

**Abacus Property Group**

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# **Code of Conduct**

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**Adopted:**

**Amended:** 6 June 2013; 28 October 2014; 18 August 2016; 27 July 2017

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# 1 Introduction

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1.1 A reputation for and commitment to honesty, integrity and trust is an essential element of success and longevity in the investment industry. This Code of Conduct is intended to be our guide in meeting this commitment. While the Code addresses fundamental principles and highlights some sensitive issues, it is not exhaustive. Abacus relies on everyone behaving in accordance with the spirit of the Code, always acting honestly and with integrity.

1.2 In this Code:

- **'Employee'** includes executive and non-executive directors, employees, consultants and contractors of Abacus Property Group which includes Abacus Funds Management Limited, Abacus Storage Funds Management Limited and Abacus Property Services Pty Limited.
- **'Abacus'** means the economic entity which comprising Abacus Trust, Abacus Income Trust, Abacus Storage Property Trust, Abacus Group Holdings Limited, Abacus Group Projects Limited and Abacus Storage Operations Limited and all listed on the ASX under code ABP and all controlled entities.
- **'Stakeholders'** means Abacus securityholders, investors in Abacus investment products and entities or individuals who have rights under Australian law.

## 2 Code of Conduct

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### Customer Service

2.1 Employees will deliver value and service to our Stakeholders by conducting themselves with honesty and integrity.

### Personal Conduct

2.2 Employees' personal conduct should be consistent with this Code. Employees should deal fairly and honestly with each other, our Stakeholders, suppliers and competitors, and observe all relevant legislation and regulations.

2.3 All Stakeholder contacts should be handled professionally and courteously, with due care and diligence.

### Business Records

2.4 Employees must not destroy business documents and records that are required by law to be maintained for a statutory period, nor must any records be falsified or manipulated.

### Company Assets

2.5 Company assets, including goods, money, intellectual property or the services of other Abacus employees (including contractors), must not be used for personal gain. This includes, but is not limited to:

- transcription of computer software programs regardless of whether or not the programs are protected by copyright; and
- falsification or improper use of corporate cards, expense accounts or other similar accounts.

- 2.6 Company property and merchandise is not to be removed from Abacus's premises without authorisation. If removal is necessary for business reasons, then appropriate approval must be obtained.
- 2.7 Every employee while in control of any Company assets, particularly cash or other valuables, is personally accountable for them.
- 2.8 On leaving Abacus each employee must surrender any Company assets and items containing business information. This includes intellectual property that may have been created while working with Abacus.

### **Disclosure of Information**

- 2.9 Information may be disclosed to employees or agents of Abacus who need to know such information to further Abacus's business interests, provided the disclosure does not breach any laws, regulations or Company policies. External disclosure of information should only be made with specific authorisation.

### **Insider Trading**

- 2.10 Employees who may consider themselves to be in possession of share price sensitive information, must make themselves familiar with the legislation governing "insider trading" and related issues. Abacus also imposes trading restrictions on its Employees in the Trading Policy so that they may only trade in APG securities and Abacus unlisted products within certain time periods.

### **Confidentiality of Information**

- 2.11 Unauthorised disclosure of Abacus information, including the misuse of intellectual property belonging to Abacus, is prohibited.
- 2.12 All information relating to Abacus business obtained by employees in the course of their employment is to be considered confidential unless Abacus has officially made the information public.
- 2.13 Any employee who is uncertain whether something is confidential should presume that it is.
- 2.14 While it is not practicable to define the terms, 'information' includes:
- documents which are prepared for internal use no matter how generated, formal or informal, and whether stored in printed form or electronically;
  - commercially sensitive documents relating to transactions;
  - personal records and other information regarding internal procedures, processes and systems; and
  - information obtained verbally whether in formal meetings, during discussions or in any other way.
- 2.15 Except as required by law, employees should treat all non-public information as confidential including after their employment with Abacus ceases.

### **Protection of Information**

- 2.16 Compliance with the section relating to confidentiality of information requires that all employees exercise care to reduce the likelihood of unauthorised disclosures of information. For example:

- Employees should exercise care in discussing work matters with family, friends, or business associates and particularly strangers; and
- Documents should be properly safeguarded at all times, whether on Company premises or otherwise.

2.17 Internal procedures for protecting information should be implemented. Confidential information should be designated appropriately and records maintained as to those to whom such information has been given.

### **Conflict of Interest**

2.18 A conflict of interest exists where loyalties are divided. Employees of Abacus have a potential conflict of interest if, in the course of their employment, any decision they make provides any gain or benefit to themselves or a third party.

2.19 Any situation potentially involving direct or indirect conflict of interest between an employee and Abacus should be avoided unless specifically consented to in writing by the Managing Director. Any situation potentially involving direct or indirect conflict of interest involving the Managing Director must be specifically consented to by the Board.

2.20 Employees who believe they know of a potential or actual conflict of interest have a duty to raise that matter with their immediate supervisor or to communicate their concerns to the Managing Director or the Chairman.

2.21 Relevant issues include:

- the capacity of the employee to influence dealings that Abacus may have with a third party;
- the improper personal benefit that may flow to the employee or a relative, friend or other third party through the exercise of that influence; or
- whether the activity is fraudulent, corrupt or is an irregular transaction.

2.22 Detailed conflict of interest provisions are contained in the Abacus Conflicts of Interest Policy.

### **Competitors**

2.23 Employees having knowledge of commercially sensitive information and having a significant vested interest in a competitor of Abacus must disclose that interest. Where, in the opinion of the Managing Director, the interest constitutes a conflict of interest, those employees should divest themselves of that interest.

### **Suppliers**

2.24 Employees who are required to deal with external suppliers of goods and services to Abacus, must avoid placing themselves in situations of potential conflict of interest.

2.25 A potential conflict of interest could arise if the employee:

- owned any shareholding in;
- had any other financial interest in;
- participated in the business of;
- conducted any private business with; or
- accepted a gift of shares or the opportunity to acquire discounted shares in

an actual or potential supplier's business, if the employee's work with Abacus involves dealing with that business or others in the same industry.

2.26 Employees should therefore refrain from any of the above. Where an employee has an existing vested interest in an actual or potential supplier to Abacus that interest must be declared to their immediate supervisor. The employee should take no part in any deliberations or decisions affecting that supplier. Where any doubt exists the principles to be considered are:

- the capacity of the employee to influence dealings that Abacus may have with a third party;
- the improper personal benefit that may flow to the employee or a relative, friend or other third party through the exercise of that influence; or
- whether the activity is fraudulent, corrupt or is an irregular transaction.

### **Gifts, Entertainment and Services**

2.27 Employees should not accept gifts from a competitor or from anyone having or seeking business with Abacus other than non-cash gifts of nominal value generally used for promotional purposes by the donor. Any such gifts must be considered in the context of the business relationship between the donor and Abacus.

2.28 Participating in business related functions, including accepting lunches or other meals with a supplier or competitor is a permissible business practice. However, care should be exercised to ensure these functions have an underlying business purpose and that their cost and frequency are not excessive.

2.29 Employees should not enter into any loans or receive or purchase any goods or services from any supplier on terms which are more favourable than available in the normal course of private business.

2.30 Where any doubt exists regarding the acceptance of any gift, entertainment, goods or service, advice should be obtained from the employee's immediate supervisor.

### **Agents' Commission and Fees**

2.31 All commission and fee arrangements should be by written contract. Fees are to be reasonable and consistent with normal practice for the industry, the merchandise involved and the services rendered.

2.32 Payments should not be made in cash.

### **Fraud Corruption and Irregular Transactions**

2.33 Employees must not engage in any unethical or improper payment practices either to obtain business or for personal gain. In particular they must not:

- engage in commercial bribery;
- be party to the bribery of public officials; or
- establish so-called 'slush funds' to facilitate bribery or other improper or questionable practices.

2.34 As provided by the *Criminal Code* (Cth), employees must not:

- make, alter, destroy or conceal an Accounting Document; or
- fail to make or alter an Accounting Document that they are under a duty to make or alter,

with the intention that the conduct would facilitate, conceal or disguise:

- the receipt or giving of a benefit that is not legitimately due; or
- a loss that is not legitimately incurred

regardless of whether the employee is reckless as to whether the benefit or loss would arise.

'Accounting Document' in this section means:

- (1) any account,
- (2) any account or document made or required for any accounting purposes, or
- (3) any register under the *Corporations Act 2001* (Cth), or any financial report or financial record within the meaning of the *Corporations Act 2001* (Cth)

2.35 Employees who believe they know of any fraud, corruption or irregular transactions have a duty to raise that matter with their immediate supervisor or to communicate their concerns to the Managing Director or the Chairman.

2.36 As part of its obligations under law, Abacus will fully co-operate with any investigation by law enforcement or regulatory authorities. It will also require that employees:

- do not make any disbursement of funds or other Abacus property without adequate supporting documentation. This includes ensuring that all appropriate payment authorisations are obtained in accordance with delegated authorities. There shall be no disbursement for any purpose other and as described in the documents;
- do not in furtherance of Abacus business make any direct or indirect personal payments to officials or employees of any government at any level by either Abacus funds or private funds;
- do not make any personal payments through Abacus accounts excluding payment of expenses which are later reimbursed to Abacus; and
- do not take any action or authorise any action which involves illegal, unethical or otherwise improper payment of money or anything else of value.

### **Working Environment**

2.37 Abacus will provide a safe, healthy and productive working environment. To this end the abuse of prescription drugs or the use or possession of illicit drugs is not acceptable. Neither is the consumption of alcohol where it affects customer service, other employees, work performance, public relations, safety or where it violates the law. Smoking on Company premises is not permitted other than in Abacus retail centres where it is only permitted in designated outdoor smoking areas.

2.38 Any conduct which is intimidating or offensive to our Stakeholders, suppliers, contractors, competitors, or employees is not condoned.

2.39 Employees should:

- promote a culture where harm to our people through work is unacceptable
- perform assigned duties in accordance with safe working procedures;
- communicate any information that may contribute to the protection of the health and safety of stakeholders;
- follow and comply with all requirements of the work health and safety management system while conducting business or undertakings;
- report and have investigated all risks, incidents, and near misses.

### **Anti Bullying**

2.40 Abacus is committed to providing all employees and contractors with a healthy and safe work

environment. Abacus does not tolerate any form of bullying.

- 2.41 Abacus will ensure that procedures exist to allow complaints of bullying to be dealt with and resolved within appropriate time frames and without limiting any person's entitlement to pursue resolution of their complaint with the relevant statutory authority.
- 2.42 This policy applies during working hours, at work related or sponsored functions, and while traveling on work related business. There will be no recriminations for anyone who in good faith alleges bullying.
- 2.43 Disciplinary action will be taken against any employee who is found to be guilty of bullying within the workplace. Disciplinary action may involve a warning, counselling, demotion or dismissal.
- 2.44 The Anti-Bullying Policy is an attachment to the Employee Manual.

### **Discrimination**

- 2.45 Abacus is committed to providing all employees with equal opportunity.
- 2.46 Discrimination or harassment based on race, colour, religion, gender, age, marital status, disability or other factors, will not be tolerated.
- 2.47 All employees are entitled to their personal preferences in private or political matters. No pressure should be placed on anyone to influence those preferences and no approval or disapproval should be shown by anyone in their Abacus role, of anybody's private or political preferences or activities.

### **Community Activities**

- 2.48 Abacus recognises that employees may from time to time wish to participate in political activity and/or serve in public office. It also encourages its employees to participate in professional associations, trade associations, charitable or service organisations and other community activities. Such activities will not generally create difficulties but the following points should be considered:
- Employees should ensure that where any non-business activity is likely to involve a substantial commitment of time, it does not impact on their ability to satisfactorily perform their assigned work for Abacus.
  - If outside activity adversely affects an employee's work performance, he or she may need to consider modifying the activity.
  - Where the outside activity involves service as a member of local government or other political activity, there should be no specific or implied Abacus endorsement of such activity.
  - Where employees wish to speak at a public function, or write an article in their own right, but not as a representative of Abacus, such activity is permissible provided that:
    - Company information is not divulged;
    - Company names or logo do not appear (unless permission has been obtained from the Managing Director);
    - where necessary, employees clearly indicate that they are not speaking or writing as representative of Abacus.



## **Sustainability**

- 2.49 Abacus is committed to managing and implementing sustainable business practices across our operations.
- 2.50 All employees are responsible for maintaining and protecting the environment. Employees should therefore consider the impact of their activities on the environment, particularly the way waste is disposed.

**ABACUS PROPERTY GROUP**

**CODE OF CONDUCT DECLARATION**

1) I have received and reviewed a copy of the Abacus Code of Conduct and confirm that I have adhered to the values and requirements of the Code.

YES  NO

2) Are you a director, sole owner, partner, consultant or adviser to or have an equity interest in any business enterprise that, to your knowledge (tick where appropriate):

(a) Supplies property, goods or services to Abacus or any of its wholly owned subsidiaries or joint venture interests?

YES  NO

(b) Engages in any business that may be in competition with Abacus or any of their subsidiaries or related companies or joint venture interests?

YES  NO

If your answer is "yes" to (a) or (b) please identify the business enterprise and describe your relationship to it.

I understand that I am not permitted (without written permission from my supervisor) to personally engage in business on behalf of Abacus with a business enterprise associated with anyone with whom I have a close personal relationship (family, or otherwise).

I understand that I should not accept gifts from a competitor or from anyone having or seeking business with Abacus or any of its wholly owned subsidiaries other than non-cash gifts of nominal value generally used for promotional purposes by the donor.

I understand that employees who may consider themselves to be in possession of share price sensitive information concerning publicly listed companies, must make themselves familiar with the legislation governing "insider trading" and related issues. In relation to shares in related companies, employees who are aware of the results or of reportable transactions must not trade in those shares during the relevant reporting date periods.

Signature: \_\_\_\_\_

Name (Print Please): \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_