

Directors' Report

The Directors of GPT RE Limited, the Responsible Entity of General Property Trust, present their report together with the financial statements of the General Property Trust (the Trust) and its controlled entities (the trust consolidated entity) for the year ended 31 December 2021. The trust consolidated entity together with GPT Management Holdings Limited and its controlled entities form the stapled entity, The GPT Group (GPT or The Group).

General Property Trust is a registered scheme, GPT Management Holdings Limited is a company limited by shares, and GPT RE Limited is a company limited by shares, each of which is incorporated and domiciled in Australia. The registered office and principal place of business is Level 51, 25 Martin Place, Sydney NSW 2000.

The Directors' Report for the year ended 31 December 2021 has been prepared in accordance with the requirements of the Corporations Act 2001 and includes the following information:

- » Operating and Financial Review, including information on the Group's operations and financial position, business strategies and prospects on pages 1 to 39
- » Information on the Directors and Company Secretary on pages 43 to 45, and
- » Board and committee meetings attendance on page 41
- » Remuneration Report on pages 48 to 60, and
- » Auditor's Independence Declaration on page 62.

Environmental regulation

GPT has policies and procedures in place that are designed to ensure that where operations are subject to any particular and significant environmental regulation under a law of Australia (for example property development and property management), those obligations are identified and appropriately addressed. This includes obtaining and complying with conditions of relevant authority consents and approvals and obtaining necessary licences. GPT is not aware of any significant breaches of any environmental regulations under the laws of the Commonwealth of Australia or of a State or Territory of Australia and has not incurred any significant liabilities under any such environmental legislation.

GPT is subject to the reporting requirements of the National Greenhouse and Energy Reporting Act 2007 ("NGER Act"). The NGER Act requires GPT to report its annual greenhouse gas emissions and energy consumption and generation for the 12 month period from 1 July to 30 June. GPT has implemented systems and processes for the collection and calculation of the data required. The data is assured and submitted to the Australian Government Clean Energy Regulator by the legislative deadline of 31 October each year. GPT complied with the Regulator's submissions requirements for the period ended 30 June 2021 within the required timeframe.

Information about GPT's participation in the NGER program is available on our website: www.gpt.com.au.

Events subsequent to reporting date

The COVID-19 pandemic has created unprecedented economic and societal impacts and there remains significant uncertainty. In the event the COVID-19 impacts are more severe or prolonged than anticipated, this may have further adverse impacts to asset values and the operating results of the Group. At the reporting date a definitive assessment of the future effects of COVID-19 on the Group cannot be made, as the impact will depend on the magnitude and duration of the economic downturn, with the full range of possible effects unknown.

After the balance date, the Commercial Tenancy Code of Conduct was extended in New South Wales until 13 March 2022 and in Victoria until 15 March 2022, to provide rent relief to qualifying small and medium tenants. GPT continues to work with tenants to provide relief as required to assist with any short-term cash flow impacts.

The purchaser of Casuarina Square exercised its Call Option on 31 January 2022 and entered into a binding contract to purchase the asset (GPT's interest: 50%). Settlement of the transaction is scheduled to occur on or prior to 31 March 2022.

On 14 February 2022, the Directors declared a distribution for the half year ended 31 December 2021 of 9.9 cents per security, being \$189.6 million which is expected to be paid on 28 February 2022.

Other than the above, the Directors are not aware of any matter or circumstances occurring since 31 December 2021 that has significantly or may significantly affect the operations of GPT, the results of those operations or the state of affairs of GPT in the subsequent financial years.

Indemnification and insurance of directors officers and auditors

GPT provides a Deed of Indemnity and Access (Deed) in favour of each of the Directors and Officers of GPT and its subsidiary companies and each person who acts or has acted as a representative of GPT serving as an officer of another entity at the request of GPT. The Deed indemnifies these persons on a full indemnity basis to the extent permitted by law for losses, liabilities, costs and charges incurred as a Director or Officer of GPT, its subsidiaries or such other entities.

Subject to specified exclusions, the liabilities insured are for costs that may be incurred in defending civil or criminal proceedings that may be brought against Directors and Officers in their capacity as Directors and Officers of GPT, its subsidiary companies or such other entities, and other payments arising from liabilities incurred by the Directors and Officers in connection with such proceedings.

During the financial year, GPT paid insurance premiums to insure the Directors and Officers of GPT and its subsidiary companies. The terms of the contract prohibit the disclosure of the premiums paid.

GPT has agreed to indemnify the auditors out of the assets of GPT if GPT has breached the agreement under which the auditors are appointed.