



AXIS REIT MANAGERS BERHAD
(Company Number: 649450-W)
(Incorporated in Malaysia under the Companies Act, 1965)

**As Management Company of
Axis Real Estate Investment Trust**

CODE OF CONDUCT

**APPROVED BY THE BOARD OF DIRECTORS ON 28 DECEMBER 2012
UPDATED ON 23 OCTOBER 2017**

Introduction:

The Company, as the management company (“Manager”) of Axis Real Estate Investment Trust (“Fund” or “Axis-REIT”) and its employees must, at all times comply with all applicable laws and regulations. The Manager will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payment for illegal acts, indirect contributions, rebate, and bribery.

All business conduct should be well above the minimum standard required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations governing the Manager’s and the Fund’s operations and business.

Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their supervisor/immediate superior, who, if necessary, should seek appropriate legal advice. The Human Resource (“HR”) department should also be the focal point for enquiry and consultation relating to the issues/areas set forth in this policy.

General Conduct:

The Manager expects its employees to conduct themselves in a businesslike manner. Drinking (except for designated corporate functions), gambling, fighting and similar unprofessional or illegal activities are strictly prohibited while on the job.

Employees must not engage in sexual harassment, or conduct themselves in a way that could be construed as such, for example, by using inappropriate language, keeping or posting inappropriate materials in their work area, or accessing inappropriate materials on their computers.

Conflicts of Interest:

The Manager expects that employees will perform their duties conscientiously, honestly, and in accordance with the best interests of the Manager, in managing Axis-REIT. Employees must not use their positions or the knowledge or information gained as a result of their positions for private or personal advantage. Regardless of the circumstances, if employees sense that a course of action they have pursued, or are presently pursuing, or are contemplating pursuing may involve them in a conflict of interest with their employer, they should immediately communicate all the facts to their supervisor/immediate superior. The supervisor/immediate superior will weigh all the facts disclosed in order to determine whether or not conflict exists. Decision whether or not the employee may pursue a course of action may be determined by the supervisor/immediate superior in consultation with the Chief Executive Officer (“CEO”).

Community and Outside Activities:

All employees share a serious responsibility for the Manager’s and the Fund’s good public relations, especially at the community level. Their readiness to help with religious, charitable, educational, and civic activities brings credit to the Manager and the Fund and is encouraged.

Employees must, however, avoid acquiring any business interest or participating in any other activity outside the organization that would, or would appear to:

- Create an excessive demand upon their time and attention, thus depriving the Manager of their best effort on the job.
- Create a conflict of interest – an obligation, interest, or distraction – that may interfere with the independent exercise of judgment in the Manager’s and/or the Fund’s best interests.

All employees are expected to disclose to their supervisor/immediate superior if they are participating in any activity outside the organization for a long-term period which may demand their availability over their commitment to the organization.

Relationships with Tenants and Vendors/Suppliers:

Employees should avoid investing in or acquiring a financial interest for their own account in any business with whom the Manager and/or the Fund has a contractual relationship, where such investment or interest could influence or create the impression of influencing their decision in the performance of their duties on behalf of the Manager.

Gifts, Entertainment and Favours, Kickbacks and Secret Commissions:

Employees must not accept entertainment, gifts or personal favours that could, in any way, influence, or appear to influence their decision in the performance of their duties on behalf of the Manager. Similarly, employees must not accept any other preferential treatment under these circumstances because of their positions with the Manager.

Employees may not receive payment or compensation of any kind, except as authorized under the Manager's business and payroll policies. In particular, the Manager strictly prohibits the acceptance of kickbacks and secret commissions from suppliers or others.

Measures to effectively manage the above include employees' self-disclosure to supervisors/immediate superiors and peer consultation via buddy system practiced within the organization.

Monies and Other Assets of the Manager and the Fund:

Employees who have access to the Manager's and/or the Fund's monies in any form must follow the prescribed procedures for recording, handling, and protecting the monies as detailed in the Manager's formalized policies and procedures. The Manager imposes strict standards to prevent fraud and dishonesty. If employees become aware of any evidence of fraud and dishonesty, they should immediately advise their supervisor/immediate superior or seek appropriate legal guidance so that the Manager can promptly investigate further.

When an employee's position requires incurring any reimbursable expenses, Management must use good judgment to ensure that good value is received for expenditure incurred. Effective verification and approval system must be in place to review such reimbursable expenses.

All monies and other assets belonging to the Manager and/or the Fund are for the purposes of the Manager and/or the Fund only and not for personal benefit. This includes the personal use of assets belonging to the Manager, such as mobile phones and computers. The HR department plays an important role to ensure proper allocation of assets to staff, monitoring of the usage and proper return upon the staff leaving the organization.

Records and Communications:

Accurate and reliable records of many kinds are necessary for the Manager and the Fund to meet legal, regulatory and financial obligations. The books and accounting records maintained must reflect accurate recording of all business transactions. The employees responsible for accounting and recordkeeping must fully disclose and record all assets, liabilities, or both, and must exercise diligence in enforcing these requirements. Employees must not make or engage in any false recording or communication of any kind, whether internal or external, including but not limited to false advertising, deceptive marketing practices, or other misleading representations.

Dealing With Outside People and Organizations:

Employees must separate their personal roles from their positions in the Manager when communicating on matters not involving the Manager's and/or the Fund's business. Employees must not use identification, stationery, supplies, and equipment of the Manager and/or the Fund for personal or political matters.

When communicating publicly on matters that involve the Manager's and/or the Fund's business, employees must not presume to speak for the Manager or the Fund on any topic, unless they are authorized by the CEO. Where applicable, the Manager must be guided by its formalized corporate disclosure policies or marketing standard operating procedures.

When dealing with anyone outside the organization, including public officials or regulators, employees must be mindful not to compromise the integrity or damage the reputation of either the Manager and/or Axis-REIT.

Refer: Investor Relations & Corporate Disclosure Policy

Prompt Communications:

In all matters relevant to tenants, suppliers, governmental authorities, the public or other stakeholders, all employees must take every effort to respond accurately, promptly and courteously to all proper request for information, enquiries and complaints.

Privacy and Confidentiality:

When handling financial and personal information about any individuals with whom the Manager and/or the Fund has dealings, all employees must observe the following principles:

- Collect, use and retain only the personal information necessary for the Manager's and the Fund's business. Whenever possible, obtain relevant information directly from reliable source.
- Retain information only for as long as necessary or as long as required by law. Protect the physical security of the information.
- Limit internal access to personal information. Use only personal information for the purposes for which it was originally obtained. Obtain the consent (where necessary) of the person concerned before externally disclosing any personal information, unless legal process or contractual obligations provide otherwise.

Compliance with Applicable Laws, Rules and Regulations:

All employees are expected to be aware of their departmental policies and internal rules which are put in place to ensure orderly compliance with relevant laws and regulations applicable to the business environment in which the Manager and Axis-REIT operate. The Manager as a whole is required to comply with all formalized and approved policies and procedures and all applicable laws, rules and regulations to which the Manager and Axis-REIT are obliged to adhere to.

Reporting of Non-Compliance:

All employees should be allowed to report any unlawful or unethical behaviour or non-compliance with any of the areas stated above via an effective channel of reporting approved by the Board.

Refer: The Whistle-Blowing Policy.