

Link's Green Finance Framework (2019)

Use of Proceeds

An amount equal to the net proceeds of the issuance of Notes will be used to refinance or fund, in whole or in part, existing and future projects that are eligible per the criteria specified below.

Eligibility Criteria

In order for a project to be funded through the green bond proceeds, the project must meet one or more of the following eligibility criteria:

1. Any project for an existing or new building that has received, or expects to receive, certification according to third party verified green building standards including a) BEAM Plus Silver, Gold or Platinum; or b) LEED Silver, Gold or Platinum, Building types can include:

- Building developments and redevelopments
- Renovations to existing buildings
- Tenant improvements
- Operations & Maintenance

2. Projects which result in achieving, based on third-party assessment, at least a 15% improvement in energy efficiency;

3. Projects, such as those that focus on Energy Efficiency, Pollution Prevention and Control, Sustainable Water Management and Wastewater Management, Clean Transportation or Renewable Energy to improve climate change resilience.

Project Selection Process

The eligible green projects are selected by Link REIT's sustainability team together with the treasury teams in accordance with Link REIT's Sustainability Framework, Green Projects and the eligibility criteria outlined above.

Management of Proceeds

As long as the Notes are outstanding, Link REIT's internal records will show the allocation of an amount equal to the net proceeds of the Notes to existing and future eligible green projects. Pending the allocation of the net proceeds of the Notes to existing and new eligible green projects, the net proceeds will be used to repay amounts of outstanding debt. Link REIT will not hold any unallocated proceeds as cash; this is consistent with the cash management practices for REITs.

Allocation Reporting

Throughout the Green Finance instrument, Link REIT will make and keep readily available, through Link REIT's audited integrated annual report and on a dedicated page of Link REIT's corporate sustainability website, up to date information on the

allocation of an amount equal to the net proceeds, to be renewed annually until full allocation and as necessary thereafter in the event of new developments. This information will contain, at a minimum:

- a) The list of eligible green project categories and amounts allocated to these categories;
- b) The balance amount of unallocated green finance proceeds; and
- c) A selection of project examples financed by an amount equal to the net proceeds of the Note.

By including this information into Link REIT's integrated audited annual report, the allocation of the net proceeds receives an external review from Link REIT's auditors.

Impact Reporting

Where feasible, Link REIT will include qualitative and (if reasonably practicable) quantitative environmental performance indicators on these Eligible Green Projects. Performance indicators may change from year to year and may include some of the following indicators:

1. List of eligible buildings that received third party verified green building certification;
2. Energy consumption reduced per square foot;
3. Greenhouse gas emissions reduced by an eligible green project;
4. Water consumption reduced; and
5. Reduction in amount of waste sent to landfill.
6. Progress made on SDGs

In the event Link REIT issues convertible bonds and the bond converts before allocation was completed, Link REIT will continue the commitment to allocate an amount equal to the net proceeds as soon as practicable but no later than the original maturity date of the convertible bond.

Appendix: External Certifications

Building Environmental Assessment Method (“BEAM Plus”) is a voluntary, third party building certification process, developed in 2009 by BEAM Society Limited, providing an independently certified performance rating for a building in clearly defined terms. BEAM covers all types of new and existing buildings: residential, commercial, institutional, and industrial. It embraces and endorses exemplary practices in the planning, design, construction, commissioning, management and operation of buildings in the context of Hong Kong’s densely populated, predominantly high-rise cityscape. New buildings that are planned, designed, built and commissioned to the standards set under BEAM Plus for New Buildings are safe, healthy, comfortable and efficient buildings that sustain the quality of life and workplace productivity, whilst minimising the depletion of natural resources and reducing environmental loadings. Existing buildings managed and operated to the standards set under BEAM Plus for Existing Buildings can maintain high level performance over the life of the buildings.

BEAM is owned and operated by BEAM Society Limited, an independent non-profit organisation whose membership is drawn from many professional and interest groups in Hong Kong’s building construction and real estate sectors. Following initial funding from The Real Estate Developers Association of Hong Kong (REDA), BEAM development is funded from assessment fees with voluntary support from the efforts of BEAM Society’s members and associates, and the professional supporting team.

Leadership in Energy and Environmental Design (“LEED”) is a voluntary, third party building certification process developed by the U.S. Green Building Council (“USGBC”), a non-profit organization. The USGBC developed the LEED certification process to (i) evaluate the environmental performance from a whole-building perspective over a building’s life cycle, (ii) provide a definitive standard for what constitutes a “green building,” (iii) enhance environmental awareness among architects and building contractors, and (iv) encourage the design and construction of energy-efficient, water-conserving buildings that use sustainable or green resources and materials.