

PUREGOLD PRICE CLUB, INC.

900 D. Romualdez Street, Ermita, Manila

DRUG-FREE WORKPLACE POLICY

1. POLICY

- 1.1 PUREGOLD has a vital interest in maintaining a safe and efficient working environment. Being under the influence of an illegal drug on the job poses serious safety and health risks to the user and to all those who work with the user. The use, sale purchase, transfer or possession of an illegal drug in the workplace poses unacceptable risks for safe, healthy and efficient operations.
- 1.2 PUREGOLD has the right and obligation to maintain a safe, healthy and efficient workplace for all its employees, and to protect the organization's property, information, equipment, operations and reputation.
- 1.3 PUREGOLD recognizes its obligations to its member companies for the provision of services that are free of influence of illegal drugs, and will endeavor through this policy to provide drug-free services.
- 1.4 PUREGOLD further expresses its intent through this policy to comply with local and national rules, regulations or laws that relate to the maintenance of a workplace free from illegal drugs.
- 1.5 As a condition of employment, all employees are required to abide by the terms of this policy and to notify **PUREGOLD's** management of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.

2. PURPOSE

- 2.1 This policy outlines the goals and objectives of **PUREGOLD's** drug testing program and provides guidelines to supervisors and employees concerning their responsibilities for carrying out such programs.

3. SCOPE

- 3.1 This policy applies to all departments, all employees and all the job applicants. The term employee includes contracted employees.

4. DEFINITIONS

- 4.1 **Company premises or company facilities** means all property of **PUREGOLD** including but not limited to the offices, facilities and surrounding areas on PUREGOLD-owned or leased property, parking lots and storage areas. The term also includes PUREGOLD-owned or leased vehicles and equipment wherever located.
- 4.2 **Contraband** means any article the possession of which on **PUREGOLD** premises or while on PUREGOLD business causes an employee to be a violation of PUREGOLD work rules or law. Contraband includes illegal drugs, drug paraphernalia, lethal weapons, firearms, explosives, incendiaries, stolen property, counterfeit money, untaxed whisky and pornographic materials.
- 4.3 **Drug Testing** means the scientific analysis of urine, blood, breath, saliva, hair, tissue and other specimens of the human body for the purpose of detecting a drug.
- 4.4 **Illegal drug** means any drug, which is not legally obtainable, any drug which is legally obtained, any prescribed drug not being used for the prescribed purpose, any over-the-counter drug being used at a dosage level other than in accordance with bona fide medical therapy. Examples of illegal drugs are cannabis substances such as marijuana and hashish, cocaine, heroin, methamphetamine, phencyclidine (PCP), and so-called designer drugs and look-alike drugs.
- 4.5 **Legal drug** means any prescribed drug or over-the-counter drug that has been legally obtained and is being used for the purpose for which prescribed or manufactured.
- 4.6 **Reasonable belief** means a belief based on objective facts sufficient to lead a prudent person to conclude that a particular employee is unable to satisfactorily perform his or her job duties due to the influence of drug. Such inability to perform may include, but not limited to decreases in the quality or quantity of the employee's productivity, judgment, reasoning, concentration and psychomotor control, and marked changes in behavior. Accidents, deviations from safe working practices and erratic conduct indicative of impairment are examples of "reasonable belief" situations.
- 4.7 **Under the influence** means a condition in which a person is affected by a drug in every detectable manner. The symptoms of influence are not confined to those consistent with misbehavior, not to obvious impairment of physical or mental ability, such as slurred speech or difficulty in maintaining balance. A determination of being under influence can be established by a professional opinion, a scientifically valid test, such as urinalysis or blood analysis, and in some cases by the opinion of a layperson.

5. EDUCATION

- 5.1 Supervisors and other management personnel are to be trained in:
- a. Detecting the signs and behavior of employees who may be using drugs in violation of this policy.
 - b. Intervening in situations that may involve violations of this policy.
 - c. Recognizing the above activities as a direct job responsibility.
- 5.2 Employees are to be informed of:
- a. The health and safety dangers associated with drug abuse;
 - b. The provisions of this policy.

6. PROHIBITED ACTIVITIES

- 6.1 Legal Drugs
- a. The undisclosed use of any legal drug by any employee while performing **PUREGOLD's** business or while on **PUREGOLD** premises is prohibited. However, an employee may continue to work even though using a legal drug if **PUREGOLD** management has determined, after consulting with **PUREGOLD's** health and/or human resource officials, that such use does not pose a threat to safety and that the using employee's job performance is not significantly affected. Otherwise, the employee may be required to take leave of absence or comply with other appropriate action as determined by **PUREGOLD** management.
 - b. **PUREGOLD** at all times reserves the right to judge the effect that a legal drug may have on job performance and to restrict the using employee's work activity or presence at the workplace accordingly.
 - c. An employee, whose medical therapy requires the use of legal drug, must report such use to his or her supervisor prior to the performance of **PUREGOLD's** business. The supervisor who is so informed will contact **PUREGOLD's** designated human resource officials for guidance.
- 6.2 Illegal Drugs
- a. The use, sale, purchase, transfer or possession of an illegal drug by an employee while on **PUREGOLD** premises or while performing **PUREGOLD** business is prohibited.

7. DRUG TESTING OF JOB APPLICANTS

- 7.1 All applicants for employment, including applicants for part-time and seasonal positions and applicants who are former employees are subject to drug testing.

- 7.2 Applicants must pass the drug test to be considered for employment.
- 7.3 An applicant who will be notified of **PUREGOLD's** drug testing policy prior to being tested, will be informed in writing of his or her right to refuse to undergo such testing, and will be informed that the consequence of refusal is termination of the pre-employment process.
- 7.4 An applicant will be provided written notice of this policy, and by signature will be required to acknowledge receipt and understanding of the policy.
- 7.5 If an applicant refuses to take the drug test, or if evidence of the use of illegal drugs or by an applicant is discovered, either through testing or other means, the pre-employment process will be terminated.

8. DRUG TESTING OF EMPLOYEES

- 8.1 **PUREGOLD** will notify employees of this policy by:
 - a. Providing to each employee a copy of the policy and obtaining a written acknowledgement from each employee that the policy has been received and read.
 - b. Announcing the policy in various written communications and making presentations at employee meetings.
- 8.2 **PUREGOLD** may perform drug testing to be conducted by the company's accredited clinic only:
 - a. Of any employee who manifests "reasonable belief" behavior.
 - b. Of any people who is involve in an accident that results or could result in the filing of compensation claims.
 - c. On a random basis of any employee
 - d. Of any people who is subject to drug pursuant to local and national rules, regulations or laws.
 - e. Of all regular employees on a surprise or unannounced schedule.
- 8.3 An employee's consent to submit to drug testing is required as a condition of employment and the employee's refusal to consent may result in disciplinary action, including discharge, for a first refusal or any subsequent refusal.
- 8.4 An employee who is tested in a "reasonable belief" situation may be suspended pending receipt of written test results and whatever inquiries may be required.

9. APPEAL OF A DRUG TEST RESULT

- 9.1 An applicant whose drug test reported positive will no longer qualify for employment.

- 9.2 An employee whose drug test reported positive will be offered the opportunity of meeting to offer an explanation. The purpose of the meeting will be determined if there is any reason that a positive finding could have resulted from some cause other than drug use. **PUREGOLD**, through its health and/or human resource officials, will judge whether an offered explanation merits further injury.
- 9.3 An employee whose drug test is reported positive will be offered the opportunity to:
- Obtain and independently test, at the employee's expense, the remaining portion of the urine specimen that yielded the positive result.
 - Obtain the written test result and submit it to an independent medical review at the employee's expense.

During the period of appeal the employment status of an employee may be suspended. An employee who is suspended pending appeal will be permitted to use any available annual leave in order to remain in an active pay status. If the employee has no annual leave or chooses not to use it, the suspension will be without pay.

10. INSPECTIONS AND SEARCHES

- 10.1 **PUREGOLD** may conduct unannounced general inspections and searches for drugs on **PUREGOLD** premises or in **PUREGOLD** vehicles or equipment wherever located. Employees are expected to cooperate
- 10.2 Search of an employee and his or her personal property may be made when there is reasonable belief to conclude that the employee is in violation of this policy.
- 10.3 An employee's consent to a search is required as a condition of employment, and the employee's refusal to consent may result in immediate discharge, even for a first refusal.
- 10.4 Illegal drugs, drugs believed to be illegal and drug paraphernalia found on **PUREGOLD** property will be turned over to the appropriate law enforcement agency and the full cooperation given to any subsequent investigation. Substances that cannot be identified as an illegal drug by a layman's examination will be turned over to a forensic laboratory for scientific analysis.
- 10.5 Other forms of contraband, such as firearms, explosives and lethal weapons will be subject to seizure during an inspection or search. An employee who is found to possess contraband on **PUREGOLD** property or while on **PUREGOLD** business will be subject to discipline up to and including discharge.

- 10.6 If an employee is the subject of a drug-related investigation by **PUREGOLD** or by a law enforcement agency, the employee may be suspended pending completion of the investigation.

11. ILLEGAL DRUG RELATED OFFENSES / DISCIPLINARY ACTIONS

- 11.1 Bringing onto **PUREGOLD's** premises or property, vehicles and the like having possession of, or using, consuming, transferring, selling or attempting to sell or transfer any form of dangerous drug.

PENALTY : TERMINATION

- 11.2 Reporting for work under the influence of illegal drugs.

PENALTY : TERMINATION

- 11.3 Testing positive for dangerous drugs / illegal drugs.

PENALTY : TERMINATION

- 11.4 Refusal to be subjected to drug screening / test.

PENALTY : TERMINATION

- 11.5 Refusal to submit to searches / inspections.

PENALTY : TERMINATION

- 11.6 Adulterating urine, blood or test sample.

PENALTY : TERMINATION

12. CONFIDENTIALITY

- 12.1 All information relating to drug testing or the identification persons as users of drugs will be protected by **PUREGOLD** as confidential unless otherwise required by law, overriding public health and safety concerns, or authorized in writing by the person in question.

NOTED BY:
