

PAVILION

REAL ESTATE INVESTMENT TRUST

*Managed by
Pavilion REIT Management Sdn Bhd*

CODE OF CONDUCT AND ETHICS

Effective Date : 29 July 2022

Contents

1	Preamble.....	2
2	Compliance with Laws, Rules and Regulations.....	2
3	General Conduct.....	3
4	Safe, Healthy and Conducive Environment.....	3
5	Conflicts of Interest.....	3
6	Abuse of Power.....	4
7	Insider Trading.....	5
8	Anti-Bribery and Corruption.....	5
9	Anti-Money Laundering and Counter Financing of Terrorism (“AML/CFT”).....	6
10	Relationship with Vendors.....	7
11	Financial Reporting.....	7
12	Confidentiality.....	8
13	Protecting the Company’s Assets.....	8
14	Reporting Non-Compliance of the Code.....	9

1 Preamble

The continuous enhancement of corporate governance practices is pivotal towards realising the objectives of transparency, accountability, integrity and effective performance of Pavilion Real Estate Investment Trust (“PAVREIT” or the “Pavilion REIT” or the “Trust”) by Pavilion REIT Management Sdn Bhd (“PRMSB” or the “Company”). PRMSB is committed to adhering to these objectives and will continuously strive to fulfil its commitment.

It is with the aim of enshrining the principles and recommendations of corporate governance as promulgated by the Malaysian Code on Corporate Governance that this **Code of Conduct and Ethics (the “Code”)** is established.

This Code is the foundation and cornerstone that promotes and guides PRMSB’s Directors, management, and employees in embracing PRMSB’s objectives. Tenants, customers, vendors, suppliers, contractors and service providers are encouraged to refer to this Code as a guidance in their dealings with PRMSB and / or Pavilion REIT.

This Code should be read in tandem with other governance standard operating procedures or policies such as Anti-Bribery and Corruption Policy and / or Standard Operating Procedure, Whistleblowing Policy, Employee Code of Conduct and Discipline, Vendor Code of Conduct etc.

2 Compliance with Laws, Rules and Regulations

PRMSB operates in a regulated environment. Directors and employees should comply at all times with all applicable laws, regulations and regulatory requirements. In addition, they should be aware and be responsible to understand and ensure compliance with internal policies and procedures relevant to their role.

3 General Conduct

In the interests of the employees' professional standing and to protect the reputation of the PRMSB and / or Pavilion REIT, employees shall maintain the highest standards of conduct when dealing with both internal and external parties.

All employees should treat all their colleagues with courtesy and respect, without harassment (sexual or other forms of discrimination) or physical and verbal abuse. PRMSB provides equal opportunities by recruiting, training, and promoting employees without regard to race, colour, religion, national, origin, sex, age, ancestry, sexual orientation, disability, handicap, or veteran status.

4 Safe, Healthy and Conducive Environment

PRMSB adheres to Occupational Safety and Health Act 1994 and the relevant safety regulations. PRMSB aims to promote a safe, healthy, drug free and hazard-free working environment for its Directors and employees. Employees who are using or being under the influence of alcohol or illegal drugs while working are strictly prohibited.

5 Conflicts of Interest

5.1 An integral part of ethics and integrity is avoiding conflict of interest. Directors and employees are expected to exercise caution, business prudence and avoid any activities, interests, or relationships that compete or conflict with the interest of PRMSB.

5.2 Conflicts of interest arise when personal interest impairs or appears to impair the Director or employee's objectivity and the independent judgement required to be made in discharging their duties or exercising judgment on behalf of PRMSB. It includes, but is not limited to: -

- i. accepting employment by a competitor or potential competitor while you are employed by PRMSB;
- ii. hinders or interferes with the employee's performance;

- iii. accepting gifts, payments, or services from those seeking to do business with PRMSB and / or Pavilion REIT;
- iv. receipt of improper personal benefits as a result of their position with PRMSB;
- v. accepting loans or guarantees from PRMSB;
- vi. competing with PRMSB's business;
- vii. owning or having substantial interest in a company that is a competitor, tenant, customer, vendor or supplier of PRMSB and / or Pavilion REIT; and
- viii. a conflict of interest if it involves a family member or business associate of a director or employee.

5.3 Disclosure is the key to remaining in compliance with this Code. Directors and employees are under continuing obligation to disclose any situation that presents a conflict of interest. This enables PRMSB representatives who are independent of the conflict of interest to determine whether interests are being protected.

6 Abuse of Power

Directors and employees should exercise their power wisely and use their power appropriately in accordance with the delegation of authority. Power and position should not be abuse for self-gain, such as below :-

- allocating PRMSB's resources to gain personal interest
- pressuring employees to distort facts or break rules
- requesting employees to attend to personal favours or errands for personal gain
- bullying and harassing behaviour

7 Insider Trading

- 7.1 All directors and employees shall abide by the applicable securities laws and regulations, including insider trading, false trading/market rigging, market manipulation, and dissemination of false information.
- 7.2 Insider trading is the purchase or sale of a company's securities effected by or on behalf of a person with knowledge of relevant but non-public material information that may affect the price of the company's securities ("*price sensitive information*") if made public.
- 7.3 PRMSB's directors and employees shall at all times safeguard the confidentiality of material non-public information obtained in the course of performance of their duties, and they are not permitted to trade in units or other securities while they are in possession of non-public information or recommend others to purchase the securities based on insider information.

8 Anti-Bribery and Corruption

PRMSB takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and business operations. Directors and employees are strictly prohibited from being involved in bribery or corrupt acts. PRMSB expects the same from its tenants, customers, vendors, suppliers, contractors, third parties and business partners who conduct business for and on behalf of the Company and / or Pavilion REIT. Bribery and corruption are not accepted in any form.

8.1 Kickbacks, Commissions, Incentives, Facilitation Payments

PRMSB strictly prohibits the following practices: -

- accepting and giving kickbacks
- accepting commission and incentive payments in a personal capacity from third party
- giving facilitation fees to expediate the performance of a routine action by a public body

8.2 Gifts and Entertainment

The receipt or giving of reasonable gifts and entertainment by the directors and employees are generally not prohibited, so long as they are not done with corrupt intent, are reasonable, bona fide and commensurate with their positions and should not in any event, be too lavish or expensive.

Directors and employees should not solicit for nor accept any gifts from any third party that has or intends to have direct or indirect business interest with PRMSB and / or Pavilion REIT to avoid any conflict of interest situation. As gifts from interested third party may be seen as a bribe, the solicitation or acceptance of such gifts may undermine the integrity which is expected from the directors and / or employees in performing their duties.

8.3 Whistleblowing Policy

Employees and third parties are encouraged to strive toward preventing and detecting bribery and corruption. It is the responsibility of employees and third parties who act for or on behalf of PRMSB and / or Pavilion REIT to report all incidents of bribery and corruption that may come to his or her attention via <https://bdoethics.com/v1/r/QxgwQn00Eyx5cz2z6DILFLAGx4xDL6x9>.

9 Anti-Money Laundering and Counter Financing of Terrorism (“AML/CFT”)

9.1 PRMSB shall conduct business in conformity with high ethical standards and guard against undertaking any transaction that is or may be connected with or to facilitate money laundering, terrorism financing, proliferation financing or sanctions evasion.

Directors and employees should be vigilant against any attempt to use PRMSB and / or Pavilion REIT for illegal purposes or activity, particularly money laundering and terrorism financing.

- 9.2 PRMSB is committed to putting in place AML/CFT Policy and Procedure to achieve the above objective and reduce the likelihood of the PRMSB and / or Pavilion REIT becoming a conduit for money laundering, terrorism financing and proliferation financing, and sanctions violations.
- 9.3 PRMSB shall perform and complete the due diligence on tenants, customers, vendors, suppliers, contractors, and any third parties dealing with PRMSB and / or Pavilion REIT (where applicable). This entails obtaining their information, conducting screening and verifying their information as required by and in accordance with the AML/CFT Policy and Procedures before establishing business relations.

10 Relationship with Vendors

PRMSB expects its employees to exercise care and sound judgment in performing their duties. They shall maintain the highest standards of conduct when dealing with both internal and external parties. This Code of Conduct and Ethics sets out a specific standard of conduct employees must conform to. Likewise, vendors are guided by PRMSB's "**Vendor Code of Conduct**" which sets out standards on business and ethical practices and conducts expected of vendors engaged by PRMSB and / or Pavilion REIT.

11 Financial Reporting

Financial reporting (i.e., periodic disclosure announcements, annual reporting, circular etc) is a regulatory requirement and serves as a valuable tool in providing investors with information to assist them in making investment decisions. Employees must take steps to ensure that all disclosures to the public, unitholders and the information filed with or submitted to the Securities Commission, Bursa Malaysia and the relevant regulatory authorities are accurate and must not contain any materially false or misleading entries.

12 Confidentiality

Directors and employees must take precautionary steps to prevent unauthorised disclosure of confidential information. Disclosure of proprietary or confidential information within PRMSB should not be made to any individual who is not authorised to receive it. Where personal information is involved, PRMSB is required to safeguard the personal data in accordance with Personal Data Protection Act 2010.

Proprietary or confidential information includes, but is not limited to non-public information that might be of use to competitors or harmful to Pavilion REIT or its tenants, vendors, suppliers, contractors or other third parties, if disclosed. Examples of proprietary information include tenant lists, rent rolls, new leases and contracts, amendments to or termination of leases or contracts, tenants' occupancy rates, plans for acquisition, disposal or financing and business / strategic plans and budgets.

Examples of confidential information include business and marketing plans, employee records, tenant and customer's information including but not limited to name, address, contact number, e-mail, address, medical and billing records, contract terms, government issued identification (e.g. identity card, driver's license), credit card, banking or other financial information.

13 Protecting the Company's Assets

Directors and employees are responsible for the proper use of PRMSB and / or Pavilion REIT's property, including information resources, records, materials, facilities and equipment(s). They should use and maintain these assets with care and respect, guarding against theft, waste or abuse which may harm such properties or assets.

The laptop, electronic mail, internet access etc provided are intended for business purposes. These systems should not be use in a manner which is harmful or embarrassing to PRMSB and / or Pavilion REIT.

Employees shall comply with PRMSB's standard operating procedures on use of information technology resources. Under no circumstances should any electronic mail to be used to transmit message that is defamatory, obscene, or threatening. Foul, inappropriate, or offensive messages such as racial, sexual, political, or religious slurs are

prohibited.

14 Reporting Non-Compliance of the Code

- 14.1 Failure to observe this Code may result in disciplinary action, which may include dismissal. Violation of this Code may constitute a breach of the relevant law(s) that would adversely affect the reputation of PRMSB and / or Pavilion REIT.
- 14.2 Any employee or member of the public who has a reasonable belief that there are violations of the Code may raise their concern through <https://bdoethics.com/v1/r/QxgwQn00Eyx5cz2z6DILFLAGx4xDL6x9>.
- 14.3 Any violations of the Code will be treated seriously and dealt with swiftly in a fair but firm manner. All parties will be treated fairly during the investigation and appropriate actions will be taken based on the findings of the investigation.