programs, and recommendations.

Specific guidelines that each contractor must comply with include, but are not limited to the following:

Well Control

Well control shall be maintained at all times. Before work commences, consideration must be made to ensure appropriate equipment and materials are on location and operational. The rig floor must be attended by a person qualified in well-control procedures at all times during operations.

Personnel shall be trained in basic well control, as needed, in relation to their job duties. When there is any indication that a well will flow, whether through prior records, present well conditions, or the planned well work, blowout prevention equipment shall be installed, tested, inspected and maintained in accordance with API RP 53. Crews should conduct and document well-control drills. When drilling or well-servicing operations are in progress on a well and there is any indication that the well will flow, the rig floor must be equipped with a safety valve (stabbing valve) that has connections suitable for use with each size and type tool joint or tubing connection being used on the job.

Guywires and Anchors for Portable Derricks

Guywires and anchors used for portable derricks must be constructed, installed, and tested in accordance with the derrick manufacturer's specifications or API RP 4G. Temporary anchors must be tested no more than 30 days before rig up and retested whenever changes in site conditions, such as significant precipitation, may affect holding capacity. Before installing the temporary rig anchors, underground utilities shall be located and marked in accordance with federal, state and local regulations.

Supplemental Footing for Portable Derricks

Contractors must ensure that supplemental footing used for portable derricks is suitable for the mast guying pattern and anticipated loading, and that timbers or other footing materials are installed in a manner so as to not exceed the safe load-bearing capacity of the soil. Supplemental footing must be designed, installed and maintained in accordance with the derrick manufacturer's specifications or API RP 4G.

Auxiliary Escape

Every drilling or well-servicing derrick must have an auxiliary means of escape installed and employees must be trained in its use before working in the derrick. The auxiliary escape must be securely anchored and attached to the derrick so as to provide a ready means of escape from the working platform. The escape device must be free from obstructions and have a safety buggy or equivalent device equipped with an adequate braking or a controlled descent device.

Hoisting Equipment

Contractor personnel shall not ride the cat line, hoist or traveling blocks at any time, except in an emergency.

Vehicles

Vehicles not involved in the immediate rig operations should be located a minimum distance of 100 feet from the wellbore or a distance equal to the height of the derrick or mast (including attachments), whichever is greater.

TRANSPORTATION SAFETY

Vehicle Operations

- Contractors must maintain vehicle speeds consistent with road and weather conditions and observe all applicable motor vehicle laws and regulations and all in-field vehicle requirements (e.g., speed limits).
- The Rocker B Ranch is a working cattle and horse ranch and Contractors will yield to all ranch operations, i.e. cattle drives, etc.
- Vehicle operators must have a valid and appropriate driver's license.
- Vehicles should be parked in a manner to minimize backing so that the first move is forward.
- Vehicle operators and passengers must wear seat belts while the vehicle is in motion. This includes wearing belts, when provided, on forklifts, cranes, backhoes, and other motorized equipment.
- Personnel are prohibited from riding in the back of pickup trucks or trailers, or as passengers on any equipment that is not specifically designed for passengers.
- Upon request, contractors are required to equip all contractor-owned vehicles (trucks) used on a Discovery field location or in connection with Discovery work with Global Positioning Satellite (GPS) equipment and provide the GPS data to Discovery upon request.

Mobile Equipment Operation

Contractor's drivers and equipment operators must be trained and licensed in accordance with industry standards and all applicable regulations. Contractor is responsible for the safe operation and condition of motorized equipment brought onto a Discovery location. Contractors must, upon request, provide to Discovery written verification of the training and licensing, including the name and status of each operator and any restrictions.

In addition, Contractors are required to meet the following requirements:

- Only trained personnel are permitted to operate motorized equipment, such as forklifts, backhoes, mobile lifts, cranes, etc.
- Daily pre-checks are required before operating any mobile equipment.
- Equipment that is defective or otherwise unsafe must be shut down immediately and not operated until all necessary repairs are completed.
- Cranes, forklifts and other lifting equipment must not be loaded beyond the rated capacity of the unit. Legible rating charts must be located in all vehicles where they can be easily seen and referred to by the operator.

- Spotters must be used when backing into congested areas.
- All vehicles and mobile equipment, including forklifts, tractors, bulldozers, backhoes, and portable mast rigs, must be operated, maintained, and inspected consistent with the manufacturer's specifications and applicable federal, state, and local laws and regulations.
- Never permit anyone to ride in or work from a backhoe or loaded bucket. No passengers are allowed on this equipment.
- Equipment must not be driven at an unsafe speed or operated in an unsafe manner.
- Personnel operating mobile lifts must wear fall protection gear at all times.

Transporting Fluids

- Transportation contractors must provide documentation upon request that their driver(s) have received training before entering Discovery locations.
- Contractor must monitor all fluid transfers on Discovery locations involving drilling, completion, well servicing, production and flow back operations.
- For drilling and completion on-location transfers, no fluid transfers are permitted at night or during crew change unless fully supervised and in the presence of sufficient light to ensure adequate visibility at all potential spill points. No fluid transfers during severe rain or weather events that would impair the ability to detect a leak are permitted.
- Before any fluid transfer, inspect proper working conditions, alignment and operation of all valves, piping, manifolds, floats, discharge outlets, seals, etc.
- Companies contracted to load/unload hydrocarbon-based materials must have:
 - A written safety and spill prevention plan;
 - Loading and unloading procedures;
 - Plans available to Discovery upon request, and
 - Trained employees on plans and procedures.
- All incidents (injury, spill, property damage, etc.) must be verbally reported to Discovery immediately and a written report must be submitted to Discovery within 24 hours.
- If the driver's assessment is that the location is safe and secure, and the weather is acceptable, the driver may proceed to the loading/unloading area.

- Drivers must use spotters, if available when backing is necessary to perform the job task. If spotters are not available, the driver must walk the area before backing.
- Minimum requirements for PPE can be found in this manual.
- Upon exiting a truck, ensure that the brakes are set, chock tires, and attach grounding cable to electrically ground the truck before loading.
- No smoking or open flames are permitted.
- Personal electronic devices (cell phones, laptops, pagers, etc.) must be turned off or left inside the cab during all loading and unloading activities.
- Drivers may not be in the truck cab during loading and unloading activities. Drivers must maintain visual contact during all loading and unloading of the area to prevent spills.
- Produced water tanks may not be drained to a level below four feet inside the tank.
- No service checks or maintenance of any kind are to be performed on trucks, tractors or trailers while loading/unloading.
- All trucks, tractors, and trailers must be maintained according to the manufacturer's specifications.
- No oil is allowed to be pumped back into any tanks without approval of the Discovery representative.
- Maintain housekeeping around the loading and unloading point.
- Do not allow hoses to drain on to the ground.
- Place containment under the vent tube to catch any potential liquids.
- Conduct a walk-around at the location and tank truck before leaving.
- Ensure that all valves are in the proper position that no valve is leaking, that the plugs are in place, the area is being left safe, and no spills have occurred.
- Any contractor responsible for a spill will be required to remediate the contaminated area to Discovery expectations. Remediation activities must be coordinated with the Discovery representative.

REFERENCES

The codes, standards and regulations listed below commonly apply to the onshore oil and natural gas industry. The list is a reference guide. It is not all inclusive and contractors should refer to regulations and industry standards pertaining to their operations for compliance requirements.

Code of Federal Regulations

- 29 CFR 1910 & 1926 (OSHA)
- 40 CFR 1-1099 (EPA)
- 49 CFR 300-399 (Transportation)

American National Standards Institute (ANSI):

- ANSI A14.1 and A14.1a Safety Code for Portable Wood Ladders
- ANSI A14.2 and A14.2a Safety Code for Portable Metal Ladders
- ANSI B30.2 (R 52) Safety Code for Cranes, Derricks, and Hoists
- ANSI B30.6 Safety Code for Derricks
- ANSI 241, Personal Protection-Protective Footwear
- ANSI 249.1 Safety in Welding and Cutting
- ANSI 253.1 Safety Color Code for Marking Physical Hazards
- ANSI 254.1 Safety Standard for Non-Medical X-Ray and Sealed Gamma Ray Sources
- ANSI 287.1 Practice for Occupational and Educational Eye and Face Protection
- ANSI 288.2 Practices for Respiratory Protection
- ANSI 289.1 Protective Headwear for Industrial Workers Requirements

American Petroleum Institute (API):

- API RP 4G Recommended Practice for Maintenance and Use of Drilling and Well Servicing Structures

- API RP 49 Drilling and Well Servicing Operations Involving Hydrogen Sulfide
- API RP 53 Blowout Prevention Equipment Systems for Drilling Wells
- API RP 54 Occupational Safety for Oil & Gas Well Drilling and Servicing Operations
- API RP 74 Occupational Safety for Onshore Oil and Gas Production Operations
- API RP 1107 Pipeline Maintenance Welding Practices
- API 1104 Standard for Welding Pipelines and Related Facilities
- API 2201 Welding or Hot Tapping on Equipment Containing Flammables

American Welding Society (AWS):

- AWS B3.0-41 Standard Qualification Procedure
- AWS D10.9-69 Standard Qualification of Welding Procedures and Welders for Piping and Tubing

National Fire Protection Association (NFPA):

- NFPA 51B Standard for Fire Protection in Use of Cutting and Welding Processes
- NFPA 58 Standard for the Storage and Handling of Liquefied Petroleum Gases (ANSI Z106.1-1970)
- NFPA 385 Standard for Tank Vehicles for Flammable and Combustible Liquids
- NFPA 70E - Standard for Electrical Safety in the Workplace

National Institute for Occupational Safety and Health (NIOSH):

- Registry of Toxic Effects of Chemical Substances
- NIOSH Recommendations for Occupational Safety and Health Standards

APPENDIX A - Discovery Natural Resources Corporate Policies

Purpose

This establishes the Discovery Natural Resources LLC (“Discovery” or “Company”) anti-retaliation policy. This policy is designed to ensure that all people feel comfortable speaking up when they see or suspect illegal or unethical conduct without fear of retaliation. It is also intended to encourage cooperation with Discovery in the internal investigation of any matter by providing honest, truthful and complete information without fear of retaliation.

Scope

This Policy applies to all Discovery activities and to all Discovery officers, directors, employees, contractors and other service providers. This Policy shall be administered in accordance with all applicable federal, state, and local laws and regulations. Contractors and other service providers are required to develop and enforce an anti-retaliation policy consistent with this Policy.

Policy – Anti-Retaliation

Discovery strictly prohibits any form of retaliation against any employee, contractor or other service provider who in good faith makes a complaint, raises a concern, reports an injury or illness, provides information or otherwise assists in an investigation or proceeding regarding any conduct that he or she reasonably believes to be in violation of Discovery’s Code of Business Conduct and Ethics, another Discovery policy, or applicable laws, rules or regulations.

No person will be discharged, demoted, suspended, reprimanded or retaliated against in any manner as a result of his or her making a good faith complaint or assisting in the handling or investigation of a good faith complaint, in which a Discovery policy, the Code of Business Conduct and Ethics, or an applicable law, rule or regulation has been violated; even if their complaints are proven unfounded by an investigation.

Further, Discovery does not tolerate any employee or contractor threatening, harassing, intimidating, or coercing other employees or contractors who make good faith complaints or who, in good faith, participate in an investigation of a complaint. Employees who, in good faith, make a complaint or participate in an investigation or proceeding under this policy, however, remain subject to the same standards of performance and conduct as other employees.

Questions concerning this policy should be directed to your Supervisor and/or a Human Resources representative.

Reporting Violations

Discovery takes all complaints of retaliation very seriously. All such complaints will be reviewed promptly and, where appropriate, investigated.

Employees, contractors and service providers who witness or who have a reason to suspect a violation of this policy has occurred, must promptly report the violation to their Supervisor, a Human Resources Representative or via the [Ethics Hotline](#).

Violation of Policy

Employees who violate this policy are subject to disciplinary action up to and including termination of employment. Contractors are subject to termination of their contract.

Employees who knowingly make a false allegation, provide false or misleading information in the course of an investigation, or otherwise act in bad faith are subject to disciplinary action up to and including termination of employment. Contractors are subject to termination of their contract.

This Policy does not constitute or imply a contract of employment between Discovery and any person. All employees remain employees at-will, unless they are subject to a written Employment Agreement signed by the CEO of Discovery. This Policy creates no Discovery obligation nor any individual obligation, right, privilege, term, or condition of employment not otherwise established by law. Discovery has voluntarily adopted this Policy for its sole and exclusive use and may amend or discontinue it at any time without prior notice.

Discovery Natural Resources LLC
Code of Business Conduct and Ethics

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Purpose

Discovery Natural Resources LLC (“Discovery” or the “Company”) is committed to achieving the highest standards of professionalism and ethical conduct in its operations and activities. In keeping with this commitment, Discovery has adopted the following Code of Business Conduct and Ethics (the “Code”) in order to:

- promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest;
- promote compliance with applicable governmental laws, rules and regulations;
- promote the protection of Company assets, including corporate opportunities and confidential information;
- promote fair dealing practices;
- deter wrongdoing; and
- ensure accountability for adherence to the Code.

Scope

The Code applies to all Discovery activities and to all Discovery officers, directors, and employees (collectively, “Covered Persons”), as well as third parties dealing with the Covered Persons, such as contractors and other service providers. It shall be administered in accordance with all applicable federal, state and local laws, rules and regulations. All Covered Persons are required to be familiar with the Code, comply with its provisions and report any suspected violation as described below in the section on Reporting and Enforcement. Contractors and other service providers are expected to develop and enforce policies that are consistent with this Code.

Honest and Ethical Conduct

Discovery’s policy is to promote high standards of integrity by conducting its affairs honestly and ethically.

Each Covered Person must act with integrity and observe the highest ethical standards of business conduct in their dealings with the Company’s customers, suppliers, partners, service providers, competitors, employees and anyone else with whom they have contact in the course of performing their job.

Conflicts of Interest

A conflict of interest occurs when an individual’s private interest, or the interest of a Family Member (defined below) interferes, or even appears to interfere, with the interests of the Company as a whole. A conflict of interest can arise when a Covered Person (or a Family Member) takes actions or has interests that may make it difficult to perform their work for the Company objectively and effectively. Conflicts of interest also arise when a Covered Person (or a Family Member) receives improper personal benefits as a result of their position in the Company. For the purpose of this Code, “Family Member” means: spouse, parent, child, brother, sister, in-law (father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law), aunt, uncle, niece, nephew, grandparent, grandchild, or members of the same household. The term “Family Member” also applies to “Step” relationships and domestic partners.

Discovery expects Covered Persons and contractors and other service providers to avoid situations where personal interests could conflict, or appear to conflict, with their duties and responsibilities or the interests of the Company. They should always act in the best interest of the Company and not permit outside interests to interfere with their duties. Discovery prohibits Covered Persons from using their position with the Company or the Company's relationship with its clients and partners for private gain or to obtain benefits for themselves or Family Members.

Examples of conflicts of interest include:

- Conducting Company business transactions with your Family Member or a business in which you or a Family Member have a financial interest.
- Awarding contracts to, or reviewing or approving invoices from, a vendor in which you or a Family Member have an interest.
- Soliciting or accepting gifts, favors, loans or preferential treatment from any person or entity that does business or seeks to do business with Discovery.
- Soliciting contributions to any charity or for any political candidate from any person or entity that does business or seeks to do business with Discovery.
- Procuring or receiving goods and services from a Discovery vendor for personal use without disclosure.
- Moonlighting without permission.

Loans by the Company to, or guarantees by the Company of obligations of, employees or their Family Members are of special concern and could constitute improper personal benefits to the recipients of such loans or guarantees, depending on the facts and circumstances. Loans by the Company to, or guarantees by the Company of obligations of, any director or officer (or their Family Members) are expressly prohibited.

Whether or not a conflict of interest exists or will exist can be unclear. When faced with an actual or potential conflict of interest, Covered Persons must seek guidance from their supervisor, a Human Resources Representative or a member of the Leadership Team to determine if a conflict exists and how to address it. Any individual who knows or suspects that an actual or potential conflict of interest may exist must immediately notify their supervisor or Human Resources Representative or contact Discovery's Ethics Hotline. Retaliation will not be tolerated against any individual who reports a suspected conflict of interest. If a conflict is deemed to exist, the individual must formally declare the conflict by using the Declaration of Conflict of Interest form (see Appendix A).

The nature of the conflict of interest, and what actions will be taken to address and mitigate the conflict, must be documented and approved by the reporting individual's supervisor, by his or her Leadership Team member and by the CEO. These actions, called mitigating controls, must be identified and implemented to ensure that Covered Persons do not use their role at Discovery to further their personal interests at the expense of Discovery. The purpose of the Declaration of Conflict of Interest is to protect both the individual and Discovery. Covered Persons and contractors are required to disclose all Conflicts of Interest.

Covered Persons should comply, both in letter and spirit, with all applicable laws, rules and regulations in the cities and states in which Discovery operates and must observe Discovery's protocol for addressing conflict of interest matters. Contractors must comply with their written contracts. Although not everyone

can be expected to know the details of all applicable laws, rules and regulations, it is important to know enough to determine when to seek advice from appropriate personnel.

Corporate Opportunities

Consistent with the expectations outlined above, all Covered Persons owe a duty to the Company to advance its interests when the opportunity arises. However, they are prohibited from: taking for themselves personally (or for the benefit of friends or Family Members) opportunities that have been discovered through the use of Discovery's assets, property, information or their position; using corporate property, information or position for personal gain; and using corporate property, information or position for the gain of others (individuals or companies) both within and external to Discovery. In addition, no Covered Person may compete with the Company.

Confidentiality

One of our most important assets is our confidential information. Covered Persons and contractors who have received or have access to confidential information about the Company should take care to keep this information confidential. Employees should refer to the At-Will Employee Acknowledgment. Except when disclosure is authorized or legally mandated, Covered Persons and contractors must not share the Company's or our suppliers' or customers' confidential information with third parties or others within the Company who have no legitimate business purpose for receiving that information. Unauthorized use or distribution of this information could also be illegal and result in civil liability and/or criminal penalties.

Covered Persons and contractors should also take care not to inadvertently disclose confidential information about the Company. Materials that contain confidential information, such as memos, notebooks and computers should be stored securely. Unauthorized posting or discussion of any information concerning Discovery's business, information or prospects on the Internet is prohibited. Be cautious when discussing sensitive information in public places like elevators or airports. All business-related emails, voicemails and other communications are presumed confidential and should not be forwarded or otherwise disseminated outside of the Company, except where required for legitimate business purposes.

Transmission of documents by electronic means should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions. Communication by email leaves a physical track of its passage that may be subject to later decryption attempts.

Confidential Information transmitted over the internet should be secured by encryption and validation where possible. When sending Confidential Information to an email address outside of Discovery, employees should type DISCOVERY SECURE as the first two words in the subject line in order to encrypt the message and its content.

Fair Dealing

Each Covered Person must deal fairly with Discovery's customers, suppliers, contractors, industry and business partners, service providers, competitors, employees and anyone else with whom they have contact in the course of performing their job. No Covered Person may take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of facts or any other unfair-dealing practice.

Outside Activities

Discovery requires that all employees disclose and obtain advanced approval from their manager, functional Leadership Team member and the CEO prior to engaging in, or continuing with, specified activities that are outside the scope of their employment.

Whether or not compensation is received, employees must request prior approval in writing for any activity listed below:

- Any employment outside of Discovery, including any position where the employee receives or expects to receive any direct or indirect compensation such as: part-time jobs; self-employment; consulting contracts; or working as an independent associate, distributor or a sales representative.
- Becoming an officer, director, partner, trustee, agent of or member of a Board, advisory board or association for any for-profit venture (including any publicly traded or privately held company, LLC, LLP or partnership) or non-profit organization (e.g. hospital, university, school board, town council).
- Becoming an officer, director, trustee, or member of a Board for any professional or trade organization.
- Raising money for a business venture.
- Running for any elected office.
- Serving in or accepting an appointment for any local, municipal, county, state, or federal government position, office, board, commission or agency.
- Testifying as an expert witness.
- Serving as an arbitrator.
- Practicing law outside of Discovery in a pro-bono capacity or representing co-workers, relatives or non-profit or charitable organizations.
- Writing, speaking, publishing, endorsements, blogging or similar activities for which you receive compensation.

Activities Generally Prohibited

The following activities are generally prohibited and will be approved only under exceptional circumstances:

- Affiliating with any competitor of Discovery or its services subsidiaries.
- Any activity where you would be in a position to direct business to or from Discovery or a current or potential client, vendor, or business partner.
- Any activity that involves receipt of material non-public information or involvement in the issuance of securities by a for-profit venture (including any publicly traded or privately held company, LLC, LLP or partnership) or non-profit organization, municipality or any local, state, or federal government agency that may either publicly or privately issue securities (e.g., hospital, university, school board, town council).
- Any activity prohibited by law or any other policy of Discovery.

- Any activity that would require the improper use of Discovery time, information, equipment, facilities or resources.
- Practicing law for compensation.

Anti-Fraud

Discovery is committed to protecting its reputation, revenue, property, information and other assets from fraud – whether by the public, contractors, agents or its own employees or directors. The term “fraud” refers to any intentional act or omission designed to deceive Discovery or others to secure a benefit, including fraud as defined by law.

Any individual who knows or has reason to suspect that fraud has occurred must immediately notify their supervisor or Human Resources Representative or contact Discovery’s Ethics Hotline. Retaliation will not be tolerated against any individual who reports suspected fraud.

Discovery will fully investigate any suspected acts of fraud, misappropriation, misuse of company assets or similar irregularity in accordance with its Investigations Policy. Discovery will pursue every reasonable remedy, including court-ordered restitution, to obtain recovery of any loss from the offender or other appropriate sources and reserves the right to report fraud matters to law enforcement when appropriate.

Competition and Antitrust

Discovery is committed to supporting both the letter and spirit of competition and antitrust laws. Directors, officers, employees and contractors of Discovery and/or its subsidiaries must not engage in activities that would constitute, or reasonably appear to constitute, an unreasonable restraint of trade, unfair trade practice or other anti-competitive course of conduct in violation of competition and antitrust laws.

Competition and antitrust laws apply to activities conducted in the United States but may also apply to activities conducted outside the United State if such activities substantially affect United States trade or commerce. Prohibited activities under competition and antitrust laws include, but are not limited to, agreements among competitors to:

- Fix or influence prices.
- Divide territories or markets.
- Allocate customers.
- Limit the supply or quality of products.
- Participate in bid-rigging.

Sharing information between competitors, including pricing information for products, supplies, bids and business strategies and making false or misleading representations to the public to promote the supply or use of a product may also result in violation of competition and antitrust laws.

Because competition and antitrust laws are complex, Covered Persons must contact Discovery’s General Counsel (legal@discoverynr.com) before undertaking any action that might violate these laws.

Any individual who has knowledge of an activity that violates or appears to violate this policy must report such violation to the Ethics Hotline or otherwise in accordance with the Investigations Policy. Retaliation will not be tolerated against any individual who lawfully reports such information in accordance with the Investigations Policy.

Insider Trading

Discovery's Covered Persons and contractors must comply with the "insider trading" prohibitions under federal securities laws. These laws impose civil and criminal liability on anyone who (i) buys, sells or otherwise trades in securities while in possession of material nonpublic information, commonly called "inside information," about the company that issued the securities; (ii) "tips" or passes along such information to others who may buy or sell securities.

Information about an issuer of securities, whether positive or negative, maybe material if either (i) there is a reasonable likelihood that it would be considered important to a prudent investor in making an investment decision about that company; or (ii) the public disclosure of the information would be reasonably likely to impact the price of that company's securities. Examples of information likely to be material include financial results or forecasts, a significant regulatory action or litigation development, a possible merger, acquisition or divestiture, financial problems, a significant financing or capital transaction, a significant change in business strategy or product development, or a significant management change.

Information is considered "nonpublic" if it has not previously been disclosed to the investing public through a broadly disseminated release, such as a news release over the major business wire services or the radio, television or print media or inclusion in a document filed with the SEC.

Because prohibited insider trading takes many forms, the Company requires that any Covered Person or contractor who has obtained material nonpublic information about any company must abstain from trading in that company's securities and may not disclose the information to others who might use it to trade or recommend that company's securities to others.

Favors and Gifts

Because the exchange of gifts or favors can give rise to conflicts of interest, Discovery prohibits Covered Persons from seeking or accepting any gifts, favors, entertainment, payment, or loans for themselves or their family members from any client, customer, vendor, supplier, contractor or other party doing business with Discovery, except for gifts that are defined as "reasonable" under this Code. Likewise, Discovery prohibits Covered Persons from giving gifts or favors to any client, customer, vendor, supplier, contractor or other party doing business with Discovery, except for gifts or favors that are reasonable.

A gift or favor may be considered "reasonable" if it is nominal in value and occurs infrequently. "Nominal Value" means any cash or non-cash gifts or other benefits that are of de minimis value (i.e., less than \$25.00), with the value being so small that it is impractical to do the accounting necessary to report it to the IRS. Employees should seek input from their supervisors if there is any doubt regarding the acceptance of a gift.

This section provides additional information on how Discovery employees can determine what and when gifts are acceptable from vendors, contractors, associates, industry colleagues and other non-Discovery personnel.

Prohibited Gifts

The following gifts are unacceptable and should be declined:

- Gifts that have a greater than nominal value, without prior supervisor consent.
- Frequent gifts from the same source.
- Gifts of any value or frequency where:
 - the giver seeks benefit from decisions or actions the gift might influence (e.g., in exchange for a gift, an employee provides confidential insider information);
 - a sense of obligation may be created (e.g., causing the Discovery employee to influence the selection of vendors);
 - intentional or unintentional interference with fair and equitable competition may occur (e.g., in exchange for gifts, a Discovery employee shares proprietary information with a member of a competitor's company);
 - a benefit may be provided to the employee's family, friends or associates that creates a conflict of interest.

What is Acceptable?

Nominal in the context of this Policy is any gift (e.g., tangible products; invitations to meals; cultural, political or sporting events) with a value of less than \$25.00. Discovery has further established an annual cumulative guideline maximum value of \$250.

All gifts received of greater than a nominal value require the prior consent of an employee's supervisor and must be documented using the Entertainment and Gift Log which can be found on the intranet (Appendix B). Frequency of gift acceptance should be determined by business circumstances, and in any case should not exceed four occurrences in a 12-month period involving the same vendor.

If an employee is uncertain about the appropriateness of a gift because of value, frequency or intent, they should decline the gift and discuss the situation with their supervisor. There may be circumstances where it is in Discovery's interest to pay for the employee's participation through the normal expense account process.

All Covered Persons are responsible for ensuring that their actions would be judged to be reasonable and ethical when measured against the scrutiny of our peers, our investors and the general public at all times.

Business Entertainment

Business Entertainment (defined below) provided to Business Partners (defined below) must meet all of the following criteria:

- Must have a valid business purpose (e.g. the Business Entertainment should generally be directly connected to, and balanced with, a business meeting, or should be used as an opportunity to promote or discuss business or services).
- Must be attended by at least one employee of the Company.
- Must not be lavish or excessive or have the potential to appear so.
- Must be in proportion to the business purpose being served.
- Must not be of a cost or nature that any public disclosure would cause embarrassment to Discovery, its affiliates or the participants.
- Must not be given too frequently to any individual or to multiple individuals associated with the same Business Partner.
- Must be supported by receipts that are provided to the Company and are promptly and accurately recorded in reimbursement records and processed in accordance with the Company's financial policies and procedures.

For purposes of the Code, "Business Entertainment" is defined as any meal, sporting event, cultural event, or comparable function or event that includes a Covered Person and a Business Partner attending together. A "Business Partner" is any individual or entity who conducts business with Discovery, including any customer, vendor, consultant, finder, subcontractor, service provider or supplier, whether current or prospective. The term Business Partner encompasses government entities, government officials, and state-owned enterprises. In the case of government entities or government officials, official dealings with the entity or individual (e.g., licenses or permits) constitute conducting business.

Pre-approval from the CEO is required to provide Business Entertainment or workplace gifts to any government officials, public sector employees, labor unions or union employees, due to the complexity of federal, state and local laws, including the Labor Management Reporting and Disclosure Act.

Gifts provided to Business Partners, including Government Officials, must meet all the following criteria:

- Must be of nominal value and be customary in type and value.
- Must never be in the form of money or a monetary equivalent.
- Should only be given at occasions that are customary for gift-giving.
- Should not be given frequently to the same individual or to multiple individuals associated with the same Business Partner.
- Should be given openly and not in any manner that may appear secretive or illicit.
- May not be paid for with an individual's own money, or with a third-party's money, if paying for the same gift by Discovery would violate this policy.
- Must be supported by receipts that are provided to Discovery and are promptly and accurately recorded in reimbursement records and processed in accordance with Discovery's financial policies and procedures.

Charitable Contributions

Discovery is committed to being a responsible corporate citizen. Charitable contributions help demonstrate this commitment by providing financial support to eligible 501(c)(3) tax-exempt charitable organizations based in the United States that serve program areas such as education, community development, health and human services, and public safety. However, because charitable contributions may create potential conflicts of interest, they deserve careful consideration before a commitment is made. Accordingly, prior to sponsoring a charitable event or providing any charitable funds on behalf of Discovery to an organization in the United States, an employee must receive prior approval from the Company by emailing charity@discoverynr.com. All contributions are subject to budgetary priorities.

Discovery will not pay any Company funds or furnish any Company facilities or services to any charitable organization outside the United States.

Community Engagements

For those Discovery employees who make monetary or in-kind contributions on behalf of the Company to persons or entities in communities where the Company conducts or may consider conducting its business, such as to social betterment programs, or when Discovery wishes to participate in the advancement of its industry's research and technical knowledge, these guidelines governing community engagements apply.

The recipients of Discovery's community contributions may be:

- Communities, including individuals and organizations;
- Persons, including employees, Business partners, and unaffiliated persons; or
- Entities, including organizations that may be operated on a for-profit, non-profit or charitable basis.

Any request for a community contribution to be made by Discovery as an entity must have the prior approval of the Company by emailing charity@discoverynr.com.

Information about any such donations being made by Discovery will be summarized at the end of each year and may be reported to the Audit & Risk Committee of the Board.

Prevention of Corruption

Discovery prohibits its directors, officers, employees and contractors from directly or indirectly giving, offering, authorizing, or receiving any kickback, bribe, Facilitation Payment (defined below), or payoff (whether in cash or any other form) with the intent to improperly obtain or retain business or any improper advantage. Improper advantages include things such as tolerance of non-compliance with rules; reductions in taxes, issuance of permits, or other authorizations; or any other favor or preferential treatment. These unlawful or unethical behaviors will not be tolerated and situations where judgment might be influenced by, or appear to be influenced by, such unlawful or unethical behavior must be avoided. Payment or acceptance of any "kickbacks" from or to a contractor or other external party is also prohibited.

In every situation, it is essential to consider not only the substance of what is occurring and one's intent, but also how things might appear to others. For example:

- An offer of employment or internship to a relative of a Business Partner could appear to be a bribe.
- Frequent gifts to a family member or close associate of a Business Partner may have the appearance of an attempt to seek improper influence, even if in connection with recognized occasions or bearing a Company logo.
- A contribution to the political party of a government official or to that official's favorite charity could appear to be a bribe even though no payment was made directly to that government official.

These activities are considered to be improperly offering something of value and are therefore prohibited under the Code.

As used in this Code, "Bribe" or "Bribery" is defined broadly to include anything with the specific or general purpose of surreptitiously obtaining a business outcome or advantage. This broad definition includes perception of impropriety. A bribe may be in the form of cash, gifts, entertainment, business contracts, employment of various sorts, or even political or charitable contributions.

"Facilitation Payment" is defined as a payment to an individual or agency to expedite or obtain routine services to which the payer has a legal right, such as obtaining phone service or clearing customs, regardless of whether these payments are permissible under applicable law.

Government Anti-Corruption

Bribery of a government official is a violation of the anti-corruption laws of most countries, including the United States, and carries serious civil and criminal penalties for individuals and companies. It also presents significant reputational concerns. Discovery strictly prohibits bribery in any form.

All interactions involving foreign governments and foreign government officials, including officials representing state-owned enterprises, must be conducted in compliance with this Policy. "Government Official" is defined broadly to include U.S. officials, employees and candidates at the federal, state and local levels (including officials, employees and agents of independent boards, commissions, and public funds and U.S. government employees working outside the United States). The term also includes non-U.S. government officials, employees, and candidates for office of any non-U.S. government, including any of the following:

- An elected or appointed official of a non-U.S. government (e.g., at the national, state, or municipal level).
- An employee of a department, agency, or instrumentality of a non-U.S. government.
- A member of any military organization or official of a political party outside the U.S.
- An employee of a public international organization, such as the United Nations or World Bank.
- A director, officer, or employee of a company or enterprise that is owned or controlled by a non-U.S. government, including public universities and institutions.
- An individual acting in an official capacity for a non-U.S. government, including honorary positions.

Travel-Related Payments Provided to Government Officials

Payment of transportation, lodging, or other travel-related expenses of government officials is prohibited, even if it is permissible under applicable laws, regulations or policies. Where operational safety and security require Discovery to provide government officials with transport on Company facilities, this is allowable provided the visit is for official business and does not conflict with applicable laws, regulations or policies.

For non-U.S. government officials only, payment of local ground transportation is permissible if it is permitted under applicable laws, regulations and policies and is provided in connection with a government official's attendance at an appropriate business or business entertainment event. Any Discovery criteria for receipts and reimbursement apply equally to ground transportation.

Approval Process

Any gift or business entertainment provided by Discovery to a government official must be pre-approved by the Company CEO and logged in a form similar to that provided in Appendix B – Entertainment and Gift Log. Such gift or business entertainment must be reasonable, appropriate, and permissible, and must comply with applicable laws, regulations and policies, including those outlined in this Code.

Political Activities

Political contributions by Discovery and any of its subsidiaries or affiliates shall only be made in accordance with this Code. In no circumstance shall any Discovery director, officer, employee or contractor be permitted to use or associate their position or office at Discovery with any personal political activity or donation or engage in any activity through which such association could be reasonably inferred.

Discovery directors, officers, employees and contractors are free to engage in political activities or contribute to any political party or candidate on their own behalf.

Under this policy, Discovery will not provide any Company funds or furnish any Company facilities or services to any political party (in or outside the U.S.), or to any candidate for, or incumbent of, any public office, or to any initiative or referendum campaign.

As a reminder, it is illegal to make personal political contributions in order to obtain an improper advantage.

Please refer to the Federal Election Commission website for limits on campaign contributions to candidates in federal elections, and to state and local websites for limits on donations to candidates for elections in specific jurisdictions.

Registered Lobbyists

Individuals acting as registered lobbyists, who may be deemed to include executives who maintain highly visible civic profiles, must adhere to specific disclosure and reporting requirements related to such activities. Due diligence must be exercised in this regard, as federal and state requirements vary considerably. Recent decisions by the US Supreme Court have added to the complexity of supporting entities organized under federal IRS code exemptions (such as Sections 501, 503 and 527) that may pursue political agendas.

Lobbying Activities

Discovery complies with applicable lobbying legislation that imposes reporting requirements on specified lobbying communications with certain federal, state or municipal officers and employees deemed to be designated public office holders.

Any director, officer, employee or contractor who is unsure about the regulation of their communications with a public official should consult with their supervisor for guidance.

Privacy

Discovery is committed to protecting the privacy of personal information collected, used and disclosed in the conduct of its business. Personal information refers to information about an identifiable individual (except business contact information used for business purposes) including information about prospective, present or former employees or other individuals.

Discovery's Privacy Policy (available on the Discovery Intranet) applies to all individuals engaged in Company business. Contractors are expected to develop and enforce their own privacy policies and practices that are consistent with Discovery's Privacy Policy.

Protection and Proper Use of Company Assets

Discovery's directors, officers, employees and contractors should protect the Company's assets and ensure their efficient use. Discovery's corporate information, data, information system assets, digital communications, internet access, office equipment, tools, vehicles, supplies, facilities and services are provided for authorized business purposes only. All employees have an obligation to use corporate assets in accordance with fundamental principles of reasonable and acceptable use and only for legitimate business purposes. Any suspected incident of fraud or theft should be reported for investigation immediately.

The obligation to protect Company assets includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business and marketing plans, engineering and manufacturing ideas, designs, databases, records and any nonpublic financial data or reports. Unauthorized use or distribution of this information is prohibited and could also be illegal and result in civil or criminal penalties.

Employees and contractors must consult the Company's Acceptable Use Policy and the Access Management Policy (available on the Discovery Intranet) for further guidance related to acceptable use of Company assets.

Maintaining Books and Records

All business transactions that directors, officers, employees and contractors engage in must be properly authorized, properly recorded and supported by accurate documentation in reasonable detail.

Books and records must be kept and maintained to fulfill relevant legal requirements. Recording and reporting information, including information related to operations, environment, health, safety, training, human resources and financial matters, must be done honestly, accurately and with care.

Discovery's books and records must reflect in reasonable detail the Company's transactions in a timely, fair and accurate manner in order to permit the preparation of accurate financial statements in accordance with generally accepted accounting principles and maintain recorded accountability for assets and liabilities. The accuracy of asset and liability records must be maintained by comparing the records to the existing assets and liabilities at reasonable intervals and taking appropriate action with respect to any differences.

Employees and contractors have a duty to submit any good faith questions or report any concerns regarding questionable accounting, auditing or disclosure matters or controls or similar matters relating to Discovery's books and records in accordance with the Investigations Policy.

Office of Foreign Assets Control / Anti-Money Laundering

Discovery adheres to the requirements established by the US Department of the Treasury's Office of Foreign Assets Control ("OFAC"), which administers economic sanctions against certain individuals, countries, companies or groups ("Sanctions Targets") based on foreign policy or security concerns. This includes prohibiting transactions with Sanctions Targets, either directly or indirectly.

Sanctioned countries have included Cuba, Iran, Libya, North Korea, Sudan and Syria. Sanctioned individuals and entities identified in OFAC's Specially Designated Nationals and Blocked Persons List ("SDN List"), regardless of their location, may not be involved in Company business in any way. OFAC maintains the lists of Sanctioned Targets on its website, which should be consulted for the most updated information as circumstances warrant, such as when onboarding a new customer or vendor.

Discovery's policy is to reject or block any transaction that would violate OFAC sanctions and, if required, to file a rejection or blocking report with OFAC. Noncompliance with OFAC requirements can result in civil fines up to \$250,000 and criminal fines up to \$1,000,000 and 20 years imprisonment.

Likewise, Discovery is committed to taking all reasonable steps to assure that Covered Persons, contractors and facilities are not involved, either directly or indirectly, with those who attempt to launder money. Money laundering is the process of concealing the existence, source or use of illegal proceeds in order to create the appearance that the funds are derived from legitimate sources. Money launderers often appear to be legitimate professionals conducting routine business services.

Discovery prohibits engaging in activities that support, or appear to support, money laundering in any manner.

Reporting and Enforcement

Covered Persons and contractors are personally accountable for learning, endorsing and promoting this Code and applying it to their own conduct and field of work. Covered Persons will be asked to review the Code and confirm on a regular basis, through written or electronic declaration, that they understand their individual responsibilities and will conform to its requirements.

Contractors and other service providers are required to comply with this Code and all applicable Discovery policies and practices. Contractors are also expected to develop and enforce their own policies that are consistent with the Code and its associated requirements and, if requested, acknowledge their compliance in writing.

Employees or contractors with questions about this Code or specific situations are encouraged to refer the matter to their supervisor or the persons listed in any applicable policy, practice or guideline. Applicable resource groups such as Human Resources or Legal may also be contacted.

Reporting and Investigation of Violations

- Actions prohibited by this Code involving officers or directors must be reported to the Ethics Hotline or the General Counsel.
- Actions prohibited by this Code involving anyone other than an officer or director must be reported to the reporting person's supervisor or the General Counsel.
- After receiving a report of an alleged prohibited action, the General Counsel must promptly take all appropriate actions necessary to investigate.
- All Covered Persons are expected to cooperate in any internal investigation of misconduct.
- If an employee is not comfortable approaching their supervisor or department manager or is not satisfied that the complaint has been handled fairly or appropriately, the employee may contact Human Resources at 303.893.5082.
- Any employee wishing to remain anonymous may contact Discovery's Ethics Hotline by telephone at 844.348.2661 or on the internet at www.discoverynr.ethicspoint.com.

Enforcement

- The Company requires prompt and consistent action against violations of this Code.
- If, after investigating a report of an alleged prohibited action by a director or officer, the General Counsel determines that a violation of this Code has occurred, the General Counsel will report such determination to the Board of Directors.
- If, after investigating a report of an alleged prohibited action by any other person, the General Counsel determines that a violation of this Code has occurred, the General Counsel will report such determination to the CEO.
- Upon receipt of a determination that there has been a violation of this Code, the Board of Directors or the General Counsel will take such preventative or disciplinary action as it deems appropriate, including, but not limited to, reassignment, demotion, termination and, in the event of criminal conduct or other serious violations of the law, notification of appropriate governmental authorities.

Violations of the Code of Business Conduct and Ethics

Violation of the Code, associated policies or applicable laws may result in disciplinary action up to and including termination of employment or contract, as applicable. Discovery may refer violations of this Code or applicable laws to the appropriate regulatory authorities.

Waivers

No waiver of this Code may be made where the conduct subject to the waiver contravenes any applicable law, rule, or regulation.

Waivers of this Code for officers or directors may only be made by the Board of Directors and will be promptly disclosed to the extent required by law, rule or regulation.

Waivers of this Code for employees or contractors may only be granted by the CEO of Discovery.

This Policy does not constitute or imply a contract of employment between Discovery and its employees. All employees remain employees at-will, unless they are subject to a written Employment Agreement signed by the CEO of Discovery. This Policy creates no Discovery obligation nor any individual obligation, right, privilege, term, or condition not otherwise established by law. Discovery has voluntarily adopted this Code for its sole and exclusive use and may amend or discontinue it at any time without prior notice.

APPENDIX A – Conflict of Interest Declaration Form

Date: _____

Name: _____

Job Title: _____

Supervisor: _____

A conflict of interest may occur where involvement in any activity, with or without the involvement of another party, prevents the proper performance of employee, contractor and director duties for Discovery. A conflict of interest may also occur where involvement in any activity creates, or appears to create, a situation where judgment or the ability to act in the best interests of Discovery is affected.

This Conflict of Interest Form should be used to disclose the existence of any potential conflicts of interest. You should disclose any personal, business, or volunteer affiliations that may give rise to a real or apparent conflict of interest. Individuals with a conflict of interest should provide the mitigating actions proposed to address the conflict of interest.

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could contribute to a conflict of interest:

I have no conflict of interest to report.

I have the following conflict of interest to report. Please specify other for-profit businesses for which you or any related individual are an officer or director, or a majority shareholder, and the name of any businesses you or a related individual own:

1. _____

2. _____

3. _____

Mitigating Controls

Please specify the actions proposed to manage, reduce or eliminate any actual or potential conflict of interest.

1. _____

2. _____

3. _____

I hereby certify that the information set forth above is true and complete to the best of my knowledge.

Signature: _____

Date: _____

Company Signatures:

Supervisor: _____

Date: _____

Leadership Team Member: _____

Date: _____

APPENDIX B – Contributions, Entertainment and Gift Log

Contributions, Entertainment and Gift Log

This form should be used to log all entertainment and /or gifts received of greater than nominal value (more than \$25.00). You should include the date, your name, the contributor, a description of the gift, its estimated value and whether your supervisor has approved the gift. The description should provide sufficient detail for audit purposes.

Entertainment and Gift Log						
Date	Employee Name	Contributor (who the gift is received from)	Description	Dollar Value	Supervisor Approval	
					YES	NO

Purpose

This defines the Discovery Natural Resources LLC (“Discovery” or “Company”) policy for Drugs & Alcohol (“Policy”). The purpose of this Policy is to maintain a safe, healthy, and productive work environment for all employees, applicants, and the public by ensuring that employees on Company property, while conducting Company business, or operating Company vehicles may not possess or use illegal or unauthorized drugs or alcohol. This Policy is also intended to comply with the Drug-Free Workplace Act of 1988 and to provide procedures for workplace related searches of persons or property and the lawful drug and alcohol testing of employees. Discovery maintains a “Zero Tolerance” policy.

Scope

This Policy applies to all Discovery activities and to all Discovery employees, applicants, independent contractors, and employees of third-party contractors. This Policy shall be administered in accordance with all applicable federal, state, and local laws and regulations.

Policy - Drug & Alcohol

Discovery is committed to providing a safe, healthy and productive work environment for our employees and all individuals affected by our activities including the communities in which we live and operate. Discovery recognizes that the use of drugs and alcohol can adversely affect job performance, the work environment, and the safety of our employees, contractors and the general public.

Discovery’s contractors are expected to develop and enforce drug and alcohol policies and practices that are consistent with this Policy and its related practices.

To minimize the risk of unsafe and unsatisfactory performance due to alcohol or drugs, all Discovery employees, independent contractors, and employees of third-party contractors are expected to report fit for work and remain fit for work throughout their workday or shift and when on scheduled call.

Any employee or contractor who reports to work under the influence of or having identifiable traces of any illegal drug or illegal substance, any substance that adversely affects their ability to perform their duties, or alcohol in his or her system will be subject to removal from Company Property and is subject to disciplinary action, up to and including termination of employment or contract.

The following are expressly prohibited while on Company business or property:

- The use, possession, distribution, manufacture, and/or the offering for sale of illegal drugs or prohibited substances
- The unauthorized use, possession, distribution, manufacture, and/or the offering for sale of alcoholic beverages
- The use and/or possession of prescribed medications not authorized for personal use
- Reporting for work with unacceptable limits of any illegal drugs or prohibited substances including but not limited to marijuana and alcohol.

Policy Definitions

"Alcohol" means ethyl alcohol, an intoxicating element in fermented or distilled liquor or in any other compound, or other low molecular weight alcohol, including but not limited to, methyl and isopropyl alcohol, and including without limitation, beer, wine, and distilled liquors.

"Discovery Property" is used in the broadest sense and includes, but is not limited to, all property, equipment, land, buildings, structures, installations, facilities, locations, boats, aircraft, and vehicles which are owned, leased, used or operated by or on behalf of Discovery for any purpose, or which are located on Discovery property, and any personal effects or items located thereon or therein. This includes, among other items, desks, lockers, and workstations, as well as privately owned vehicles and other personal belongings located on or in Discovery property.

"Possess" or "Possession" means having any amount of illegal (Federal or State) or unauthorized drugs, including marijuana, or alcohol on one's person at any time during employment either while on Discovery property, while conducting company business, while operating Discovery machinery or in one's personal belongings or vehicle while on Discovery property, in a vehicle or any mode of transportation owned or leased, or rented for Discovery use, or at any location used by Discovery to conduct business.

"Drugs" means prescription drugs, inhalants, and other illegal (Federal or State), controlled, or unauthorized substances, including marijuana, that may cause addiction and/or affect coordination of memory, or a drug that federal and state law makes illegal to distribute, use or possess.

"Use" with regards to drugs and alcohol is defined as having a detectable amount of drugs and/or alcohol in one's system that exceeds the cut off levels as defined in this policy, or physical consumption of drugs through ingestion, inhalation, injection or application and/or the physical consumption of alcohol at any time during working hours.

"Zero Tolerance" means that if an employee tests positive for drugs or alcohol, as defined by and in violation of the terms of this Policy, the resulting disciplinary action will be termination of employment for cause.

Policy Responsibilities and Prohibitions

Drugs

Discovery's Drug and Alcohol policy prohibits the use, possession, distribution, manufacture, and/or the offering for sale of drugs or unauthorized substances that are illegal under federal, state or local laws by any Discovery employees or contractors. The policy also prohibits an employee or contractor from working under the influence of illegal drugs to any extent. Illegal drugs include, but are not limited to, controlled substances (by Federal or State statute) such as marijuana, cocaine and heroin or prescribed medication transferred to another.

The Policy does not apply to the lawful possession and use of legal prescription medications, provided they are used by the individual for whom they were medically prescribed and only used in the manner in which they were prescribed. Misuse or abuse or illegal sale, purchase, manufacture, distribution,

dispensation or transfer of prescription medication is a violation of this Policy. Discovery employees and contractors are responsible for consulting with their doctors or other licensed medical practitioners about the effect of prescribed medication on their ability to perform their specific job duties in a safe manner. The employee must promptly disclose any work restrictions including the potential impairment of the employee in the operation of vehicles or heavy machinery relating to their medication to their supervisor or the Human Resources Department.

Marijuana

To prevent confusion about the use of marijuana and how it relates to your employment, Discovery has issued this informational guideline.

Colorado law permits adults to possess and use marijuana. Texas law permits the use of medical marijuana. However, under Federal Law, marijuana remains a Schedule 1 controlled substance. As such, any use of marijuana – medical or otherwise – is against Federal law. Under this Policy, Discovery prohibits the use, possession, distribution and/or the offering for sale of drugs or prohibited substances that are illegal under federal, state or local laws during employment with Discovery. Accordingly, any current employee who tests positive for marijuana is in violation of Discovery’s Policy and will be subject to disciplinary action up to and including termination of employment.

Alcohol

Discovery’s Drug and Alcohol Policy prohibits the unauthorized use, possession, distribution, manufacture, and/or the offering for sale of beverages containing alcohol while on Discovery business or property. The policy also prohibits an employee or contractor from working under the influence of alcohol.

From time-to-time, the Company may sponsor an event where alcohol is served. The reasonable consumption of alcohol is allowed at Company sponsored events, provided that the employee does not violate any other portion of this Policy or any other Discovery policy, including driving a Discovery or personal vehicle while under the influence of alcohol or acting in an otherwise inappropriate manner. If the Company sponsors the event, the employee has the option to use Company provided transport or having a designated driver transport them home in lieu of driving themselves.

Confidentiality

All information involving drug and alcohol test results, prescription or over-the-counter drug use, rehabilitation, and treatment of an employee or applicant will be maintained by the Company as strictly confidential information. Only Human Resources or designated medical officers or others with a legitimate “need to know” will be allowed access to this information.

No information will be released to outside persons, corporations, government or other agencies without the approval of Human Resources or as otherwise required by applicable law.

Unauthorized disclosure of this information will be grounds for disciplinary action up to and including termination and could subject the employee to personal liability claims.

Any information regarding the use of prescription drugs and positive drug test information will be filed in the employee Medical file.

Types of Drug and Alcohol Testing

In order to ensure compliance with this Policy, Discovery may require employees, and applicants who have received a conditional job offer (“Candidate”), to undergo drug and/or alcohol testing under the following circumstances (when permitted by applicable law):

Pre-Employment Drug Screen Testing

All final employment Candidates, including regular and part-time, must consent to and successfully pass a pre-employment drug screen after receiving a conditional job offer in order to begin working at Discovery. Failure to successfully complete the required pre-employment drug screen will result in their conditional job offer being rescinded.

Reasonable Cause

Employee drug and alcohol testing may be conducted whenever Discovery has a reasonable suspicion that an employee is under the influence of alcohol, illegal drugs, or a controlled substance. Reasonable suspicion is based on specific behavioral, performance or physical indicators of suspected alcohol or drug use, or a reliable report(s) of such indicators from a third party. Reasonable cause also includes post-accident testing, as described below.

Under no circumstances should an employee who appears to be under the influence of drugs and/or alcohol remain at work or be permitted to drive. In such instances, a member of management will arrange for the employee to receive the appropriate testing and to be transported home or to a medical facility.

Return to Duty

An Employee who has been off of work, has self-disclosed or has entered a voluntary rehabilitation program as outlined below must submit to a drug and/or alcohol test and have a negative result on that test prior to returning to work.

Follow-up Testing

An employee who has self-disclosed or entered a voluntary rehabilitation program and has completed a return to work drug and/or alcohol test with a negative result will be subject to unannounced follow-up testing for up to twenty-four (24) months. Additionally, the employee will remain in the companywide random testing pool.

Post-Accident

All employees will be subject to post-accident testing as soon as practicable following an accident involving significant property, personal injury, death, explosion, fire, release of hazardous materials, or as deemed necessary by the employee's immediate supervisor or senior management.

If the employee's immediate supervisor is not available at the time of the event, the employee should contact the appropriate business area manager or Environmental, Health and Safety (“EHS”) personnel.

After the administration of the post-accident drug and/or alcohol test, the employee may not return to work in any capacity until Human Resources has received and has subsequently communicated the post-accident drug and/or alcohol test results to the employee’s manager. The employee will receive normal base pay while waiting for test results.

Random

Each calendar year and on a quarterly basis, Discovery will conduct a number of random drug and alcohol tests. All employees will be subject to random drug and alcohol testing as permitted by Federal and State law. All employees will be immediately placed in the random drug and alcohol testing selection pool after obtaining a negative result on their pre-employment drug test. Employees will remain in the random drug and alcohol testing selection pool at all times, regardless of whether or not they have been previously selected for testing.

Random testing will be spread reasonably throughout the year and will be unannounced to ensure no employee receives advanced knowledge of the time of testing. Employees will be notified that they have been selected for testing after they have reported to work on the day of the collection. All employees have an equal chance of being selected each time a selection is made.

Upon being notified of selection, the employee must immediately proceed to the testing site. After the administration of the random drug and alcohol test, the employee may return to work. Human Resource will receive and subsequently communicate the test results to the employee.

The following actions are considered violations of the Drug & Alcohol policy and will result in immediate termination of employment:

- Refusing to consent to or undergo testing;
- Not promptly proceeding to a collection facility;
- Providing a contaminated or substituted specimen;
- Failing to provide an adequate urine specimen for a drug test without a valid medical condition and notice of such condition from a treating doctor;
- Failing to provide an adequate breath sample for an alcohol test without a valid medical condition and notice of such condition from a treating doctor;
- Failing to submit to a medical evaluation when required;
- Failing to sign testing and other required forms, to follow the procedures set forth by the collection facility or to remain at the collection site as directed; or
- Other conduct which obstructs, delays or interferes with testing (which may include, in some cases, failing to provide a sufficient sample, or failure to take a second test as Discovery or collector has directed)

Testing Procedures/Specimen Collection

Drug/Alcohol tests will be conducted in a confidential manner according to procedures adopted by Discovery and in compliance with applicable laws. Samples of urine will be taken by appropriately licensed laboratory personnel or other authorized individuals. All laboratories will use industry-acceptable methods to collect and test samples. An appropriately certified/licensed off-site laboratory will also test each specimen for signs of possible contamination. The test will consist of an initial screen followed by a confirmation test using gas chromatography – mass spectrometry (“GC/MS”) methodology. Subject to applicable law, each specimen will be assessed for the presence of the compounds listed below at the detection level indicated. 5-panel drug testing will be used for pre-employment, return to duty, follow-up and random drug screens.

5-Panel Drug Testing

Drug Group	EIA Screen Cut off Level* (ng/mL**)	GC/MS Confirmation (ng/mL**)
Cocaine metabolite	150	100
Marijuana metabolites***	50	15
Opioids		
Codeine and morphine	2,000	2,000
Oxycodone and oxymorphone	100	100
Hydrocodone and hydromorphone	300	100
6-Acetylmorphine	10	10
Phencyclidine	25	25
Amphetamines		
Amphetamine and methamphetamine	500	250
MDMA/MDA	500	250

*These are standard cutoff levels; alternate cutoff levels may be available.

**Nanograms per milliliter; the above cutoff levels, list of analytes and test methodologies are subject to change when required by applicable government regulations or guidelines.

In the case of dilute negative test results (where the sample is too watered down to get an accurate result), the employee or employee Candidate will be required to take another test immediately.

***Marijuana is excluded from pre-employment tests for non-safety-sensitive positions. A safety-sensitive position is any position in which the performance of job duties under the influence of drugs or alcohol, including marijuana, could result in a significant risk to personal safety, the safety or others, public safety, or the environment. This includes, but is not limited to, positions that operate heavy machinery or equipment, work in hazardous environments, and/or handle critical operations.

In the event the second test result is "dilute negative", it is treated as a positive test result.

10-Panel Drug Testing

All post-accident, reasonable cause or wall-to-wall drug screens are done with a rapid test which tests for the standard 10-panel drugs. The 10-panel drug test tests for the following drugs: cocaine,

marijuana, opiates/morphine, amphetamines, methamphetamine, phencyclidine, benzodiazepine, barbiturates, methadone, and oxycodone. All rapid tests will be followed up with a second lab-based test.

Alcohol Testing

Breath tests will be taken by appropriately licensed laboratory personnel or other authorized individuals. All laboratories will use industry acceptable methods to collect and test samples. A breath alcohol test result between .02 and .039 will be considered unacceptable, and the employee will be immediately removed from Discovery property and may not return to work until the start of their next work day. Breath alcohol test results of .04 or greater will be considered as “testing positive” for alcohol and will result in termination of employment.

Self-Disclosure by Employee

An employee who self-discloses the use of alcohol or illegal drugs or unauthorized substances, which would be deemed to be a violation of this policy, prior to the development of performance problems, before the occurrence of an accident, or prior to the receipt of notification of the requirement to submit to a drug and/or alcohol test may be eligible for assistance through Discovery’s EAP. Discovery may remove the employee from performing duties until return to duty has been authorized by the Company’s authorized physician or the EAP professional and a Return to Duty Test has been completed and successfully passed as outlined in the Return to Duty section of this policy. If the employee is not removed from performing duties the employee must take the alcohol and/or drug test at the completion of the EAP professional's recommendations and the test must be negative. Employees should contact Human Resources for information about the Employee Assistance Program.

Employee Assistance Program

The Employee Assistance Program is available to all Discovery employees. Employees are encouraged to obtain professional help when needed by using the EAP. Employees may contact their supervisor or Human Resources for information about the EAP. The EAP is strictly confidential and available for use by contacting:

Employee Assistance Program
Guardian WorkLife Matters
www.eapcounselor@ibhcorp.com
800-386-7055

Use of the EAP does not exempt or excuse a violation of this Policy.

Voluntary Rehabilitation

Any employee who voluntarily seeks counseling or rehabilitation in advance of failing any of the tests or who would otherwise be in violation of this Policy must provide certification in accordance with any applicable governmental requirements, if requested by Discovery, of the

credentials of the attending physician, psychologist, or psychiatrist, who is trained in substance abuse disorders.

When the employee successfully completes or is participating in a supervised substance abuse or alcohol-related rehabilitation program and is no longer engaging in the use of illegal drugs or alcohol, Discovery requires certification from the substance abuse professional that the employee has completed the program successfully and, if applicable, is fit to Return to Duty and perform the essential functions of his or her job. An employee must also undergo a Return to Duty drug and/or alcohol test as defined above and receive a negative test result at the completion of the program, prior to returning to work.

Crimes Involving Drugs or Alcohol

Employees who are convicted of, plead guilty to (including a plea of nolo contendere or “no contest”) or are sentenced for a crime involving illegal drugs, or other crimes involving the illegal use, possession, sale, purchase, manufacture, distribution, dispensation or transfer of drugs, must report the conviction, plea or sentence to their manager and Human Resources representative, in writing, within twenty-four (24) hours.

Additionally, any employee who is required to possess a valid driver’s license as a pre-requisite for their position must notify his/her supervisor and Human Resources representative in writing within five days of receipt of a citation for either a drug and/or alcohol related driving or other criminal offense.

Employees must report any conviction, guilty plea (including a plea of nolo contendere or “no contest”) or sentence for driving under the influence of any substance to their immediate supervisor and Human Resources representative, in writing, within twenty-four (24) hours. Discovery may report such conviction, plea or sentence to an appropriate governmental agency when required by law or contract.

Inspections and Searches

Discovery reserves the right to have authorized personnel conduct searches of employees, contract workers, and employees of third party contractors who are working on Discovery’s property without prior notice and without their presence or consent. Accordingly, all areas of Discovery property may be searched, including work locations, stations, areas, offices, desks, files, lockers, toolboxes, etc., and, employees, contractors and employees of third party contractors, their personal belongings, vehicles, etc. may also be searched if on or within Discovery property. Searches will be conducted in compliance with applicable laws. Employees, contractors and employees of third party contractors should not expect privacy with regard to any item brought into the workplace or kept in a Discovery-owned vehicle or vehicle used for Discovery business.

An employee who, as a result of a search or test, has been found in violation of a Discovery Policy will be subject to disciplinary action, up to and including termination.

Violation of Policy

Any violation of this Drug and Alcohol Policy will result in disciplinary action being taken, up to and including termination of employment from Discovery.

Interpretation

Questions regarding this Policy should be directed to the Director of Human Resources.

This Policy does not constitute or imply a contract of employment between Discovery and its employees. All employees remain employees at-will, unless they are subject to a written Employment Agreement signed by the CEO of Discovery. This Policy creates no Discovery obligation nor any individual obligation, right, privilege, term, or condition of employment not otherwise established by law. Discovery has voluntarily adopted this Policy for its sole and exclusive use and may amend or discontinue it at any time without prior notice.

Purpose

This establishes the Discovery Natural Resources LLC (“Discovery” or “Company”) fitness for duty policy. This policy is designed to ensure a safe, healthy and productive work environment for our employees and all individuals affected by our activities, including the communities in which we live and operate.

Scope

This Policy applies to all Discovery activities and to all Discovery officers, directors, employees, contractors and other service providers. This Policy shall be administered in accordance with all applicable federal, state, and local laws and regulations. Contractors and other service providers are required to develop and enforce a fitness for duty policy consistent with this Policy.

Policy – Fitness for Duty

To minimize the risk of unsafe and unsatisfactory performance due to alcohol or drugs, all Discovery employees, independent contractors, and employees of third-party contractors are expected to report fit for work and remain fit for work throughout their workday or shift and when on scheduled call.

Alcohol

Employees shall not:

- Use or be under the influence of alcohol:
 - In any Company vehicle (owned or leased);
 - On Company time, including breaks; or
 - During breaks for mealtime if returning to work.
- Report to work or return to work while under the influence of alcohol.
- Possess open alcoholic beverages on Company property, except when authorized.
- Possess open alcoholic beverages in Company vehicles.
- Operate any Company vehicle/equipment while impaired.

Drugs

Employees shall not:

- Report to work under the influence of or having identifiable traces of any illegal drug or illegal substance in their system.
- Report to work under the influence of or having identifiable traces of any substance in their system that adversely affects their ability to perform their duties.
- Use, consume, possess, purchase, sell, distribute, or produce any illegal drugs:
 - On Company property,
 - During working hours,
 - In a Company vehicle (owned or leased), or
 - While acting as the Company’s representative.
- Operate any Company vehicle/equipment while impaired.

Drug and Alcohol Testing

In accordance with Discovery's Drug and Alcohol policy, all employees are subject to random drug and alcohol testing. All employees are also subject to drug and alcohol testing for cause, if they are involved in an accident while conducting company business, if there is a reasonable suspicion that the employee is under the influence of drugs or alcohol, as part of any post-rehabilitation treatment program, and to comply with applicable laws. Testing will be conducted in compliance with applicable laws.

Other issues affecting fitness for duty

When issues arise regarding an employee's physical, emotional or mental condition, medical examinations, tests and medical reports may be requested.

Reporting to Work Under the Influence

Any employee or contractor who reports to work under the influence of or having identifiable traces of any illegal drug or illegal substance, any substance that adversely affects their ability to perform their duties, or alcohol in his or her system will be subject to removal from company premises and is subject to disciplinary action, up to and including termination of employment or contract.

Reporting Violations

Employees are responsible for preventing and reporting actions that may potentially harm the Company, other employees, or the public.

Employees, contractors and/or service providers who witness or who have a reason to suspect a violation of this policy has occurred, must immediately report the violation to their Supervisor or a Human Resources Representative.

Violation of Policy

Employees who violate this policy are subject to disciplinary action up to and including termination of employment. Contractors are subject to termination of their contract.

Any employee or contractor who refuses to undergo an alcohol or drug test, or who tests positive for the presence of alcohol, an illegal substance, or any other substance that adversely affects his or her ability to perform his or her duties, is subject to disciplinary action up to and including termination of employment or contract.

This Policy does not constitute or imply a contract of employment between Discovery and any person. All employees remain employees at-will, unless they are subject to a written Employment Agreement signed by the CEO of Discovery. This Policy creates no Discovery obligation nor any individual obligation, right, privilege, term, or condition of employment not otherwise established by law. Discovery has voluntarily adopted this Policy for its sole and exclusive use and may amend or discontinue it at any time without prior notice.

Purpose

This establishes the Discovery Natural Resources LLC (“Discovery or Company”) Non-Harassment Policy. Discovery is committed to providing a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in an environment free from all forms of improper discrimination and unlawful harassment including, but not limited to, sexual harassment.

Scope

This Policy applies to all Discovery activities and to all Discovery officers, directors, employees and contractors, other service providers, vendors and customers doing business with Discovery. This Policy shall be administered in accordance with all applicable federal, state, and local laws and regulations. Contractors and other service providers are required to develop and enforce a non-harassment policy consistent with this Policy.

Discovery’s non-harassment policy applies to all aspects of employment, including recruiting, hiring, training, transfers, promotions, compensation, benefits, layoffs, disciplinary action, termination and social or recreational programs.

This policy also applies to situations which, while not unlawful, involve unprofessional, unacceptable or disrespectful statements, actions or behaviors.

Policy – Non-Harassment

Discovery prohibits unlawful discrimination and harassment of anyone by its employees, contractors, other service providers, vendors, and customers doing business with the Company based disability, race, creed, color, sex, sexual orientation, gender identity, gender expression, marital status, religion, age, national origin, ancestry, pregnancy, veteran status, membership in the uniformed services, genetic information, or any other basis protected by applicable law (“protected characteristics” or “protected classes”). Discovery also prohibits harassment based on the perception that an individual has a protected characteristic or is associated with a person who has or is perceived as having a protected characteristic.

Harassment may exist when an individual engages in any unwelcome physical or verbal conduct or any written, pictorial, or visual communication directed at an individual or group of individuals because of that individual’s or group’s membership in, or perceived membership in, a protected class, which conduct or communication is subjectively offensive to the individual alleging harassment and is objectively offensive to a reasonable individual who is a member of the same protected class. The conduct or communication need not be severe or pervasive to constitute a discriminatory or unfair employment practice.

The conduct or communication constitutes unlawful harassment if (1) submission to the conduct or communication is explicitly or implicitly made a term or condition of the individual’s employment; (2) submission to, objection to, or rejection of the conduct or communication is used as a basis for employment decisions affecting the individual; or (3) the conduct or communication has the purpose or effect of unreasonably interfering with the individual’s work performance or creating an intimidating, hostile, or offensive working environment. Even if the conduct or communication is not deliberate, it may still be considered harassment if it is perceived as such.

Discovery further prohibits workplace bullying by its employees, contractors, other service providers, vendors, and customers doing business with the Company.

Policy Definitions

Discrimination

As used in this policy, the term “discrimination” refers to discrimination on the basis of legally recognized protected characteristics or protected classes.

Examples of improper discrimination include, depending on the circumstances and when based on protected class status:

- refusing to hire or promote an applicant or employee;
- disciplining or terminating an employee;
- applying policies in an unequal and detrimental manner to an applicant or employee; or
- harassing an applicant or employee

Harassment

As used in this policy, the terms “to harass” or “harassment” refers to harassment on the basis of legally recognized protected class status. These terms mean ***to engage in, or the act of engaging in, any unwelcome physical or verbal conduct or any written, pictorial, or visual communication directed at an individual or group of individuals because of that individual’s or group’s membership in, or perceived membership in, a protected class, which conduct or communication is subjectively offensive to the individual alleging harassment and is objectively offensive to a reasonable individual who is a member of the same protected class. The conduct or communication need not be severe or pervasive to constitute a discriminatory or unfair employment practice.*** The term “harassment” as used in this policy includes sexual harassment.

Examples of conduct or communication that may constitute harassment include:

- making epithets, slurs, ridiculing comments, or statements that reflect negative stereotyping;
- engaging in threatening, intimidating and / or hostile acts;
- making or threatening inappropriate physical contact;
- mocking or telling jokes based on protected characteristics; or
- displaying or transmitting written or graphic materials that denigrate or show hostility or aversion toward an individual or group (including through email or any electronic form).

Examples of conduct or communication that may constitute sexual harassment include:

- making unwanted sexual advances;
- requesting sexual favors;
- engaging in unwelcome visual, verbal, or physical conduct of a sexual nature, including touching, pinching or brushing against another’s body, leering or making sexual gestures;

- conditioning employment, a tangible job benefit, or an employment decision on submission to a sexual advance or favor;
- threatening or engaging in retaliation after a negative response to a sexual advance or request for sexual favors;
- asking out an individual when it is clear or after it becomes clear that the overture is unwelcome;
- making sexually suggestive jokes, derogatory or sexually degrading comments, or comments about an individual's body or appearance;
- composing or transmitting sexually suggestive jokes, drawings, letters, or notes, whether by hand, electronically or otherwise; or
- displaying sexually suggestive objects, pictures, magazines, cartoons, posters, or other materials anywhere in the workplace, including on a computer.

Harassment is unacceptable in the workplace and in any work-related setting outside the workplace, such as business trips, business meetings, and business-related social events.

Workplace Bullying

Discovery defines bullying as persistent, malicious, unwelcome, severe and pervasive mistreatment that harms, intimidates, offends, degrades or humiliates an employee, whether verbal, physical or otherwise, at the place of work and/or in the course of employment.

Examples of conduct that may constitute workplace bullying include:

- staring, glaring or other nonverbal demonstrations of hostility;
- exclusion or social isolation;
- excessive monitoring or micro-managing;
- work-related harassment (work-overload, unrealistic deadlines, meaningless tasks);
- being held to a different standard than the rest of an employee's work group;
- consistent ignoring or interrupting of an employee in front of co-workers;
- personal attacks (angry outbursts, excessive profanity, or name-calling);
- encouragement of others to turn against the targeted employee;
- sabotage of a co-worker's work product or undermining of an employee's work performance;
- stalking; or
- Unreasonable interference with an employee's ability to do his or her work (i.e., overloading of emails).

The examples provided in these definitions are illustrative only, and not exhaustive. No form of unlawful harassment or discrimination will be tolerated.

Discovery’s Non-Harassment Program

Discovery is committed to enforcing this policy against all forms of unlawful harassment. To that end, Discovery has established a program designed to prevent harassment, deter future harassers, and protect employees from harassment. The effectiveness of our Program depends largely on employees and contractors reporting inappropriate workplace conduct. Employees, contractors, other service providers, vendors and customers doing business with the Company who witness or who have a reason to suspect that a violation of this policy has occurred, must immediately report the violation to their Supervisor, a Human Resources Representative or via the [Ethics Hotline](#). Discovery will take prompt, reasonable action to investigate or address alleged discriminatory or unfair employment practices. Discovery will also take prompt, reasonable remedial actions, when warranted, in response to complaints of discriminatory or unfair employment practices. Employees and contractors are expected to cooperate in good faith in the investigation of any complaints.

All supervisors and managers as well as all nonsupervisory employees have an obligation under this Program to bring any complaint or concern raised with them or any situation they observe that might violate this policy to Human Resources. This obligation exists even if the conduct or communication was not reported to them or if the individual who raised the complaint or concern requests that the situation not be reported or investigated.

All complaints of harassment or other violations of this Policy will be investigated thoroughly and promptly. Confidentiality will be maintained during the investigation except to the extent disclosure is necessary for the purpose of investigating or taking appropriate action.

Violation of Policy

Employees who violate this policy are subject to disciplinary action up to and including termination of employment. Contractors are subject to termination of their contract.

Employees who knowingly make a false allegation, provide false or misleading information in the course of an investigation, or otherwise act in bad faith are subject to disciplinary action up to and including termination of employment. Contractors, service providers and vendors are subject to termination of their contract.

Retaliation Prohibited

Discovery strictly prohibits any type of retaliation against an individual who in good faith raises a complaint or concern regarding discrimination or harassment or cooperates in an investigation of discrimination or harassment.

This Policy does not constitute or imply a contract of employment between Discovery and its employees. All employees remain employees at-will, unless they are subject to a written Employment Agreement signed by the CEO of Discovery. This Policy creates no Discovery obligation nor any individual obligation, right, privilege, term, or condition of employment not otherwise established by law. Discovery has voluntarily adopted this Policy for its sole and exclusive use and may amend or discontinue it at any time without prior notice.

Purpose

This establishes the Discovery Natural Resources LLC (“Discovery” or “Company”) Smoke-Free Workplace Policy.

Scope

This policy applies to all Discovery activities and to all individuals in Discovery’s work areas, including employees, independent contractors, employees of third-party contractors, vendors, and customers doing business with the Company.

Policy – Smoke-Free Workplace

As part of its efforts to provide a safe, healthy and comfortable work environment and to ensure compliance with applicable laws, smoking and vaping is prohibited in any Discovery Work Area. This includes the use of electronic cigarette devices. Smoking and vaping are permitted in Designated Outdoor Areas only. All discarded cigarettes shall be disposed of in an approved container.

This policy applies to Company owned or leased property including company vehicles.

Employees who violate this policy are subject to disciplinary action, up to and including termination.

Definitions

“Work Area” means any office, cafeteria, break room, hallway, stairway, elevator, waiting area, rest room, storage area, company vehicles, or other interior space utilized by Discovery.

“Designated Outdoor Area” means: (i) anywhere outside a building that is 20 feet or more away from an office entrance, exit, operable window or air intake; or (ii) an area that is specifically labeled a “smoking area.” Notwithstanding the foregoing, in accordance with the Discovery Safe Practices Manual: (a) Smoking is prohibited within the well anchors, and (b) smoking is prohibited within 35 feet of a fuel source (well head, storage tanks, frac tanks, separator, etc.).

This Policy does not constitute or imply a contract of employment between Discovery and any other person. All employees remain employees at-will, unless they are subject to a written Employment Agreement signed by the CEO of Discovery. This Policy creates no Discovery obligation nor any individual obligation, right, privilege, term, or condition of employment not otherwise established by law. Discovery has voluntarily adopted this Policy for its sole and exclusive use and may amend or discontinue it at any time without prior notice.

Purpose

This establishes the Discovery Natural Resources LLC (“Discovery” or “Company”) Social Media Policy. This Policy outlines the standards Discovery requires employees and other personnel to observe when using social media. This Policy is intended to provide guidelines relating to any personal use of social media when communications relate to the Company, its operations and third-party stakeholders (such as contractors, partners, regulators, etc.). Under this Policy, Discovery employees, independent contractors and employees of third-party contractors (collectively, “Personnel”) are prohibited from posting any information or content on social media pertaining to Discovery’s activities, operations, plans, strategies, results, occurrences, personnel, equipment, or property.

Scope

This Policy applies to all Discovery activities and operations and to all Personnel. All Personnel are expected to comply with this Policy at all times to protect the privacy, confidentiality, and interests of the Company and its employees, partners, contractors, and competitors.

This Policy shall be administered in accordance with all applicable federal, state, and local laws and regulations. This Policy is not intended to restrict communications or actions protected or required by state or federal law.

Discovery’s contractors are expected to develop and enforce policies and practices that are consistent with this Policy.

Definition

Social media includes any digital technology that enables people to create and share information and opinions in conversations over the internet by way of video, audio, photographs, text or other content. This includes Facebook, Twitter, YouTube, LinkedIn, Pinterest, Tumblr, Google+ and Instagram, among others, and blogs, wikis, and personal websites.

Policy – Social Media

Social media continues to evolve and change the way we work, communicate, and interact with others. Social media creates new opportunities for communication and interaction. But it also creates new responsibilities and risks for both Personnel and the Company, as the lines between personal and professional, lawful and unlawful, and public and private content are often blurred.

Inappropriate use of social media can pose risks to the Company’s reputation and its confidential and proprietary information. It can also expose the Company to discrimination and harassment claims and jeopardize the Company’s compliance with business rules and laws. For these reasons, only certain designated Personnel are authorized to represent the Company on social media and use Company logos and trademarks. Personnel who are not authorized have no authority to speak for or represent the Company on social media.

Without the express authority from the General Counsel or Chief Executive Officer, Personnel are prohibited from posting any information or content on social media pertaining to Discovery’s activities,

operations, plans, strategies, results, occurrences, personnel, equipment, or property. Personnel should be thoughtful about what they post on social media and how it may affect proprietary and confidential information, trade secrets, and personal privacy.

Although not an exclusive list, some specific examples of prohibited social media conduct include posting content relating to Discovery activities and operations that is:

- Defamatory;
- Proprietary or Confidential (such as information about the Company, its employees, affiliates, contractors, partners, business plans, strategy, results, and any incidents or occurrences);
- Material non-public information (corporate information that has not yet been made public and could impact a company's share price); or
- Harassing or bullying (offensive, obscene, discriminatory, derogatory or may cause embarrassment to the Company, its affiliates, or staff).

All Personnel are advised that the Company maintains workplace policies prohibiting harassment and other misconduct that equally apply to social media activities. Personnel should always adhere to all Company policies when using social media.

Use of Social Media at Work

All Personnel should limit their use of social media on work time and on Company provided equipment. Incidental use of social media websites for personal use on work time or on Company provided equipment is permitted. However, this is a privilege, not a right, and the Company reserves the right to restrict or withdraw its permission at any time at its sole discretion.

Reporting Violations

If an employee notices any content posted on social media about Discovery (whether complementary or critical), they should report it immediately to their Supervisor. Any employee who feels that they have been harassed or bullied, or are offended by material posted or uploaded by a colleague onto a social media website should inform their Supervisor, a Human Resources Representative or, to remain anonymous, via the **Ethics Hotline**.

Violation of Policy

Any conduct that adversely affects Discovery or any of its affiliates, employees, contractors or vendors, is in violation of any Discovery policy, or disparages the reputation of Discovery or any of its affiliates, is strictly prohibited.

Any inappropriate social media use as outlined in this Policy will not be tolerated and will result in disciplinary action up to and including termination. Contractors, service providers and vendors are subject to termination of their contract.

This Policy does not constitute or imply a contract of employment between Discovery and its employees. All employees remain employees at-will, unless they are subject to a written Employment Agreement signed by the CEO of Discovery. This Policy creates no Discovery obligation nor any individual obligation, right, privilege, term, or condition of employment not otherwise established by law. Discovery has voluntarily adopted this Policy for its sole and exclusive use and may amend or discontinue it at any time without prior notice.

Policy – Workplace Violence Prevention

Purpose

This establishes the Discovery Natural Resources LLC (“Discovery” or “Company”) Workplace Violence Prevention Policy.

Scope

This Policy applies to all Discovery activities and to all Discovery officers, directors, employees and contractors and other service providers. This Policy shall be administered in accordance with all applicable federal, state, and local laws and regulations. Contractors and other service providers are required to develop and enforce workplace violence prevention and weapons policies that are consistent with this Policy.

Policy – Workplace Violence Prevention

Discovery is committed to providing a safe and secure workplace environment, free of harassment, threats, intimidation and violence.

Violence and Threats of Violence

Discovery prohibits any employee, contractor or other service provider from engaging in any violent activity or making any threats in the workplace, stemming from the workplace, or while otherwise representing the company. Violence includes physical altercations, fights, the use of firearms, explosives and other weapons, and any other conduct that could cause injury or other damage or that could cause employees and contractors to reasonably fear for their safety. Threats of violence include acts of physical aggression or any statements that could be perceived as expressing intent to cause harm to an employee or to the Company. Threats can be direct statements or acts, as well as more subtle conduct, such as bullying, intimidating remarks or gestures, stalking or other menacing behavior.

Possession of Prohibited Weapons

Subject to applicable law, firearms, ammunition, explosives, and/or prohibited weapons of any kind (i.e. switchblade knife, knuckles, chemical dispensing device, stun-gun, etc.) are not permitted on Company property, including the Company office and field locations, Company vehicles, personal vehicles parked on Company premises in Colorado, or in an employee’s personal possession while on Company property, while conducting Company business, or at Company events.

An exception to this policy may be officers and security guards, or other persons who, because of the nature of their position with the Company, have been given written consent by the CEO of the Company to carry or possess a weapon on Company property.

Texas Employees

An employee who is licensed to carry a handgun, otherwise lawfully possesses a firearm, or lawfully possesses ammunition, is not prohibited from transporting or storing their firearm and/or ammunition in a locked privately owned motor vehicle in the Company’s parking areas. This does not apply to Company-owned vehicles. These firearms and/or ammunition must remain in the employee’s privately owned vehicle and may not be displayed anywhere on Company premises.

Inspections and Searches

Discovery reserves the right to have authorized personnel conduct searches of employees, contract workers, and employees of third-party contractors who are working on Discovery's premises without prior notice and without their presence or consent. Accordingly, all areas of Discovery property may be searched, including work locations, stations, living and working areas, offices, desks, files, lockers, toolboxes, work vehicles, personal vehicles and personal belongings of employees, contractors and employees of third-party contractors, if on or within Discovery property. Searches will be conducted in compliance with applicable laws. Employees, contractors and employees of third-party contractors should not expect privacy with regard to any item brought into the workplace or kept in a Discovery owned or leased vehicle or vehicle used for Discovery business.

An employee who, as a result of a search, has been found in violation of a Discovery Policy will be subject to disciplinary action, up to and including termination and contractors will be subject to termination of their contract. If an employee or contractor is present and refuses to allow the Company to perform an appropriate search, such refusal will result in disciplinary action up to and including termination of employment or contract.

Texas Employees

If the Company has reasonable suspicion to believe an individual has a weapon on Discovery property in violation of this policy, the Company may conduct searches of employees, contract workers, and employees of third-party contractors who are working on Discovery's premises. Accordingly, all areas of Discovery property may be searched, including work locations, stations, living and working areas, offices, desks, files, lockers, toolboxes, work vehicles, personal vehicles and personal belongings of employees, contractors and employees of third-party contractors, if on or within Discovery property. Searches will be conducted in compliance with applicable laws.

Reporting Incidents

Employees and contractors have the responsibility to prevent violence in the workplace. To maintain a safe work environment, employees and contractors are expected to treat others with dignity and respect, refrain from threatening behavior, and seek help to resolve issues that may lead to violence. Employees and contractors should immediately report any dangerous or threatening situation or a situation that they are aware of that may affect workplace safety or could indicate a co-worker is in trouble to their Supervisor, a Human Resources Representative, or via the [Ethics Hotline](#).

Discovery will promptly and thoroughly investigate all reports, or threats of actual violence and of suspicious individuals or activities. Discovery will use discretion and take all reasonable steps to protect the confidentiality of the individual making a report. In order to maintain workplace safety and the integrity of its investigation, the Company may suspend employees, either with or without pay, pending investigation.

Employees and contractors should immediately report any incident that may involve a violation of any of the Company's policies that are designed to provide a safe and comfortable workplace environment to their Supervisor, a Human Resources Representative, or via the [Ethics Hotline](#).

Policy – Workplace Violence Prevention

Discovery prohibits any form of retaliation for any employee, contractor or other service provider who in good faith reports incidents of workplace violence, pursues a workplace violence complaint, or cooperates in related investigations.

Employee Assistance Program

Discovery provides an Employee Assistance Program (EAP) for all employees and their eligible dependents. The EAP is designed to help individuals manage personal problems that can impact their well-being and work performance. Treatment is confidential (unless an EAP counselor is required by law to disclose information, such as child abuse) and will not become a part of an employee's personnel records. For more information about the EAP, contact your local Human Resources representative.

Violation of Policy

Any violation of this Policy may result in disciplinary action being taken, up to and including termination of employment from Discovery. Discovery may refer violations of this Policy or relevant laws to the appropriate regulatory authorities. Contractors and other service providers are also subject to termination of their contract with Discovery.

This Policy does not constitute or imply a contract of employment between Discovery and any person. All employees remain employees at-will, unless they are subject to a written Employment Agreement signed by the CEO of Discovery. This Policy creates no Discovery obligation nor any individual obligation, right, privilege, term, or condition of employment not otherwise established by law. Discovery has voluntarily adopted this Policy for its sole and exclusive use and may amend or discontinue it at any time without prior notice.



Contact Discovery Natural Resources the Health, Safety & Environmental organization for further information:

Corporate Office - Denver, Colorado 303-893-5073 Barnhart, Texas Office – 325-835-8200