M2 PROPERTY GROUP

Disciplinary Action & Documentation Guidelines

Purpose

Verbal and written warnings communicate concerns, establish expectations, provide an opportunity to improve, and create a reliable record. Our goal is to address issues fairly and promptly while supporting employee success and workplace accountability.

1. Address Concerns Promptly

Managers should address performance and conduct concerns as soon as reasonably possible, rather than allowing issues to continue or waiting for annual reviews.

- Discuss concerns professionally and document coaching when appropriate.
- Consult your Regional Manager or Human Resources before issuing formal disciplinary action.

2. Progressive Discipline

Depending on the circumstances, action may include a verbal warning, written warning, final written warning, suspension (when approved), or separation. Steps need not occur in a fixed sequence; severity, prior history, applicable policy, and circumstances determine the response. Consult your Regional Manager and HR as appropriate.

3. Proper Documentation

Documentation must be objective, specific, professional, and free of speculation or personal criticism. Include:

- Employee and manager names and job titles; warning date; incident date, time, and location when applicable.
- Clear description of the concern, specific examples, relevant policies, and prior coaching or warnings when applicable.
- Supporting records such as timecards, handbook provisions, or other relevant documentation.
- Employee's explanation or response, including any new information requiring further review.

4. Expectations for Improvement

State the behavior or performance required, practical improvement steps, reasonable timeframes when applicable, and available coaching or training. Explain that continued concerns may lead to further discipline, up to and including termination.

5. Review and Approval

Before presenting a formal warning, consult your Regional Manager and obtain review, approval, and the Regional Manager's signature on the form. Involve HR when additional guidance is needed.

HR review is required before discipline involving potentially protected leave, medical restrictions or accommodations, discrimination or harassment complaints, retaliation concerns, workplace safety complaints, or other potentially protected activity. All proposed involuntary terminations should be reviewed by HR before communicating a decision.

6. Conducting the Meeting

Meet privately, explain the concern and expectations, allow the employee to respond, and maintain a respectful, professional tone.

Whenever possible, have another manager or supervisor present. Under the current Employee Handbook procedure, a witness is mandatory for Level I offenses. If none is available, contact your Regional Manager before proceeding. Hourly employees may not serve as disciplinary meeting witnesses under M2's current procedure.

7. Acknowledgment and Signatures

Obtain signatures from the presenting manager, employee, any witness, and the Regional Manager (approval). An employee signature acknowledges receipt and discussion, not agreement. If the employee declines, write "Employee refused to sign," date the notation, and have the witness initial or sign. Refusal does not invalidate the warning.

8. Submission to HR

Within 24 hours after presenting the warning, send the completed form and supporting documentation to hroffice@M2REGroup.com and copy the Regional Manager. Share confidential disciplinary records only with those who have a legitimate business need to know.

9. Follow-Up and Accountability

Monitor progress, provide coaching, document follow-up discussions and improvement, and promptly address continued concerns. Consult the Regional Manager before further formal disciplinary action.

10. Fairness and Professionalism

Apply expectations consistently while considering each situation's circumstances. Focus on facts, listen to employees, maintain confidentiality, and involve HR and Regional leadership as required. Informal coaching is distinct from a formal documented verbal warning.

Manager reminder: Document promptly. Obtain approval before presenting. Submit to HR within 24 hours. Follow up.