

Sustainable Financing Framework

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1 | Introduction

1.1 About Parkway Life REIT

Listed on the Mainboard of the Singapore Stock Exchange since August 2007, Parkway Life Real Estate Investment Trust ("PLife REIT") is one of Asia's largest listed healthcare REITS by asset size.

PLife REIT invests in mature markets with ageing populations including Singapore, Japan and France, where demographic shifts are structurally driving long-term demand for healthcare and eldercare services. As a healthcare-focused property investor, PLife REIT plays a critical role in addressing these challenges by acquiring and redeveloping, healthcare facilities.

Its investments serve to support the growth of healthcare facilities while also alleviating financial and operational pressures on the healthcare systems. By strengthening the infrastructure backbone of care delivery, PLife REIT contributes to the development and long-term sustainability of resilient, future-ready healthcare ecosystems.

PLife REIT's Portfolio as at 31 December 2025

74 Properties | approximates S\$2.57 billion Total Value¹



PLife REIT owns the largest portfolio of strategically located private hospitals in **Singapore** comprising Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital.

In addition, it has 60 high-quality nursing home and care facility properties across various prefectures in **Japan**, as well as 11 strategically located nursing homes in **France**.

In August 2025, the REIT has disposed its strata-titled units/ lots in the MOB Specialist Clinics in Kuala Lumpur, Malaysia.

PLife REIT is managed by Parkway Trust Management Limited (the "Manager") and sponsored by Parkway Holdings Limited, a wholly-owned subsidiary of IHH Healthcare Berhad ("IHH Group"), one of the world's largest healthcare network with over 140 healthcare facilities across 10 countries.

¹ Based on latest appraised values (excludes right-of-use assets)

1.2 Parkway Life REIT's Sustainability Strategy

1.2.1 Parkway Life REIT's Approach to Sustainability

PLife REIT's mission is to incorporate sustainability into its operations and is guided by **IHH Group's target to achieve net zero carbon emissions by 2050**. As part of PLife REIT's active ownership strategy, capital expenditure ("CAPEX") requirements of assets are regularly reviewed and managed to ensure that they maintain their long-term value and use. A 10-year CAPEX projection tailored to the specific needs of each asset is developed and will be reviewed periodically to ensure relevance. Additionally, PLife REIT actively engages its stakeholders in reducing its carbon footprint through various CAPEX initiatives. To achieve sustainability at the property level, the Manager works closely with the tenants/operators with a focus of creating a positive influence in the areas of Environmental, Social and Governance ("ESG"). Green clauses are incorporated into lease agreements and PLife REIT explores with vendors or developers to obtain applicable green certifications for properties, on a best effort basis.

In **Singapore**, efforts are in line with the country's environmental targets (i.e., Singapore Green Plan 2030) of having at least 80% of buildings by gross floor area to be green over the next decade. As the properties in Singapore are master-tenanted to IHH Group, PLife REIT supports IHH Group's target to achieve peak carbon emissions by 2025 and achieve net zero by 2050.

In **Japan**, PLife REIT aims to comply with Japan's 2022 Building Energy Efficiency Act, which requires all new acquisitions of nursing home buildings to meet energy efficiency standards from 2025, and collaborates with operators to carry out renewal works such as energy efficiency upgrades, and climate adaptation projects (i.e., flood prevention improvement).

In December 2024, PLife REIT marked its inaugural entry into Europe with a portfolio of 11 nursing homes in **France**, and will be working closely with the operator, DomusVi Group, the third largest aged care operator in Europe, on its sustainability initiatives once the climate risk assessment for the France portfolio is completed.

1.2.2 Parkway Life REIT's Approach to Supporting Social Needs

As a long-term private investor in healthcare infrastructure, PLife REIT plays a key role in easing the burden on public systems. Its investments—through acquisitions and redevelopments — reduce the reliance on government funding while supporting the continuity and quality of care delivery. As demand for care continues to rise, and as governments look to reallocate resources, PLife REIT's role will help to ensure continuity and reliability in care environments over the long term.

As a social infrastructure investor, PLife REIT enhances the healthcare system by:

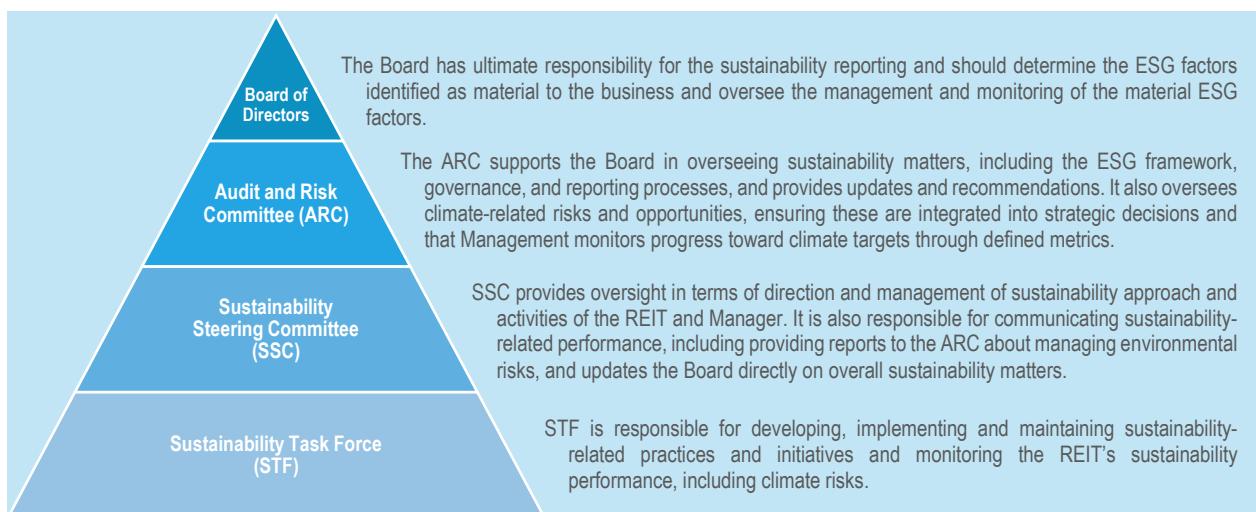
- Providing financial and infrastructural support to enhance the operator's ability to focus on care delivery through sustainable, long-term lease arrangements.
- Partnering with operators to reduce their capital burden for operational growth and facility expansions, ensuring long-term availability and functionality of critical healthcare infrastructure.
- Enhancing supply and provision of specialised eldercare and long-term care facilities healthcare facilities, freeing up capacity and easing the pressure from public healthcare facilities.
- Ensure that facilities remain accessible and fit-for-purpose, regardless of operator or funding model.

1.2.3 Parkway Life REIT's Sustainability Governance

The Manager formed a Sustainability Steering Committee ("SSC") to direct the sustainability efforts of the REIT and Manager. The SSC is made up of senior management staff from the Manager, comprising Heads of Department. This allows PLife REIT to anchor its sustainability vision and ensure its incorporation in managerial decisions. The SSC is responsible for communicating sustainability-related performance. It provides reports to the Audit and Risk Committee ("ARC") about managing environmental risks and aids the Board in terms of sustainability issues. They receive assistance from the Sustainability Task Force ("STF") who is responsible for developing, implementing and maintaining sustainability-related practices and initiatives, and monitoring the sustainability performance of the REIT and Manager. It consists of personnel from various departments such as the Heads of Function from Investment Management, Strategic Planning, Asset Management and Projects, Legal and Compliance, Finance, and Admin & IT.

PLife REIT had in 2022 initiated an internal review process with the internal auditors to perform an internal review of the sustainability reporting process, procedures and controls.

PLife REIT's sustainability governance structure is shown as below:



2 | Parkway Life REIT Sustainable Financing Framework

PLife REIT views this Sustainable Financing Framework (the “Framework”) as integral to its long-term sustainability vision and strategy. PLife REIT believes that the Framework will support its sustainability efforts in building a responsible business and facilitate the achievement of its ESG targets and commitments. The Framework will guide and inform PLife REIT’s application of proceeds to Eligible Green Projects and/or Eligible Social Projects.

Bonds issued under this Framework will be aligned with the Green Bond Principles (“GBP”) 2025, Social Bond Principles (“SBP”) 2025 and Sustainability Bond Guidelines (“SBG”) 2021 by the **International Capital Markets Association²** (“ICMA”).

Loans issued under this Framework will be aligned with the Green Loan Principles 2025 (“GLP”) and Social Loan Principles 2025 (“SLP”) including Guidance Notes by the **Loan Market Association³** (“LMA”), the **Asia Pacific Loan Market Association⁴** (“APLMA”) and the **Loan Syndications and Trading Association⁵** (“LSTA”).

The Framework will adopt the following core components of the GBP, SBP, SBG, GLP and SLP, including:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The Framework is also developed with reference to relevant taxonomies such as the **ASEAN Taxonomy⁶** and **Singapore-Asia Taxonomy⁷**.

The Framework provides overarching guidelines for all Sustainable Finance Transactions (“SFTs”) issued by PLife REIT. SFTs that may be issued under this Framework include, but are not limited to bonds (public and private placement), term loans, revolving credit facilities, medium-term notes, convertible bonds, perpetual securities and any other financial instrument in various formats, tenure and currency.

The Framework covers assets and projects under PLife REIT and its subsidiaries, as well as its interests in associates and joint ventures. SFTs may be issued in any jurisdiction and market as per PLife REIT’s current and future business needs.

² <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/>

³ <https://www.lma.eu.com/>

⁴ <https://www.aplma.com/>

⁵ <https://www.lsta.org/>

⁶ <https://asean.org/book/asean-taxonomy-for-sustainable-finance-version-3/>

⁷ <https://www.mas.gov.sg/development/sustainable-finance/taxonomy>

2.1 Use of Proceeds

The proceeds or an equivalent amount of any SFT under this Framework will be exclusively used to finance or re-finance, in part or in full, new and/or existing eligible green and/or social projects (the “Eligible Sustainable Projects” together forming the “Eligible Sustainable Portfolio”) meeting the eligibility criteria described in the [Table 1: Eligible Green Projects](#) and [Table 2: Eligible Social Projects](#). The criteria have been selected based on assessment of existing industry understanding of best practice (i.e., references relevant sustainable finance taxonomies, regulations, etc.). Eligible Sustainable Projects are also mapped to the UN Sustainable Development Goals (“SDGs”).

Eligible types of investments primarily include CAPEX, operating expenditures (“OPEX”), acquisitions of new or asset enhancement initiatives on existing healthcare assets or projects or any other expenditures (including working capital expenditures) which would sustain, improve and/or enhance the properties. In the case of a co-investment or joint venture, PLife REIT will consider the proportionate share (%) of its own investment in such Eligible Sustainable Projects. Developments or acquisitions of assets will be assessed for eligibility for refinancing without a specific look-back period, whereas expenditures related to operation and/or asset enhancements are subject to a lookback period of up to 36 months.

Table 1: Eligible Green Projects

Eligible Category	Eligible Criteria	Environmental Objectives	Contributions to UN's SDGs
Green Buildings	<p>Investment into or development of, new, existing or refurbished buildings which are expected to meet, or have met regional, national or internationally recognised standards or certifications, which include:</p> <ul style="list-style-type: none"> Green Mark by the Singapore Building and Construction Authority (“BCA”): Green Mark Gold and above Building-Housing Energy-efficiency Labelling System (“BELS”): 3 Stars and above CASBEE (Comprehensive Assessment System for Built Environment Efficiency): A and above HQE (High Environmental Quality): Excellent and above EPC (Energy Performance Certificate): B and above LEED® (Leadership in Energy and Environmental Design) by the U.S. Green Building Council: Gold and above Excellence in Design for Greater Efficiencies (EDGE): Advanced or above BREEAM (Building Research Establishment Environmental Assessment Method): Very Good and above <p>Overall, any certification must remain valid to be eligible or re-certification must be attained</p>	<p>Climate change mitigation</p> <p>Natural resource conservation</p>	   
Renewable Energy	Development, construction, installation, operation and maintenance of systems for renewable energy, such as rooftop and/or ground solar photovoltaic energy generation facilities	Climate change mitigation	 
Energy Efficiency	<p>Development, construction, installation, operation and maintenance of systems and/or technologies for optimising energy management in new and/or existing buildings which will result in reasonable improvement in energy saving, including:</p> <ul style="list-style-type: none"> Replacement of chillers with Artificial Intelligence (“AI”) enhanced Building Management System Installing/ upgrading/ replacement of cooling systems (e.g., thermal energy storage systems, liquid cooling infrastructure), chiller system air handling units (“AHU”) 		

	<ul style="list-style-type: none"> • Installing/ upgrading/ replacement of energy-efficient chilled water pumps • Installing/ deploying optimisation technologies (e.g., energy data analysis, energy sensors and controls, temperature and humidity management, artificial intelligence to monitor and analyse usage data, etc.) • Installing/ replacing lighting with Light Emitting Diode ("LED") 		
Clean Transportation	<p>Investments and expenditures in clean transportation infrastructure, including but not limited to:</p> <ul style="list-style-type: none"> • Installation of charging infrastructures for electric vehicles • Patient shuttle services through procurement and provision of clean transportation vehicles (e.g., electric vehicles) 		
Sustainable Water and Wastewater Management	<p>Installation and maintenance of infrastructure and processes in new and/or existing buildings that are dedicated to water consumption reduction and reuse, such as replacement of water efficient fittings under the Water Efficiency Labelling Scheme</p>	Natural resource conservation	 6 CLEAN WATER AND SANITATION  12 RESPONSIBLE CONSUMPTION AND PRODUCTION  13 CLIMATE ACTION
Climate change adaptation	<p>Development, construction, installation, operation and maintenance of infrastructure to increase building resilience against physical climate risks, including extreme precipitation, water level, fire risks:</p> <ul style="list-style-type: none"> • Installation of and/or enhancement of drainage systems and flood-control systems • Installation of water level sensors, building elevation and usage of anti-slip materials • Installation of fire-retardant materials • Installation of early warning systems for climate-related hazards (e.g., flood monitoring and warning system, extreme heat and fire warning system, etc.) 	Climate change adaptation	

Table 2: Eligible Social Projects

Eligible Category	Eligible Criteria	Target Population(s)	Social Objectives	Contributions to UN's SDGs
Access to essential services	<p>Financing and expenditures on acquisitions, development and upholding of healthcare infrastructures, facilities and systems that supports the growth of healthcare & aged care requirements while alleviating the financial and operational pressures on the national healthcare systems and in turn reduces the strain on public services:</p> <ul style="list-style-type: none"> • Hospitals and other healthcare and medical related facilities which includes, but is not limited to, medical centres/clinics, medical R&D/manufacturing facilities, etc. • Elderly care facilities and infrastructures which provides nursing, care and related 	Elderlies ⁸	<p>Provide healthcare & aged care platforms for accessing healthcare and nursing care services</p>	 3 GOOD HEALTH AND WELL-BEING

⁸ PLife REIT's target population is defined as aged 65 and above, and in need of nursing care. The elderly population, as a proportion of the country's total population, is higher than the global average according to the World Bank (i.e., In 2024, the elderly populations are 22% and 30% in France and Japan respectively, vs global average of 10% according to the World Bank).

	<p>medical services which includes, but is not limited to, nursing homes, step-down cares, recuperation facilities, dementia care, etc.</p> <ul style="list-style-type: none"> • Installation of accessibility features such as ramps, tactile flooring, handrails, wheelchair-accessible toilets, etc. • Provision of age-appropriate design features (e.g., elders-friendly communal spaces, rooms, etc.) to enhance safety and comfort. 		
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Exclusion Criteria:

PLife REIT will exclude the expenditures associated with the following activities, but not limited to:

- a) Adult entertainment and related facilities
- b) Alcoholic beverages
- c) Conflict minerals
- d) Economic activities involving harmful or exploitative forms of forced labour and/or child labour as defined by international conventions and/or national regulations
- e) Fossil fuel related activities and energy efficiency improvement projects for fossil fuel-based electricity generation
- f) Gambling, casinos and equivalent enterprises to the extent that such activities constitute the main business of the borrower/ recipient
- g) High interest late lending, including payday loans, pawn shops
- h) Illegal drugs and narcotics related activities
- i) Lethal defence goods
- j) Manufacture of industrial chemicals and chemicals material harmful for ozone
- k) Mining
- l) Nuclear energy
- m) Online gaming and equivalent enterprises
- n) Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans
- o) Tobacco products
- p) Weapons and munitions

2.2 Process for Project Evaluation and Selection

PLife REIT has established a project evaluation and selection process to ensure that the proceeds of any SFT under this Framework are allocated to finance and/or refinance Eligible Green and/or Social Projects that meet the eligibility criteria set out in Tables 1 and 2 in section 2.1.

The project evaluation and selection process consider inputs from subject experts in their respective fields, including PLife REIT's senior management. Under the Framework, Eligible Sustainable Projects are identified, selected and approved via a process that involves the SSC and the STF.

Relevant members of the STF will review and select Eligible Sustainable Projects according to the criteria outlined in Section 2.1. The shortlisted projects will be presented in a format of Eligible Sustainable Portfolio list to the PLife REIT's SSC for approval. The STF comprises Heads of various functional areas of the Manager:

- Investment Management
- Strategic Planning
- Asset Management and Projects
- Legal and Compliance
- Finance
- Admin & IT

PLife REIT's SSC will ensure that the selected Eligible Sustainable Projects in the Eligible Sustainable Portfolio List comply with Section 2.1 and the environmental and social guidelines (such as national regulations and international standards) which are applicable within PLife REIT. The SSC comprises members of the senior management team of the Manager:

- Chief Executive Officer & Executive Director
- Chief Financial Officer & Chief Operating Officer
- Chief Investment Officer

In addition, PLife REIT's STF will also be responsible for managing any future review, recommendation, and updates of the Framework, including any expansion of the Eligibility Criteria under the use of proceeds. Any changes to the Framework will have to be approved by the SSC and published on PLife REIT's website.

Should a project or asset no longer meet the criteria detailed above, the corresponding proceeds will be reallocated as soon as reasonably practicable. The SSC and STF strive to ensure that full amount of proceeds is continuously allocated to eligible projects.

PLife REIT will adopt a holistic approach to project evaluation and selection processes, ensuring selected Eligible Sustainable Projects comply with the Use of Proceeds, as well as environmental and social guidelines in accordance with the Green Bond/ Loan Principles, Social Bond/ Loan Principles, and relevant regulations. PLife REIT will also embed the Manager's Sustainability Policy, ESG risks management and internal control systems to mitigate potential ESG risks.

2.3 Management of Proceeds

PLife REIT will deposit an amount equivalent to the net proceeds of each SFT in a general account and earmarked for allocation to Eligible Sustainable Projects. Net proceeds will be allocated to the financing or refinancing of Eligible Sustainable Projects in accordance with section 2.1.

The net proceeds and relevant documentation will be managed by the Finance Team, supported by other teams as appropriate, and any balance of unallocated proceeds will be monitored regularly.

PLife REIT commits to reach full allocation of the net proceeds of each SFT within 24 months following the date of issuance on a best-effort basis.

For any unallocated amount, it may be invested in cash or cash equivalent instruments, following permissible investments under the Property Funds Appendix in Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore until the allocation to Eligible Sustainable Projects. Any addition to the Eligible Sustainable Project List will follow the above-described process. For the avoidance of doubt, unallocated proceeds will not be put towards any activities listed on the exclusion list in section 2.1.

Using the earmarking process described above, PLife REIT will ensure that the same capital investment will not be listed twice in the allocation of net proceeds, preventing double counting of eligible assets.

In the event of project divestment, discontinuation or ineligibility based on Eligible Criteria listed above, PLife REIT is committed to replacing the project on a best effort basis with another Eligible Sustainable Project(s) as soon as reasonably practicable.

2.4 Reporting

For SFTs issued under this Framework, PLife REIT intends to provide the investors or lenders with relevant information on intended use of the proceeds, including an estimated share of refinanced projects on a best-effort basis.

PLife REIT will publish annually a sustainable finance report that covers **(i) allocation report** and **(ii) impact report** starting a year after the first issuance of a SFT, until full allocation of the proceeds. Updates will be provided as necessary in case of any material development. Where relevant, the sustainable finance report will be publicly available within PLife REIT's annual sustainability report or on its website.

i. Allocation Report

PLife REIT's allocation report will make available the following information to investors and/or lenders:

- Brief description of the Eligible Asset(s) allocated proceeds
- Amount or percentage of allocation of net proceeds to the Eligible Portfolio
- Percentage of net proceeds allocated to financing new and existing projects
- Balance of unallocated proceeds, and temporary placements (invested in cash and/or cash equivalents, if applicable)

Where confidentiality limits the amount of detail that can be made available, PLife REIT may present the information in generic terms.

ii. Impact Report

PLife REIT will provide information on the associated environmental and social impacts from the SFTs, subject to data availability. The key underlying methodology and/or assumptions used in quantifying the environmental impact will also be disclosed.

Table 3: Example Impact Indicators

Eligible Category	Example Impact Indicators
Green Buildings	<ul style="list-style-type: none"> • Number and Gross Floor Area (m²) of Green Buildings • Type of scheme, Green Building Certifications levels obtained
Renewable Energy	<ul style="list-style-type: none"> • Renewable energy capacity installed in MW • Annual GHG emissions avoided in tonnes of CO₂ equivalent • Annual renewable energy generated (or purchased) in MWh • Annual energy storage capacity in MW
Energy Efficiency	<ul style="list-style-type: none"> • Annual GHG emissions avoided in tonnes of CO₂ equivalent • Annual energy savings in MWh
Clean Transportation	<ul style="list-style-type: none"> • Number and proportion (%) of company's transportation fleet made up of low and zero emission vehicles • Number of EV charging points installed • Annual GHG emissions reduced/ avoided in tonnes of CO₂ equivalent
Sustainable Water & Wastewater Management	<ul style="list-style-type: none"> • Annual absolute (gross) water saving in m³/a
Climate change adaptation	<ul style="list-style-type: none"> • Number of operating days lost to natural disasters (e.g., fire, floods, etc.) • Repair costs due to natural disaster-related damage • Number of sites/infrastructure with enhanced resilience against tougher/extreme weather events (e.g., flood, heat, fire, etc.) • Number of monitoring systems, advanced sensors and alert systems installed/upgraded
Access to Healthcare	<ul style="list-style-type: none"> • Number of elderlies/ additional elderlies provided care • Number of nursing home accommodations availed • Number of beneficiaries of healthcare programmes and initiatives

3 | External Review

i. Pre-issuance External Review (Second Party Opinion)

PLife REIT has engaged **DNV Business Assurance Singapore Pte Ltd** to conduct an independent external review of this Framework.

DNV Business Assurance Singapore Pte Ltd has reviewed the alignment of the Framework with the GBP, SBP, SBG, GLP and SLP, along with the relevant Taxonomies, and issued a Second Party Opinion (SPO). The SPO will be made available to investors on PLife REIT's website along with this Framework.

ii. Post-issuance External Review

Post-issuance of this Framework, PLife REIT will, if required, engage an independent qualified third party to verify the allocation of net proceeds from its SFTs to Eligible Sustainable Projects. The external review, if required, will be performed on an annual basis until full allocation of the proceeds of the SFTs and in case of material development.

4 | Disclaimer

This Framework is for information purposes only. Unless specifically referred to in an offering document, this Framework cannot be relied upon in connection with, nor does it constitute or form part of, any offer to sell or offer to buy securities of PLife REIT (including any subsidiary of PLife REIT).