



CODE OF CONDUCT & DISCIPLINE

Effective Date:

APRIL 9, 2012

Endorsed by:

HUMAN RESOURCES AND
ADMINISTRATION DEPARTMENT

Approved by:

CHIEF EXECUTIVE OFFICER /
CHIEF OPERATING OFFICER

A. COVERAGE

All employees regardless of employment status.

B. STATEMENT OF POLICY

Our Company requires that we comport ourselves in accordance with a high standard of corporate conduct appropriate to our Company's standing in the corporate community.

It is the policy of the Company to promote discipline in the organization by taking corrective action as may be needed for the protection of all employees and clients, Company's properties and interests.

These rules were prepared to ensure fair and consistent treatment and constructive actions on any employee who has made a mistake.

C. OBJECTIVES

1. To instill awareness on proper behavior, attitude, and conduct as employees of Century Properties Group, Inc.
2. To serve as guidelines in handling disciplinary cases to ensure fair, consistent, and uniform imposition of disciplinary actions.

D. GENERAL POLICIES AND PROCEDURES

1. Procedures

1.1 The Manager is responsible for reporting to HRD any offenses committed by the employee. No employee shall be excused from appropriate actions or penalties contained herein, on the reason of ignorance of the rules and regulations stated in this Code, as well as any revisions in the future.

1.2 Upon receipt of the report, HRD shall issue a memorandum indicating the nature of the charge to the employee concerned. The employee shall explain his side or defend himself in writing within 72 hours. Failure or refusal of the employee to comply within 72 hours shall be deemed as a waiver of his right to present evidence on his behalf. The company may then proceed to take on appropriate action/s without such employee's evidence.



CODE OF CONDUCT & DISCIPLINE

Effective Date:

APRIL 9, 2012

Endorsed by:

HUMAN RESOURCES AND
ADMINISTRATION DEPARTMENT

Approved by:

CHIEF EXECUTIVE OFFICER /
CHIEF OPERATING OFFICER

1.3 Upon receipt of the employee's explanation, the HR Administrative & Discipline Committee shall conduct an impartial and thorough investigation. The HR Administrative & Discipline Committee shall be composed of representatives from HRD, Audit, Legal, Department Head/Manager, the employee's immediate superior. The HRD Head or his designate shall act as Chairperson of the Committee. For cases involving property and security, there shall be additional members representing Finance and Security.

1.4 A hearing of the case shall be scheduled within reasonable time from issuance of the memorandum.

1.5 During the hearing, the erring employee shall be given ample opportunity to answer the allegations against him, to confront any or all the witness, and to present evidence that may strengthen his explanations. The employee may avail of the assistance of any representative of his choice to defend him, if he so desires.

1.6 The HR Administrative & Discipline Committee shall document the proceedings and the document shall form part of the record case. After having ascertained all relevant facts of the case and evaluated the evidences presented, the Committee will submit its report to Management within 7 working days after conclusion of the investigation for final resolution.

1.7 All cases involving pilferage of Company property or gross dishonesty or misuse of office/position or other criminal offenses shall be under the jurisdiction of the HR Head or his designate in close coordination with Security and the erring employee's Head. The employee concerned shall be placed under preventive suspension immediately if warranted by the circumstances and if his continuous presence poses a serious and imminent threat to the life or property of the company or his co-employees.

1.7.1 Preventive suspension shall be for 30-day but not more than 120 working days depending on the gravity of the offense.

1.7.2 Upon service of the preventive suspension or suspension notices, the employee shall turn-over all tools and equipment to his immediate superior. The employee shall prepare himself an inventory of items turned over and duly confirmed by his immediate superior and the HR Head or his designate.

1.9 Suspended employees shall be prohibited from entering the Company premises during the period of suspension. In case of important/emergency matters which the employee has to attend to inside the Company premises, a prior clearance must be secured from the HR



CODE OF CONDUCT & DISCIPLINE

Effective Date:

APRIL 9, 2012

Endorsed by:

HUMAN RESOURCES AND
ADMINISTRATION DEPARTMENT

Approved by:

CHIEF EXECUTIVE OFFICER /
CHIEF OPERATING OFFICER

Head or his designate concerned. Management reserves its rights to provide a Security escort, if necessary.

1.10 All documents/records pertaining to the case shall be included in the 201 file of the employee.

2. **Application of Penalty**

2.1 Penalties should be imposed after the employee concerned has been accorded due process.

2.2 Offenses which are not enumerated in this Code (refer to '*Offenses and Corresponding Penalties*') , but nevertheless constituting violations against established work rules and practices shall be decided by the HR Administrative and Discipline Committee in accordance with applicable laws (e.g. Revised Penal Code, Labor Code, etc.) Depending on the circumstances of the offense, which may either aggravate or mitigate said offense, the Management at its discretion may impose a penalty not included in the Code whenever it may deem fit and necessary.

2.3 In recommendation the appropriate disciplinary action, the following factors shall be considered by the HR Administrative and Discipline Committee:

- Gravity of the offense
- Extent of guilt/negligence
- Previous record of employee (201 File)
- Other factors which would tend to aggravate or mitigate the offense according to the nature and effects and other conditions attending its commission.

2.4 The HR Administrative and Discipline Committee is a fact-finding body and all its reports, recommendatory in nature. Final decision on cases submitted to the HR Administrative and Discipline Committee will be the sole prerogative of the Chief Executive Officer or his designate.



CODE OF CONDUCT & DISCIPLINE

Effective Date:

APRIL 9, 2012

Endorsed by:

HUMAN RESOURCES AND
ADMINISTRATION DEPARTMENT

Approved by:

CHIEF EXECUTIVE OFFICER /
CHIEF OPERATING OFFICER

3. Prescription Period

All offenses reported officially to the Management shall prescribe and punishment is waived if the Company in connection therewith within one year and six months takes no action from the date of its commission or occurrence.

4. Multiple and Successive Violations

4.1 An employee who commits two or more violations on one occasion shall be meted the maximum penalty corresponding to the most serious violation committed.

4.2 An employee who has been suspended without pay for at least two (2) times within one (1) calendar year, regardless of the nature of the offenses, shall be given suspension without pay for at least seven (7) days. Subsequent violations shall be treated with stiffer penalty including dismissal from the company, if warranted.

5. Appeal Procedure

5.1 The employee may appeal his case in writing within 72 hours upon receipt of the decision and/or resolution made. The written appeal shall be addressed to the HR Administrative & Discipline Committee, and to the Chief Executive Officer.

5.2 The HR Administrative & Discipline Committee shall deliberate on the merit of the appeal with the Chief Executive Officer or his designate. The resolution on the appeal shall be made not later 72 hours upon receipt of the appeal from the employee.

6. Non-Restrictive Clause

This Code is neither intended to be restrictive nor all encompassing. Management reserves the right to suspend any or all provisions in this Code and to be lenient with penalties on meritorious cases. The Company, whenever necessary, may promulgate other policies, rules and regulations relative to discipline in this Code. The Company also reserves the right to amend existing definitions and/or penalties. Employees may also suggest amendments. The same must be submitted to the Chief Executive Officer or his designate for approval. This is to ensure that fairness and consistency is maintained.



CENTURY
PROPERTIES GROUP, INC.

CODE OF CONDUCT & DISCIPLINE

Effective Date:

APRIL 9, 2012

Endorsed by:

HUMAN RESOURCES AND
ADMINISTRATION DEPARTMENT

Approved by:

CHIEF EXECUTIVE OFFICER /
CHIEF OPERATING OFFICER

7. **Effectivity**

This Code shall take effect immediately. All previous rules and regulations inconsistent with the provisions of the Code of Conduct & Discipline are hereby suspended or amended accordingly.