

LINK ASSET MANAGEMENT LIMITED

LINK CHARITY AND COMMUNITY ENGAGEMENT PROGRAMME

PLAN RULES

Effective Date: 7 November 2012

First Amendments: 1 June 2020

Second Amendments: 16 March 2022

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1 RECITALS

- 1.1 The Board of directors (the **Board**) of Link Asset Management Limited (the **Manager**) resolved for Link Real Estate Investment Trust (HKEX stock code: 823 and hereafter **Link REIT**) to establish a charity and community engagement programme for making charitable donation or sponsorship in order to enhance the sustainable development of the local communities in the vicinity of the real estate owned and/or operated by Link REIT in any jurisdiction and to improve the lives of the residents of those communities (the **CCEP**).
- 1.2 The unit-holders of Link REIT approved the amendments to the Trust Deed in respect of the charitable donation or sponsorship as may be determined by the Manager in accordance with the rules adopted by the Board from time to time in their Annual General Meeting on 25 July 2012.
- 1.3 The Manager (by its Board in meetings on 7 November 2012, 1 June 2020 and 16 March 2022) resolved to adopt these rules and the amendments thereto for the purpose of administering the CCEP (the **CCEP Rules** or the **Rules**).

2 DEFINITIONS AND INTERPRETATION

- 2.1 Other capitalised terms used in these Rules bear the following meaning (unless otherwise stated or the context requires otherwise):

Administrator	The Director of the Corporate Affairs of the Manager for the time being, or a senior executive appointed by the CEO of the Manager from time to time.
Applicant	Charitable Institution or Community Group in any jurisdiction applying for Charitable donation or Sponsorship under any project of the CCEP other than a Link-initiated Project.
Charitable Donation or Sponsorship	Charitable Donation or Sponsorship as defined in the Trust Deed.
Charitable Institution or Community Group	Charitable Institution or Community Group as defined in the Trust Deed.
Hong Kong	Hong Kong Special Administrative Region of The People's Republic of China.
HKIRD	Inland Revenue Department of the Government of Hong Kong.
Link-initiated Donee	Charitable Institution or Community Group in any jurisdiction selected for direct Charitable Donation or Sponsorship under a Link-initiated Project.
Link-initiated Project	A project initiated and established by Link for direct Charitable Donation or Sponsorship to Charitable Institution or Community Group under Clause 4.5.
Participant	Successful Applicant who will receive or has already been receiving any Charitable Donation or Sponsorship under the CCEP.
Selection Committee	The committee formed for administering the CCEP under Clause 6.
Trust Deed	Trust Deed of Link REIT.

- 2.2 In these CCEP Rules, any references, express or implied, to statute or statutory provision, or code or rules shall include rules /regulations made there-under and those as amended or re-enacted from time to time.
- 2.3 Unless the context requires otherwise, references herein to:
- 2.3.1 any document (including the CCEP Rules) are references to that document as amended, consolidated, supplemented, novated or replaced from time to time;
- 2.3.2 singular include plural and vice versa, and words importing a gender include every gender;
- 2.3.3 Clauses are to clauses of the CCEP Rules; and
- 2.3.4 in determining what is **charity** and what activity is **charitable** in nature, prime reference should be made to the meaning described in the publication by HKIRD titled “*Charitable Donations and Tax-exempt Charities: A Tax Guide for Charitable Institutions and Trusts of a Public Character*” in its current version and as may be amended, supplemented or replaced from time to time. For jurisdictions outside Hong Kong, prime reference should be made to the descriptions adopted by the relevant government department(s) or authority(ies) in the respective jurisdictions, which has/have the legal powers or authorities similar to that of HKIRD in declaring charitable status and/or classifying charitable organisations in the relevant jurisdictions.
- 2.4 Headings are inserted for convenience only and shall not affect the construction of these CCEP Rules.

3 OBJECTIVES OF THE CCEP

- 3.1 The CCEP is set up to promote and enhance the sustainable development of the communities in the vicinity of the real estate owned and/or operated by Link REIT in any jurisdiction through:
- 3.1.1 the promotion of dignified living and better livelihood of the elderly and the disadvantaged;
- 3.1.2 the creation of education, training and development opportunities for children and young people; and
- 3.1.3 the promotion of sustainable living and environmentally friendly practices.
- 3.2 The Board has the sole authority to interpret, and change any of the objectives stated in Clause 3.1.1 and 3.1.2.

4 ANNUAL BUDGET & FUNDING LIMIT

- 4.1 The budget of the CCEP, in every financial year, shall not exceed 0.25% of the net property income of Link REIT as reported on the audited financial statements of Link REIT of the immediately preceding financial year. Any unused portion of the aggregate amount of fund allocated to the CCEP in a particular financial year shall not be carried forward for use in the subsequent financial years.
- 4.2 No single project, or series of projects proposed by a single Applicant shall receive funding in excess of 30% of the fund budgeted for in the same financial year.
- 4.3 No funding shall be made to a project which, if aggregated with the other project(s) proposed by the same Applicant, in the past 12 months (on rolling basis) exceeds 30% of the fund budgeted for in that financial year.
- 4.4 (Subject to the extension power of the Selection Committee as set forth in Clause 6.2.3) CCEP shall not fund any single project for more than three years.

- 4.5 Subject to Clause 4.1, in addition to the projects initiated by applications of Applicants, the Board may allow CCEP to have the discretion to allocate a certain amount of fund under the CCEP budget each year to support projects which promote the objectives of CCEP as stated in Clause 3.1 for direct Charitable Donation or Sponsorship to any Charitable Institution or Community Group through:
- 4.5.1 creating and operating Link-initiated projects as the Selection Committee may from time to time at its discretion think fit; and/or
 - 4.5.2 supporting small projects or events initiated by any Charitable Institution or Community Group at the discretion of the Administrator, provided that (a) the aggregate amount of donation or sponsorship approved by the Administrator each year shall not exceed the budget approved by the Board; (b) all approved donation and sponsorship shall be recorded with justification and documentation; and (c) reports shall be submitted to the CCEP Selection Committee twice a year.
- 4.6 Subject to Clause 4.1, the Chairman of the Board has the discretion to allow CCEP to allocate funds to address special ad hoc requests from Charitable Institution or Community Group and/or emergency relief needs, provided that any such request is for the purpose of promoting the objectives of CCEP as stated in Clause 3.1, is recommended by the Chairman of the CCEP Selection Committee and is within the budget as approved by the Board pursuant to Clause 5.1. The request shall satisfy one or more of the following conditions:
- (i) The request of unforeseen urgent needs is initiated and/or implemented by a current or previous Charitable Institution or Community Group partner under CCEP; or
 - (ii) The request of unforeseen urgent needs is initiated and/or implemented by a welfare/Charitable Institution or Community Group tenant of Link REIT or its affiliates; or
 - (iii) The request aims to provide immediate reliefs for victims of humanitarian crisis or natural disaster in any jurisdiction where Link REIT operates, with priority to Hong Kong;

Provided always that the amount of fund requested under this Clause shall be subject to a maximum of \$1 million, except for such request which aims to provide immediate reliefs for victims of humanitarian crisis or natural disaster in a jurisdiction where Link REIT operates, in respect of which the maximum is determined by the Board.

- 4.7 The Administrator may impose any conditions under any Link-initiated Projects as he may think fit.

5 THE BOARD

- 5.1 The Board oversees how the objectives of CCEP are achieved, approves the annual budget for the purpose of the CCEP, approves the funding allocations and applications recommended by the Selection Committee, and devises the long-term strategy and direction for the furtherance of the spirit of the CCEP in promoting and enhancement of the well-being of people living in the communities in the vicinity of real estate owned and/or operated by Link REIT in any jurisdiction.

6 SELECTION COMMITTEE

- 6.1 The Selection Committee (in the course of implementing the strategy and directions of the Board):
- 6.1.1 sets the annual budget of the CCEP for the Board to approve;
 - 6.1.2 recommends the focus area(s), or new focus area(s) as within the objectives of the CCEP, and the Applicants and/or Link-initiated Donees for the Board to approve;
 - 6.1.3 recommends on the amount of fund to be allocated to the Applicants' projects and/or the Link-initiated Projects and/or other projects in accordance with Clause 4.5, and the mode,

conditions, timing, and duration of the funding for the Board to approve;

6.1.4 prescribes necessary control /monitoring/ reporting policies and procedures, and documentation, applicable to projects under the CCEP;

6.1.5 reports to the Board on progress of the projects being funded under the CCEP; and

6.1.6 decides on administrative and other matters necessary or incidental to carrying out the above duties.

6.2 The Selection Committee has the power to:

6.2.1 suspend or impose condition on funding (or further funding) to, or disqualify, any Applicant/Participant and/or Link-initiated Donee in accordance with these CCEP Rules;

6.2.2 appoint agent, consultant, and other outside party as advisor or preferred partner to assist (i) the committee in selecting the appropriate focus charitable area and/or Link-initiated Donee(s) within the objectives of the CCEP and (ii) the Administrator on inviting the appropriate Charitable Institution or Community Group to participate in the CCEP, statistics collection and analysis, screening suitable Applicants, on-going monitoring of the application of fund by Participants and/or Link-initiated Donees, and other matters as necessary for the Selection Committee and/or the Administrator to discharge their duties under these Rules; and

6.2.3 (upon reporting to the Board) extend the funding period of a project under CCEP for such further length of time beyond three years as it may deem appropriate on evaluation of the submission of the Participant.

6.3 The Selection Committee shall consist of such members as appointed and be chaired by the CEO of the Manager. The Administrator shall be an *ex officio* member. Minutes of meeting of the Selection Committee shall be dispatched to all members of the Selection Committee for review and retention.

7 THE ADMINISTRATOR

7.1 The Administrator shall be responsible for the day-to-day operations of the CCEP, including:

7.1.1 recommending the focus area(s) of the CCEP for the Selection Committee to consider;

7.1.2 liaising with Applicants and other external parties (if any) on funding applications, collecting the necessary information, verifying the information supplied by an Applicant and/or a Link-initiated Donee; and preparing the necessary documentation and endorsing suitable Applicants and/or Link-initiated Donees for the Selection Committee to consider;

7.1.3 monitoring the application of fund by Participants and/or Link-initiated Donees under projects of CCEP;

7.1.4 promoting the spirit and the work of the CCEP for recognition by the public; and

7.1.5 imposing conditions of Link-initiated Projects.

8 SELECTION CRITERIA

8.1 Projects of CCEP will be selected or established in accordance with these principles:

8.1.1 consistency of the objective/ purpose of the proposed charitable project with those of the CCEP;

8.1.2 scale of the charity and benefit to be enjoyed by the local community in the relevant jurisdictions

in which real estate is owned and/or operated by Link REIT;

- 8.1.3 the availability of similar charitable projects in the local community; and
- 8.1.4 history and track record of charitable work of the Applicant and/or Link-initiated Donee.

9 ELIGIBILITY

- 9.1 A Charitable Institution or Community Group involved in CCEP projects must be a corporation or organisation established under the laws of the relevant jurisdiction in which real estate is owned and/or operated by Link REIT. Individuals and corporations or organisations established outside the jurisdictions in which the Manager owns or operates real estate are not eligible for the CCEP.
- 9.2 Specifically, the following are NOT eligible Applicant or eligible Link-initiated Donee:
 - 9.2.1 connected person (as defined in the Hong Kong Code on Real Estate Investment Trusts) of Link REIT; and
 - 9.2.2 an entity (or the project it proposes) which sole or dominant purpose is to promote a particular political view or political event/ campaign, or to promote a particular religious cause or specific religious event(s).
 - 9.2.2.1 An entity which is affiliated with religious or political organisation must satisfy the Selection Committee that the fund it applies for will not be used for the purpose specifically prohibited by Clause 9.2.2.
 - 9.2.2.2 An entity which is established by religious organisation will still be considered as long as it satisfies the requirement of Clause 9.2.2.1 and such entity carries out its purpose in an objective and impartial way, and the useful results are being made available, or accessible, to the children, youth or senior citizens as mentioned in Clause 3.1.
- 9.3 Without derogating the generality of Clause 10.1, the determination of the Selection Committee on whether an intended allocation or application of funding under the CCEP will be used to promote a political view or event, or a religious cause or event, is absolute and final and not open to any review by any Applicant and/or Link-initiated Donee.

10 ABSOLUTE DISCRETION

- 10.1 The interpretation of any of these Rules and the determination of the Selection Committee on:
 - 10.1.1 the eligibility of an Applicant or a Link-initiated Donee,
 - 10.1.2 the amount and timing of the funding to be allocated to any proposed charitable project and/or Link-initiated Project,
 - 10.1.3 the funding policies and application procedures,
 - 10.1.4 suspension of funding/ further funding, and disqualification of any Participant or a Link-initiated Donee, and
 - 10.1.5 any administrative matter of the CCEP,
- is absolute and final and not open to any review by any Applicant, Participant or Link-initiated Donee. The Selection Committee is under no obligation whatsoever to explain its decision to any Applicant, Participant or Link-initiated Donee.

11 OPERATION MATTERS

- 11.1 Basic information and documents to be submitted on an application by an Applicant for funding under the CCEP are:
- 11.1.1 application form (on prescribed form published by the Manager on its website);
- 11.1.2 evidence of charitable work (including charitable status granted by the HKIRD or the relevant government department(s) or authority(ies) in the respective jurisdictions, which has/have the legal powers or authorities similar to that of HKIRD in declaring charitable status and/or classifying charitable organisations in the relevant jurisdictions);
- 11.1.3 details of the project, including services/ programmes to be offered, target group and expected number of beneficiaries, implementation plan, budget breakdown, key performance indicators and timeline for funding;
- 11.1.4 background of the Applicant organisation, management/governance structure, experience and activities; and
- 11.1.5 such other information or documents as may be required by the Selection Committee in evaluating the application.
- 11.2 Applicants may be invited to attend interviews with the Selection Committee. Applicants shall allow the Administrator or the agent/ preferred partner appointed by the Manager for the CCEP to inspect *en-site* its work and activities for evaluating and verifying the information they submit on their applications.
- 11.3 Applicant must ensure that the information it provides is accurate and complete and is not misleading, and that such information will remain so up to funding approval. If required, Applicant shall submit third party evidence or reference to the Selection Committee. An application may be delayed or rejected, and an approved funding may be scaled down, suspended or revoked (as the circumstances may require) if an Applicant/ Participant is in breach of the strict requirements of this Clause.
- 11.4 The Administrator (by himself or together with the agent/ consultant/ advisor/ preferred partner appointed by the Selection Committee) shall vet the information of the application for consideration by the Selection Committee.
- 11.5 Application window and monitoring of projects initiated by Applicants are as follows:

<u>Steps</u>	<u>Relevant periods (starting 2013)</u>
• Inviting applications	April
• Vetting, short-listing and proposing applicants by the Administrator for considering by the Selection Committee	May/ June
• Selection Committee determination on the recommendation to the Board	June
• Board approval	July
• Funding approval	September
• Mid-term monitoring	March (following year)
• Full term monitoring	September (following year)

- 11.6 The Selection Committee has the absolute discretion to change, by publication of notice on the website of the Manager, the whole or any part of the application window.
- 11.7 The Administrator (himself or through the agent/preferred partner) shall inform Applicants the outcome of their application as soon as practicable.

12 ON-GOING OBLIGATIONS

- 12.1 As a condition for receiving funding under CCEP, the successful Applicant and/or the Link-initiated Donee shall undertake (on an on-going basis) with the Manager in writing:
- 12.1.1 to acknowledge Link REIT as the sole sponsor or one of the sponsors in all publicity materials in relation to the approved charitable project;
 - 12.1.2 not to change the objective or work plan of the approved charitable project without the prior written approval of the Manager;
 - 12.1.3 to provide regular (at least twice every 12 months) updates to the Manager;
 - 12.1.4 to allow the Manager or its representative(s) to inspect all the books and records relating to the approved charitable project upon reasonable notice;
 - 12.1.5 to provide the Manager with a final evaluation report within one month after the completion of the project;
 - 12.1.6 on project termination/winding-up, to return any funds left unused to the Manager; and
 - 12.1.7 to abide by such other conditions as the Manager may impose on approving the funding.
- 12.2 The Participant and/or the Link-initiated Donee shall also undertake in writing with the Manager that no part of the fund will be applied towards any illegal or immoral activities; nor will it be appropriated to benefit any founder/ promoter, director, manager, and officer (or person occupying equivalent post and having decision-making power), or staff of its organisation or entity/ association related to or controlled by any of them.

13 SUSPENSION OF PARTICIPATION

- 13.1 The Selection Committee, in its absolute discretion, may at any time suspend any Participant or Link-initiated Donee from participating and withhold (or impose conditions on) any further funding to it under the CCEP:
- 13.1.1 if the Participant or the Link-initiated Donee is in breach of Clause 11.3, Clause 12.1 or Clause 12.2, and fails or refuses to remedy the breach after demand by the Manager, or
 - 13.1.2 if the Manager has reasonable ground to doubt whether the Participant or the Link-initiated Donee is still engaging in charitable activities; or that any of the disqualifying event mentioned in Clause 14.1 has already occurred or is likely to occur.
- 13.2 The Administrator is entitled to request the Participant and/or the Link-initiated Donee to submit evidence and explain on the above matters.

14 DISQUALIFICATION

- 14.1 The Manager (acting through the Selection Committee) may disqualify a Participant or a Link-initiated Donee and withhold funding/ further funding to its project immediately upon the occurrence of any of the following events:
- 14.1.1 (in the sole opinion of the Manager) the Participant or the Link-initiated Donee is not engaging in charitable activity, or it has been in breach of (A) Clause 9, Clause 11.3, or Clause 12.2, or (B) Clause 12.1 if the breach is not remedied within the time as demanded by the Manager; or
 - 14.1.2 the Participant or the Link-initiated Donee, its founder/promoter, director, officer or staff has been convicted of any offence against persons, immoral or sexual offence, deception/ fraud/ misappropriation of funds (under the CCEP or funds under other program from any other donor) or other offence involving dishonesty; or
 - 14.1.3 the Participant or the Link-initiated Donee has lost its charity status; or
 - 14.1.4 the Participant or the Link-initiated Donee, its founder/promoter, director, officer or staff fails to comply with any laws, or any code governing charity or non-profit organisations of the relevant jurisdictions in which real estate is owned and/or operated by Link REIT; or
 - 14.1.5 a winding up or bankruptcy petition has been filed with any court of the relevant jurisdictions against the Participant or the Link-initiated Donee or any of its founder/ promoter, director or officer, or the Participant has filed an application for voluntary winding up, or any receivership or other order of similar nature has been made against the Participant or its directors by courts of the relevant jurisdictions in which real estate is owned and/or operated by Link REIT; or
 - 14.1.6 the Participant or the Link-initiated Donee is involved in any activity which (in the sole opinion of the Manager) brings disrepute to the Manager or Link REIT.
- 14.2 The Administrator shall notify the Participant or the Link-initiated Donee a disqualification decision as soon as practicable. The Manager is entitled to publish public statements that it has disqualified a Participant or the Link-initiated Donee.
- 14.3 The Participant or the Link-initiated Donee, on disqualification by the Manager, shall remove all representations and cease to make any further representation that it is a CCEP participant or that it had or still has any association with the Manager or Link REIT.

15 NO LIABILITY

- 15.1 Neither the Manager nor any of its director, officer or staff (including members of the Selection Committee and the Administrator) shall be liable to the Participant or the Link-initiated Donee, or to any of its founder/ promoter, officer, director or staff, or any beneficiary of the Participant or the Link-initiated Donee in any way whatsoever and howsoever for any loss caused or occasioned by the Manager rejecting an application for or allocation of funding, or suspending, disqualifying or withholding of funding/ further funding under the CCEP. None of the Manager, any of its director, officer or staff (including members of the Selection Committee and the Administrator) shall be liable for payment of compensation or damages in any form whatsoever in any of the circumstances aforesaid.

16 PERIODIC REPORTING & CONTROL

- 16.1 The Administrator shall report twice a year to the Board on progress of the various charitable activities being funded by the CCEP.
- 16.2 The Administrator shall monitor the use of fund by the Participants and the Link-initiated Donees and the compliance by the Participants and the Link-initiated Donees on their on-going obligations under Clause 12, and report to the Selection Committee once irregularities are found.

16.3 The Manager shall report on the CCEP activities in the interim report and annual reports (including the sustainability report) of Link REIT.

16.4 The Internal Audit of the Manager shall carry out periodic review to ensure that the funds are used within the Rules and in accordance with the defined objectives.

17 TERMINATION OF THE CCEP

17.1 The Manager acting through the Board may, in its absolute discretion, terminate the operation of CCEP at any time without incurring any liabilities to the Participants or the Link-initiated Donees provided that reasonable written notice is sent to the Participants or the Link-initiated Donees.

18 GOVERNING LAW

18.1 CCEP shall be governed by and construed in accordance with the laws of Hong Kong.

19 MISCELLANEOUS

19.1 Guidelines and form may be made in Chinese for use and ease of reference by the Applicants and/or the Link-initiated Donees. In case of conflict between these CCEP Rules and the Chinese version of any guidelines or forms, the English version of these CCEP Rules (as published on the website of Link REIT at Linkreit.com) shall prevail.

19.2 These Rules may only be amended by the Board. The Selection Committee shall publish the amended version of the Rules on the website of Link REIT and/or by any other publication mode as the Selection Committee may think fit. Funding already made shall not be affected. The Selection Committee has the discretion to modify, attach additional/ new condition, or revoke funding previously approved but is yet to be paid to the Applicant, the Participant and/or the Link-initiated Donee at the time the Rules are amended.

19.3 These Rules (in their current form and in any subsequent form as may be from time to time amended and updated on the website of Link REIT) are binding on (i) the Applicant and, on a successful application, on the Participant as if the CCEP Rules were each repeated and individually assented to when the Participant receives funding; and (ii) the Link-initiated Donee upon receipt of Charitable Donation and Sponsorship under a Link-initiated Project.

19.4 For the avoidance of doubt, Clauses 4.2, 4.3, 4.4, 6.2.3 and 11 do not apply to any kind of Link-initiated Projects.

The END
