



First Abacus Financial Holdings Group

POLICY AND PROGRAM FOR A DRUG FREE WORKPLACE

In compliance with Article V of Republic Act No. 9165, otherwise known as the Comprehensive Dangerous Drugs Act of 2002, and its Implementing Rules and Regulations and DOLE Department Order No. 53-03, series of 2003 (Guidelines for the Implementation of a Drug-Free Workplace Policies and Programs for the Private Sector), **Abacus Capital & Investment Corporation; Abacus Securities Corporation; First Abacus Financial Holdings Corporation** hereby adopts the following policies and programs to achieve a drug-free workplace:

I. COMPANY POLICY ON DRUG-FREE WORKPLACE

Abacus Capital & Investment Corporation; Abacus Securities Corporation; First Abacus Financial Holdings Corporation explicitly prohibits:

- The use, possession, solicitation for, or sale of dangerous drugs on company premises or while performing an assignment.
- Being impaired or under the influence of dangerous drugs away from the company, if such impairment or influence adversely affects the employee's work performance, the safety of the employee or of others, or puts at risk the company's reputation.
- The presence of any detectable amount of dangerous drugs in the employee's system while at work, while on the premises of the company, or while on company business. "Dangerous Drugs" include those listed in the Schedules annexed to the 1961 Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and in the Schedules annexed to the 1971 Single Convention on Psychotropic Substances as enumerated in the attached annex of R.A. 9165.

II. COMPANY PROGRAM ON DRUG-FREE WORKPLACE

A. MANDATORY DRUG TEST

1. To ensure that only those qualified shall be screened and recruited to prevent the detrimental effects (e.g. lower productivity; poor decision making; increased accidents; more compensation claims; and team effort) which drug use and abuse may cause in the workplace, the conduct of mandatory drug test shall be required for pre-employment.
2. ABC Company designates XYZ Company, a duly accredited drug testing center by the Department of Health (DOH), as its authorized drug testing laboratory.
3. ABC Company may also conduct drug testing under any of the following circumstances:
 - i. **RANDOM TESTING:** Officer/employees may be selected at random drug testing at any interval determined by the Company.
 - ii. **FOR-CAUSE TESTING:** The company may ask an officer/employee to submit to a drug test at any time it feels that the employee may be under the influence of drugs, including, but not limited to, the following circumstances: evidence of drugs on or about the employee's person or in the employee's vicinity, unusual conduct

on the employee's part that suggests impairment or influence of drugs, negative performance patterns, or excessive and unexplained absenteeism or tardiness.

- iii. **POST-ACCIDENT TESTING:** Any officer/employee involved in a "Near-Miss incident or "Work Accident" under circumstances that suggest possible use or influence of drugs may be asked to submit to a drug test. As defined herein, "Near-Miss" means an incident arising from or in the course of work which could have led to injuries or fatalities of the workers and/or considerable damage to the employer had it not been curtailed. "Work Accident" refers to unplanned or unexpected occurrence that may or may not result in personal injury, property damage, work stoppage or interference or any combination thereof of which arises out of and in the course of employment.
4. All drug tests shall employ, among others, two (2) testing methods, the screening test which will determine the positive result as well as the type of the drug used and the confirmatory test which will confirm a positive screening test. Where the confirmatory test runs positive, the company's Assessment Team shall evaluate the results and determine the level of care and administrative interventions that can be extended to the concerned employee.
5. ABC Company shall inform the officer/employee who was subjected to a drug test of the test-results whether positive or negative.
6. All costs of drug testing shall be borne by ABC Company.

B. TREATMENT, REHABILITATION, AND REFERRAL

1. An officer/employee who, for the first time, is found positive of drug use, shall be referred for treatment and/or rehabilitation in a DOH accredited center. For this purpose, ABC Company shall provide a list of at least three (3) accredited facilities which an employee who was tested positive for drugs may choose from.
2. Following rehabilitation, the company's Assessment Team, in consultation with the head of the rehabilitation center, shall evaluate the status of the drug dependent employee and recommend to the employer the resumption of the employee's job if he/she poses no serious danger to his/her co-employees and/or the workplace.
3. All costs for the treatment and rehabilitation of the drug dependent employee shall be charged to his account. The period during which the employee is under the treatment or rehabilitation shall be considered as authorized leaves.
4. Repeated drug use even after ample opportunity for treatment and rehabilitation shall be dealt with the corresponding penalties under R.A. 9165 and is a ground for dismissal.

C. ADVOCACY, EDUCATION AND TRAINING

1. ABC Company undertakes to increase the awareness and education of its officers and employees on the adverse effects of dangerous drugs through continuous advocacy, education and training programs/activities to all its officers and employees.
2. All officers and employees are required to undergo an orientation/education program before assumption of their respective duties. The program shall include the following topics:

- i. Salient features of R.A. 9165;
 - ii. Adverse effects of abuse and/or misuse of dangerous drugs on the person, workplace, family and the community;
 - iii. Preventive measures against drug abuse; and
 - iv. Steps to take when intervention is needed, as well as available services for treatment and rehabilitation.
3. To encourage all officers and employees to lead a healthy lifestyle while at work and at home, ABC Company undertakes to conduct following activities as often as possible:
 - i. Lifestyle assessment programs on health nutrition, weight management, stress management, alcohol abuse, smoking cessation, and other indicators of risk diseases;
 - ii. Health wellness screenings (e.g. blood pressure and heart rate, cholesterol test, blood glucose, etc.);
 - iii. Sports, recreational and fun-game activities; and
 - iv. Other activities promoting health and wellness.

C. ROLES, RIGHTS AND RESPONSIBILITIES OF EMPLOYER AND EMPLOYEES

1. ABC Company shall ensure that the workplace policies and programs on the prevention and control of dangerous drugs, including drug testing, shall be disseminated to all officers and employees. The employer shall obtain a written acknowledgement from the employees that the policy has been read and understood by them.
2. ABC Company shall maintain the confidentiality of all information relating to drug tests or to the identification of drug users in the workplace; exceptions may be made only where by law, in case of overriding public health and safety concerns; or where such exceptions have been authorized in writing by the persons concerned.
3. All officers and employees shall enjoy the right to due process, absence of which will render the referral procedure ineffective.

D. CONSEQUENCES OF POLICY VIOLATIONS

1. Any officer or employee who uses, possesses, distributes, sells or attempts to sell, tolerates, or transfers dangerous drugs or otherwise commits other unlawful acts as defined under Article II of RA 9165 and its Implementing Rules and Regulations shall be subject to the pertinent provisions of the said Act.
2. Any officer or employee found positive for use of dangerous drugs shall be dealt with administratively in accordance with the provisions of Article 282 Book VI of the Labor Code and under RA 9165.

E. MONITORING AND EVALUATION

1. The implementation of these policies and programs shall be monitored and evaluated periodically by management to ensure a drug-free workplace. For this purpose, an Assessment Team shall be constituted in accordance with D.O. 53-03.

F. EFFECTIVITY

1. The provisions of these policies and programs shall be immediately effective after its ratification by the management and the employee's representatives and its posting in the company's bulletin board.

ANY EXISTING POLICY INCONSISTENT WITH THE ABOVE IS DEEMED AMENDED.

MANAGEMENT IN THE EXERCISE OF ITS SOLE AND EXCLUSIVE PREROGATIVE MAY ADD, DELETE, AMEND, AND/OR REVISE THIS POLICY.