

**LINK ASSET MANAGEMENT LIMITED**  
**(as manager of Link Real Estate Investment Trust)**

**TERMS OF REFERENCE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE**

**1 Purpose**

- 1.1** The Audit and Risk Management Committee (“**ARMC**”) shall assist the board of directors (“**Board**”) of Link Asset Management Limited (“**Link**”, as manager of Link Real Estate Investment Trust (“**Link REIT**”)) in:
- (a) ensuring the quality and integrity of the published financial statements of Link REIT;
  - (b) ensuring the adequacy and effectiveness of the risk management and internal control systems; and
  - (c) monitoring the performance of the internal and independent external auditors.
- 1.2** Where there is a perceived overlap of responsibilities between ARMC and any other committees of the Board, the respective committee chairs will have the discretion to agree the most appropriate committee to fulfil any obligation.

**2 Membership and Meetings**

- 2.1** The ARMC (including the chair) shall comprise at least three members, all of whom shall be independent non-executive directors. At least one member of the ARMC shall be a qualified accountant or other finance professional with experience in financial and accounting matters.
- 2.2** The ARMC shall meet at least three times a year. The quorum for the meeting shall be a simple majority of the members.
- 2.3** The Company Secretary of Link or his/her delegate shall be secretary of the ARMC.
- 2.4** The ARMC shall report back to the Board on its decisions and progress on a regular basis as to be determined by the ARMC and approved by the Board.
- 2.5** The ARMC may engage external advisors and experts as it deems necessary and at Link REIT’s expense and invite them to join its meetings as it requires.

### 3 Responsibilities of the Audit and Risk Management Committee

#### 3.1 Financial Reporting

- (a) Review and recommend to the Board for its approval Link REIT's annual and interim reports (which include the audited annual financial statements and interim financial information respectively) together with any formal announcements relating thereto. In reviewing these reports, the ARMC should focus particularly on:
  - (i) any changes in accounting policies and practices;
  - (ii) significant areas of accounting judgements and adjustments resulting from audit;
  - (iii) the going concern assumptions and any qualifications;
  - (iv) compliance with accounting standards; and
  - (v) compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and relevant financial reporting requirements.
- (b) Review the disclosures in annual reports (if applicable) regarding the:
  - (i) Property Development and Related Activities (as defined in the REIT Code); and
  - (ii) Relevant Investments (also as defined in the REIT Code) in accordance with the REIT Code and the trust deed of Link REIT.
- (c) In carrying out its duties under 3.1(a) and (b), the ARMC should:
  - (i) liaise with the Board and senior management; and
  - (ii) consider any significant or unusual items that are, or may need to be, reflected in the annual and interim reports, and give due consideration to any matters that have been raised by personnel of the Finance Department, compliance officer or the external auditor.
- (d) Review key audit matters included in the external auditor's report and any audit issues or difficulties encountered in the course of the audit. Review the external auditor's management letter, and consider any material queries raised by the external auditor to management in respect of accounting records, financial statements or systems of internal control and management's response; and to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter.

### **3.2 External Audit**

- (a) Recommend to the Board for its approval the appointment, re-appointment or removal of the external auditor, the remuneration and terms of engagement of the external auditor, and address any questions regarding its resignation or dismissal.
- (b) Review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. Discuss with the external auditor the nature and scope of the audit and reporting obligations before the audit commences.
- (c) Develop and implement policy in respect of the engagement of the external auditor to supply non-audit services. Review at least once a year, the audit and non-audit services provided and to be provided to Link REIT by the external auditor. For this purpose, "external auditor" includes any entity that is under common control, ownership or management as the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The ARMC should report to the Board, identifying and making recommendations on any matters where action or improvement is needed.
- (d) Meet with the external auditor at least twice a year prior to the publication of Link REIT's annual and interim results and in the absence of management as appropriate.
- (e) Oversee the relationship with the external auditor, including the coordination between the external auditor and the internal audit function of Link REIT.

### **3.3 Internal Audit**

- (a) Annually review and approve the scope of the Internal Audit plan, in consultation with management and the external auditor.
- (b) Review Internal Audit reports on:
  - (i) execution of the Internal Audit plan, including any recommended changes to that plan during the year;
  - (ii) significant audit issues and insights specific to financial and compliance reporting; and
  - (iii) internal audit departmental matters, including the adequacy of resourcing (capabilities and capacity). Consider whether it has appropriate standing within Link REIT and review and monitor the effectiveness of the Internal Audit Function. Meet with the Head of Internal Audit ("HoIA") from time-to-time to discuss these matters.

- (c) (i) Ensure periodic implementation of an external review of the internal audit function. This is to be conducted at least once every five years by a qualified external independent assessor or team, to assess the efficiency and effectiveness of the internal audit activity and identify opportunities for improvement, as appropriate.
- (ii) Prior to each engagement of the external independent assessor, the HoIA shall discuss the proposed approach, relevant considerations and procurement criteria of the external independent assessor with the chair of the ARMC.
- (d) Endorse the appointment, retirement or removal of the HoIA or the equivalent role. In the event the role holder resigns, management shall notify the ARMC without delay.
- (e) Review the performance of the HoIA on an annual basis, and provide the performance-related feedback to management and the Human Resources Department to support the annual review of the remuneration package of the HoIA by the Remuneration Committee.

### **3.4 Internal Control**

- (a) Review annually and assist the Board in monitoring Link's internal control system and structure, including how effectively management has embedded and maintained an effective internal control system and with reference to the adequacy of resources, staff qualifications and experience, training programmes and the budget of Link REIT's accounting and financial reporting function.
- (b) Consider major investigation findings in respect of internal control matters as delegated by the Board or on its own initiative and management's response to these findings and guide management to take appropriate actions to remedy any faults or deficiencies in internal control.
- (c) Review (if applicable) from time-to-time, the internal control guidelines on monitoring of risks associated with Relevant Investments.

### **3.5 Risk Management**

- (a) Review annually and assist the Board in monitoring Link's risk management system, including how effectively management has embedded and maintained an effective risk management system and with reference to the adequacy of resources, staff qualifications and experience, training programmes and the budget of Link REIT's accounting and financial reporting function.
- (b) Review, advise and recommend to the Board for its approval Link's risk appetite and risk tolerance. Oversee the process of identifying and assessing principal risks and emerging risks and respective mitigation strategies. Ensure risk monitoring systems are in place to facilitate ongoing tracking and management of these risks.

- (c) Review the major risk exposures (including environmental, social, and governance (ESG), financial, proposed material acquisitions/disposals, and capital management risks), major investigation findings on risk management, and the steps management has taken to monitor and control such exposures.
- (d) Review the status of the security of the electronic data processing information systems and the general security of the people, assets and information systems of the group.
- (e) Ensure the review of risk management covers such scope and items as required by the Corporate Governance Code of Appendix C1 to the Listing Rules (including amendments from time-to-time).

### 3.6 *Whistle Blowing*

- (a) Review and approve the Whistle Blowing Policy (“**Policy**”) and any related procedures for the receipt of confidential information from employees and those who deal with Link REIT (e.g. customers and suppliers) regarding financial reporting, internal control, compliance, audit and other matters of Link REIT.
- (b) Monitor Link REIT’s ongoing compliance with the Policy, including reviewing processes for ensuring employee awareness of the Policy and for dealing with possible improprieties in any matter related to Link REIT raised under the Policy.

### 3.7 *Others*

- (a) Review any significant changes to the code of conduct and compliance manual applicable to Directors and employees and monitor compliance.
- (b) Review and recommend to the Board for its approval of Link REIT’s tax policy and changes.
- (c) Review changes to Link REIT’s policy and practice for compliance with any significant new legal and regulatory requirements and standards. Ongoing monitoring of statutory and regulatory compliance matters from time-to-time.
- (d) Recommend to the Board for its approval the appointment of principal valuer.
- (e) Review and recommend to the Board for its approval any changes to these terms of reference as the ARMC deems appropriate and/or if instructed by the Board.
- (f) Oversee and assist the Board in other matters as determined by the chair of the ARMC from time-to-time.
- (g) Consider other topics or issues as referred to the ARMC by the Board.

(Approved by the Board on 27 May 2025)