Climate and Nature Disclosure Statement 2023

Experience First

Climate and Nature Disclosure Statement

This Climate and Nature Disclosure Statement (Statement) outlines the steps GPT is taking to identify, assess and manage climate and nature-related risks and opportunities for our business. The Statement has been prepared with reference to:

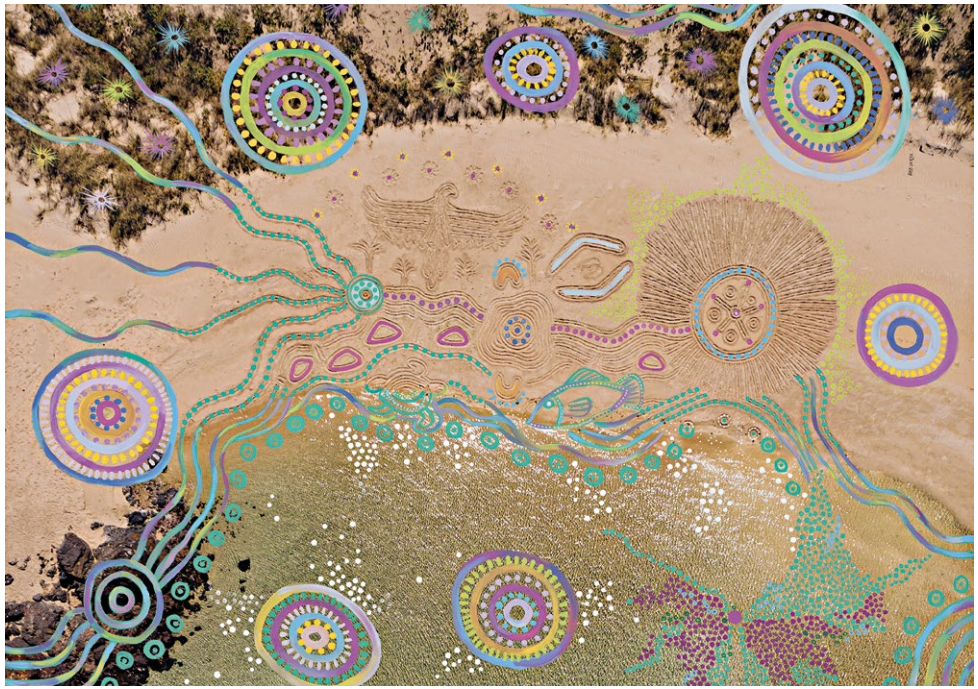
- The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
- The recommendations of the Task Force on Nature-related Financial Disclosures (TNFD), and
- The International Sustainability Standards Board's (ISSB) International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards:
  - **S1**: General requirements for disclosure of Sustainability-related financial disclosures, and
  - **S2**: Climate-related Disclosures.

The Statement applies to the whole of The GPT Group (GPT or Group), including GPT Funds Management Limited in its capacity as the responsible entity for the GPT Wholesale Office Fund (GWOF) and the GPT Wholesale Shopping Centre Fund (GWSCF).

Our Climate and Nature Disclosure Statement is approved by the GPT Board and prepared in consultation with our cross functional Sustainability Reference Group, which contributes to the identification of foreseeable climate and nature-related risks and opportunities and assists in formulating and implementing our ongoing response to these risks and opportunities.

GPT's governance structures and risk management processes are common across sustainability-related risks and opportunities, including climate, energy, biodiversity, water, and resource management.

Contents



GPT acknowledges the Traditional Custodians of the lands on which our business operates.

We pay our respects to Elders past, present and emerging, and to their knowledge, leadership and connections.

We honour our responsibility for Country, culture and community in the places we create and how we do business.

Artwork: 'Saltwater Spirit' by Lowell Hunter (proud Nyul Nyul Saltwater man) and Bobbi Lockyer (proud Ngarluma, Kariyarra, Nyul Nyul and Yawuru woman).

Sustainability Reporting Suite

This Climate and Nature Disclosure Statement is part of the GPT corporate reporting suite for 2023. For additional detail on GPT's sustainability response, it should be read in conjunction with the other reports, statements and resources within the suite.

Annual Report

An integrated report summarising the value created by GPT's business activities that includes the annual financial statements for the Group.

Sustainability Reporting

Contains our performance, priorities and progress in addressing material sustainability matters. Updated website to be released in April 2024.

Sustainability Data Dashboard

Previously called the 'Environmental Data Dashboard', our updated dashboard provides a comprehensive overview of our key environmental, social and governance (ESG) performance data for the reporting year, including alignment to global sustainability reporting frameworks.

Sustainable Debt Framework

A framework outlining how we intend to issue and manage sustainable debt instruments across GPT and its managed funds.

Corporate Governance Statement

An annual statement of how GPT addresses the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition).

Modern Slavery Statement

An annual statement describing GPT's actions to assess and address modern slavery risk in our operations and supply chain.

GPT Website

Contains information about our enterprise policies, processes and sustainability initiatives.

In addition to the reporting suite, GPT participates in ESG indices and benchmarks to measure our sustainability performance and provide transparency for our stakeholders. For more information see our Sustainability website.

Memberships and commitments

ADVANCING NET ZERO

WORLD GREEN BUILDING COUNCIL

CLIMATE GROUP EP100

Climate Active

WE SUPPORT UN GLOBAL COMPACT

SUSTAINABLE DEVELOPMENT GOALS

Principal supporter Nature Roadmap Green Building Council Australia

TNFD Taskforce on Nature-related Financial Disclosures

PRI Principles for Responsible Investment

Disclaimer

This Climate and Nature Disclosure Statement (Statement) has been prepared by The GPT Group comprising GPT RE Limited (ACN 107 426 504; AFSL 286511), as responsible entity of the General Property Trust, and GPT Management Holdings Limited (ACN 113 510 188) (together, GPT). It has been prepared for the purpose of providing GPT's investors with general information regarding GPT's performance and plans for the future with respect to sustainability-related risks and opportunities. It is not intended to be and does not constitute an offer or a recommendation to acquire any securities in The GPT Group.

This Statement contains forward-looking statements and statements of opinion. These may include statements regarding the plans, strategies and objectives of management; GPT's purpose, values, targets and goals in relation to sustainability; GPT's future performance; external enablers (e.g. technological advancements, increased availability of lower-emissions energy and building materials, the availability and quality of carbon offsets, and policy support); fluctuations in carbon and energy markets; and climate and nature-related scenarios. Such statements may be identified by the use of terminology including, but not limited to, 'intend', 'aim', 'ambition', 'aspiration', 'goal', 'target', 'project', 'see', 'anticipate', 'estimate', 'plan', 'objective', 'believe', 'expect', 'commit', 'may', 'should', 'need', 'must', 'will', 'would', 'continue', 'forecast', 'guidance', 'trend' or similar words.

Users of this Statement are cautioned not to place undue reliance on such statements, particularly in light of the long time horizon which this Statement discusses and the inherent uncertainty in possible policy, market and technological developments in the future.

There are also limitations with respect to climate and nature scenario analysis, and it is difficult to predict which, if any, of the scenarios might eventuate. Scenario analysis is not an indication of probable outcomes and relies on assumptions that may or may not prove to be correct or eventuate.

The information provided in this Statement is for general information only. It is not intended to be investment, legal or other advice and should not be relied upon as such. You should make your own assessment of, or obtain professional advice about, the information in this Statement to determine whether it is appropriate for you.

You should note that past performance is not necessarily a guide to future performance. While every effort is made to provide accurate and complete information, The GPT Group does not represent or warrant that the information in this Statement is free from errors or omissions, is complete or is suitable for your intended use. In particular, no representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any forward-looking statements contained in this Statement or the assumptions on which they are based. Such material is, by its nature, subject to significant uncertainties and contingencies outside of GPT's control. Actual results, circumstances and developments may differ materially from those expressed or implied in this Statement.

To the maximum extent permitted by law, The GPT Group, its related companies, officers, employees and agents will not be liable to you in any way for any loss, damage, cost or expense (whether direct or indirect) howsoever arising in connection with the contents of, or any errors or omissions in, this Statement.

Information is stated as at 31 December 2023 unless otherwise indicated. Except as required by applicable laws or regulations, GPT does not undertake to publicly update or review any forward-looking statements, whether as a result of new information or future events.

All values are expressed in Australian currency unless otherwise indicated.

A message from the CEO and Managing Director

The global threat posed by climate change and the need for urgent mitigating action is well accepted. However, other impacts on nature are often overlooked, including the decline in biodiversity, over-exploitation of natural resources, and the pollution of land and water.

At GPT, we recognise that people and communities are impacted by these pressures and that our response needs to address both climate and nature-related issues while delivering long term value for our stakeholders.

This is GPT's first integrated Climate and Nature Disclosure Statement. It has been prepared to align with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), the Taskforce on Nature-related Financial Disclosures (TNFD), and in preparation for the adoption of the International Sustainability Standards Boards (ISSB) Sustainability Disclosure Standards. This disclosure outlines the steps we are taking to identify, monitor, mitigate and adapt to climate and nature-related risks and opportunities that could have a material impact on our business and on the communities in which we operate.

At its core, the built environment displaces natural environments. It draws upon natural resources from all over the world to service direct needs as well as the needs of the people and business activities that occupy the space. These impacts on nature are occurring at unsustainable rates that cannot be re-absorbed by the environment without causing a declining state of nature and the ecosystem services nature provides, which are essential for a resilient future.

As the owner and manager of a $32.6 billion portfolio of retail, office, and logistics properties across Australia, we have taken a strong position on climate action. Through our Climate Policy, we are fully committed to tangible actions that meet or exceed expectations under the Paris Agreement to avoid dangerous climate change and limit global warming to well below 2°C. In addition, our commitments through our Biodiversity, Water and Resource Circularity Policies are playing a crucial role in helping us responsibly manage our other nature-related impacts.

Our emissions reduction actions to-date and future targets track well ahead of Australia's commitments to the Paris Agreement. We are also committed to a nature-positive future by measuring and reducing our impacts where feasible and compensating for residual impacts through nature restoration projects that also remove carbon from the atmosphere.

As part of our Net Zero Plan, at the end of 2023 GPT proudly achieved carbon neutrality for all material emissions sources (including scope 1, 2 and 3) under our operational control. This includes our corporate operations and base building emissions and embodied carbon from developments. We provide full details of these achievements and future targets within the sustainability suite.

Climate and nature-related risk and opportunity considerations inform key decisions across GPT, both to minimise our impact on the environment and to ensure the resilience of our assets and core business strategy to the changing environment. We undertake resilience planning for a transition to a low carbon economy as well as scenario modelling and climate adaptation planning for potential future physical impacts caused by continued business as usual emissions. We also implement processes of reviewing and responding to other nature-related risks and opportunities.

Our actions to address climate change and nature impacts align with our purpose: Experience first. We create experiences that drive positive impact for people, place and planet. Our commitment to ESG leadership is an important pillar of GPT's overall strategy and, combined with our environmental focus of – 'Carbon Neutral Now, Nature Positive Next' – we believe will contribute to long term value creation.

Bob Johnston
Chief Executive Officer and Managing Director

Highlights

GPT is the first Australian commercial property owner to have both operational buildings and new developments certified against the Climate Active Carbon Neutral Standards.

Nature

300,000
trees planted in partnership with Greenfleet since 2019

110ha
greenspace biodiversity assessments completed for operational assets since 2022

34%
closed loop recycling in 2023

100%
of GPT's key assets reviewed for nature interfaces

245ha
of trees planted via GPT's 'Restoring Country for Climate' partnership since 2022

57%
water intensity reduction since 2005[1]

Climate

92%
emissions intensity reduction since 2005[1]

$937m
sustainable finance total for GPT and GWOF since 2021

100%
of GPT operational assets reviewed for climate vulnerability

8MW
of installed solar PV capacity on GPT-owned assets

52%
Energy intensity reduction since 2005[1]

25
GPT operationally controlled assets Climate Active Carbon Neutral Certified

"GPT has been a clear leader in driving positive outcomes for nature in the property industry. Their focus on nature, combined with their continued commitment to renewable energy and Carbon Neutral Certifications has inspired positive change throughout our industry."

Davina Rooney
CEO, Green Building Council of Australia

1. Measured against GPT's 2005 baseline as at 31 December 2023. Detailed data and breakdowns are available in GPT's Sustainability Data Dashboard.

About Us

GPT is a vertically integrated diversified property group that owns, develops and actively manages a portfolio of high quality Australian retail, office and logistics assets, with assets under management of $32.6 billion. The Group utilises its real estate management platform to enhance returns through property development and funds management.

Our purpose is to create experiences that drive positive impact for people, place and planet. Experience First puts the customer experience at the heart of everything we do. It means leading with insight and research to understand their needs. Shifting our focus from the physical asset to the benefit of what happens inside to deliver real and meaningful impact.

This idea is central to our interactions with customers, to our market offering, to the experience we create for our employees.

GPT's values are how we deliver on our purpose, guiding how our employees can live what they believe and drive positive outcomes for our stakeholders.

Leadership in ESG is core to GPT's strategy. Our commitment is to deliver resilient assets that optimise environmental outcomes to create and protect value over the long term.

GPT's sustainability goals and efforts align with our commitment to positively contribute to people, place and planet. Sustainability practices underline our operations and are integrated into our organisational culture, stakeholder engagement, development design, governance and investment decisions.

Our Values

Everyone counts

People really matter to us. We learn from our differences and we pull together as one. Life is precious, so safety and wellbeing are our priority, always.

Imagine if...

We believe anything is possible. We're inquisitive about the world around us, and use customer insights to drive the creative and the new. Great questions drive great outcomes.

Go for it!

We turn ideas into action. We back ourselves and each other. Energy and enthusiasm power everything we do. We're great at getting things done. We're excited to pioneer the firsts that others follow.

Make an impact

Property impacts our planet in a very real way. So we act with courage and conviction to make a difference — no matter how big or small. We know a better tomorrow is up to each of us.

EXPERIENCE FIRST

Our Environmental Focus

CARBON NEUTRAL NOW. NATURE POSITIVE NEXT

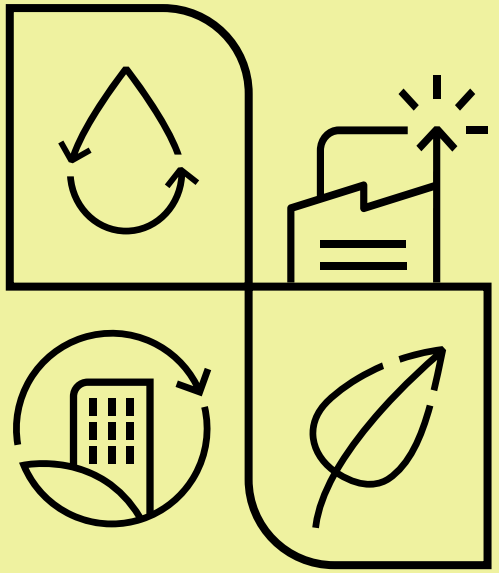
Our objective is to deliver resilient assets that optimise the following environmental outcomes:

Water Neutrality

GPT strives to be water neutral and resilient to drought and flood (water scarcity and extreme rainfall).

Resource Circularity

GPT is committed to circular outcomes by maximising the lifecycle of materials, closed-loop recovery processes and avoiding unnecessary consumption of materials.



Climate Response

GPT is delivering certified carbon neutrality and building resilience to the impacts of climate change.

Restoring Nature

GPT is focused on achieving a net positive impact on biodiversity[1].

GPT's policies are aligned with the principles of the Paris Agreement and Kunming-Montreal Global Biodiversity Framework.

1. GPT's nature positive targets are detailed in the TNFD section of our Sustainability Data Dashboard. The specific net positive impact on biodiversity refers to the policy commitment to invest in biodiversity protection and restoration projects with a cumulative footprint greater than that of GPT owned and operationally controlled assets.

Our Environmental Focus

CONTINUED

Putting definitions upfront

Carbon Neutral vs Net Zero

GPT uses the term 'Carbon Neutral' to describe the achievement milestones for our emissions reduction targets, as part of our overall Net Zero Plan. The language of 'Carbon Neutral' aligns with the Australian Government's Climate Active Carbon Neutral program, which independently validates and certifies organisations, buildings and developments as operating on a carbon neutral basis. GPT's Carbon Neutral achievements are certified by Climate Active, Australia.

GPT's Climate Active carbon neutral targets and outcomes have a reporting boundary of Scope 1, 2 and 3 emissions under our operational control, in line with established global standards, including the GHG Protocol and ISO14001 Environmental Management Systems.

GPT measures and sets Scope 3 emission targets informed by the level of control we have for these emissions, which are principally the upstream emissions for goods and services that we procure. We also work to influence downstream Scope 3 emissions, particularly those of our tenants.

Our Net Zero Plan describes our broader climate and nature response, which includes both efforts for decarbonisation and an orderly transition to a resilient, low-carbon economy and ensuring our business prospects are protected in whichever climate scenario eventuates. We believe that it is important that leaders go beyond decarbonising their own activities to ensure that they invest in driving and enabling broader decarbonisation and an orderly transition.

Throughout this Statement, we provide detail on our measurement and reporting boundaries for our Carbon Neutral achievements.

Nature Positive

Climate and the atmosphere are subsets of nature, and the effects of increased carbon concentrations affect land, freshwater, oceans, and biodiversity.

Nature is referred to as both the non-living and living environment (climate, land, freshwater, ocean, and biodiversity, of which people are a part).

GPT aims to invest in processes that achieve a positive impact across multiple systems of nature, while simultaneously mitigating multiple risks. Our focus of Carbon Neutral Now, Nature Positive Next acknowledges our parallel investment in climate and nature responses. While we are delivering on carbon neutral milestones already, there is still much to do to deliver on our broader nature goals.

Like decarbonisation goals, nature positive can have numerous meanings. At GPT, we have adopted the following International Union for Conservation of Nature (IUCN) definition:

A nature-positive future means that we, as a global society, halt and reverse the loss of nature measured from its current status, reducing future negative impacts alongside restoring and renewing nature, to put both living and non-living nature measurably on the path to recovery.

In practice, for GPT this means understanding and measuring the natural environments that have been displaced by our buildings and the direct impacts on nature and its resources. We will take positive action to reduce these impacts and enhance natural environments in respect of our properties.

We will focus on compensating for residual impacts through nature restoration projects with positive impacts across multiple natural systems, such as reforestation projects that remove carbon, improve biodiversity and improve water quality and flows.

The specific 2030 target refers to the policy commitment to invest in biodiversity protection and restoration projects with a cumulative footprint greater than that of GPT owned and operationally controlled assets. GPT's nature positive targets are detailed in the TNFD section of our Sustainability Data Dashboard.

GPT's context for climate and nature

As an owner and/or manager of 118 real estate assets, GPT's business and operations have dependencies and impacts on nature. The built environment is highly dependent on nature, relying on natural resources, and ecosystem services, including climate regulation, flood mitigation, soil and sediment retention and water supply, and ecological processes for building construction, maintenance, and functionality. The World Economic Forum (WEF) has estimated that more than half of the world's economic output – US$44 trillion of economic value generation – is highly or moderately dependent on nature. Additionally, the WEF has reported that the impacts of extreme weather events, critical change to Earth systems and biodiversity loss and ecosystem collapse are the top three most severe risks identified by global executives for the next decade. Australia, where all of GPT's assets are based, is a megadiverse country, and one of the most biologically rich countries in the world.

Like our Net Zero Plan, GPT's Nature Plan is being developed to ensure we manage any nature-related risk to our business and, where possible, leverage opportunities from our understanding of how our business activities interact with nature.

More detail on GPT's Nature Plan will be available on our website in April 2024

Our Environmental Focus

CONTINUED

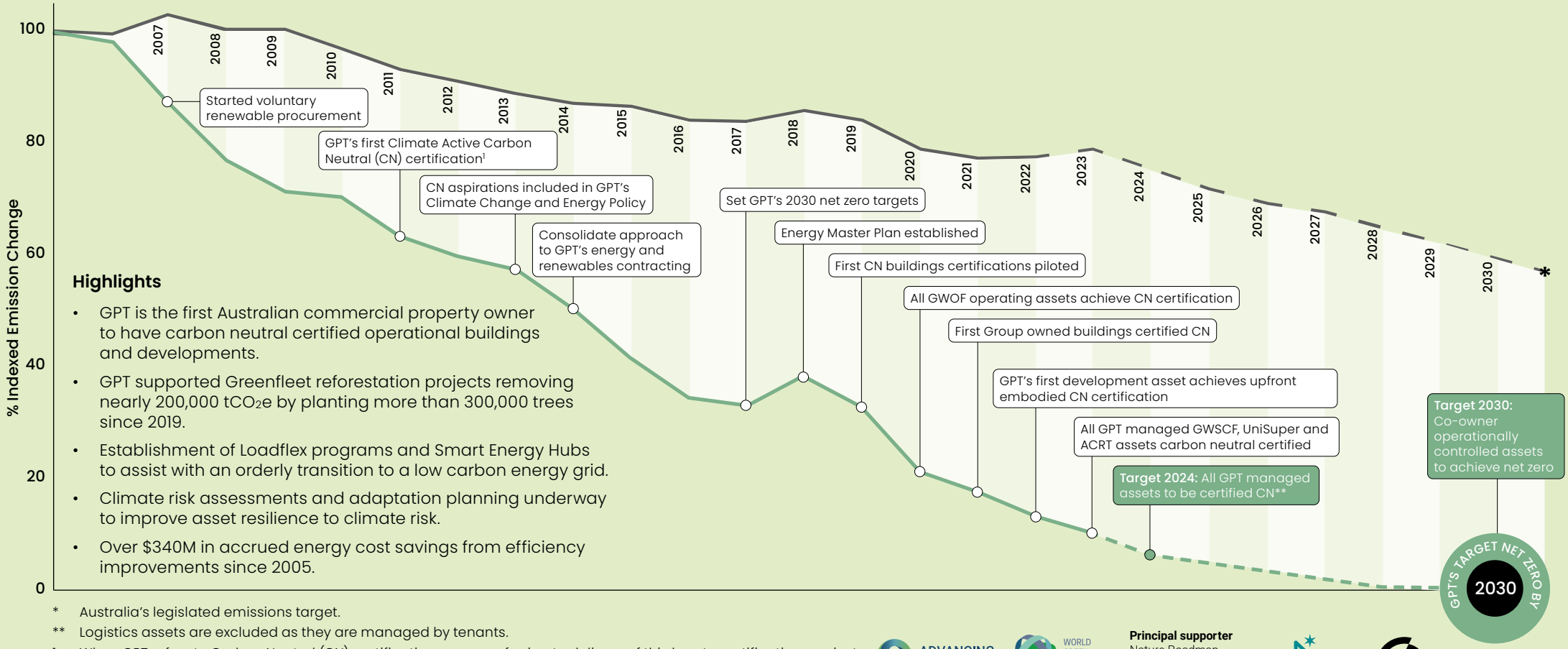
Net Zero Pathway

GPT has a long term track record of decarbonisation towards net zero. We will deliver resilient assets that optimise environmental outcomes.

GPT'S decarbonisation tracks well ahead of Australia's Paris Agreement target.

KEY

- Australia's Historical Emissions
- Australia's 2023 Projections*
- GPT's Historical Emissions
- GPT 's 2023 Projections



Highlights

- GPT is the first Australian commercial property owner to have carbon neutral certified operational buildings and developments.
- GPT supported Greenfleet reforestation projects removing nearly 200,000 tCO_2e by planting more than 300,000 trees since 2019.
- Establishment of Loadflex programs and Smart Energy Hubs to assist with an orderly transition to a low carbon energy grid.
- Climate risk assessments and adaptation planning underway to improve asset resilience to climate risk.
- Over $340M in accrued energy cost savings from efficiency improvements since 2005.

* Australia's legislated emissions target.

** Logistics assets are excluded as they are managed by tenants.

1. When GPT refers to Carbon Neutral (CN) certification, we are referring to delivery of third party certification against the Scope 1, 2 and 3 operationally-controlled emissions required in the Australian Government's Climate Active Carbon Neutral Standard for Organisations, Buildings or Products (Upfront Carbon Buildings).

ADVANCING NET ZERO · WORLD GREEN BUILDING COUNCIL · Principal supporter Nature Roadmap Green Building Council Australia · NABERS · Climate Active

Our Environmental Focus

CONTINUED

Net Zero Plan

As part of our environmental sustainability focus of Carbon Neutral Now, Nature Positive Next, GPT has made significant progress with our Net Zero Plan, which includes both decarbonisation goals with certified carbon neutral milestones as well as goals to improve climate resilience.

Climate Response

Decarbonisation

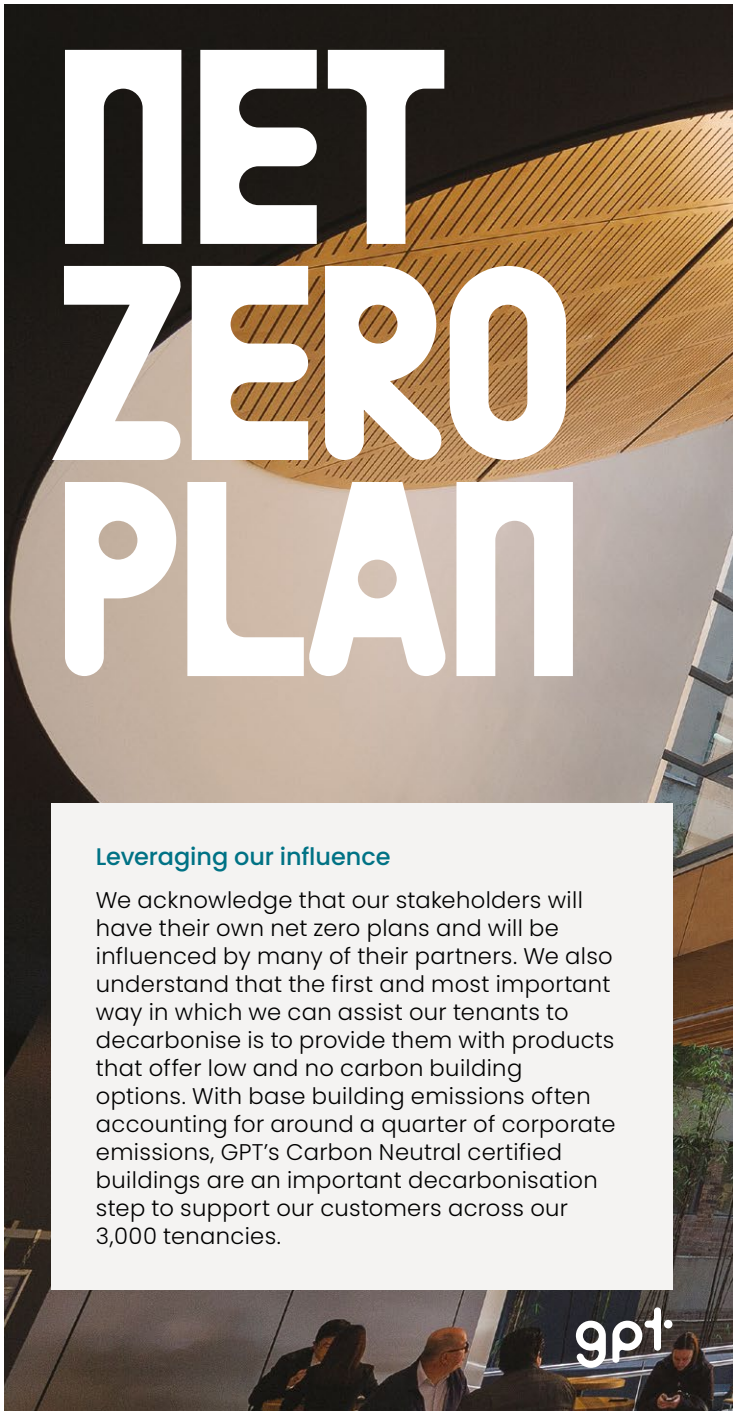
GPT has set and is delivering on carbon neutral milestones for all material emissions where we have principal decision-making authority. The table below summarises how we have achieved our milestones.

	Corporate Emissions	Building Operations	Upfront Embodied Carbon
Measure	• Scope 1, 2 and 3 operationally controlled emissions.		
	• Emissions from office energy, proportion of base building emissions, flights, accommodation, services and consumables.	• Emissions from electricity, gas, waste, refrigerants, diesel and water.	• Emissions from construction materials and processes.
Eliminate and reduce	• Improve office energy efficiency. • Use renewable electricity. • Preference carbon neutral buildings and consumables. • Minimise travel.	• Efficient buildings. • 100% on-site and off-site renewable electricity. • Electrification of assets. • Low/no GWP refrigerants.	• Design efficiencies. • Low embodied carbon materials. • Low carbon construction processes.
Offset	• Adopt a 'Last but not later' approach. • GPT offsets only residual emissions to achieve net zero.		
Disclose	• Independently validate and transparently disclose outcomes and processes.		

Climate Resilient

Key elements of GPT's climate resilience strategy include:

- Detailed climate risk reviews and aligned strategy
- Asset-level climate adaptation plans
- Demand-side flexibility and EV plans for an orderly transition to a low carbon grid
- Energy procurement plan to minimise exposure to high and volatile energy costs
- Climate leadership linked to sustainable finance
- Securing long term supply, credibility and cost for offsets, and
- Leading decarbonisation strategies to improve resilience to climate-related transition risks.



Leveraging our influence

We acknowledge that our stakeholders will have their own net zero plans and will be influenced by many of their partners. We also understand that the first and most important way in which we can assist our tenants to decarbonise is to provide them with products that offer low and no carbon building options. With base building emissions often accounting for around a quarter of corporate emissions, GPT's Carbon Neutral certified buildings are an important decarbonisation step to support our customers across our 3,000 tenancies.

Our Environmental Focus

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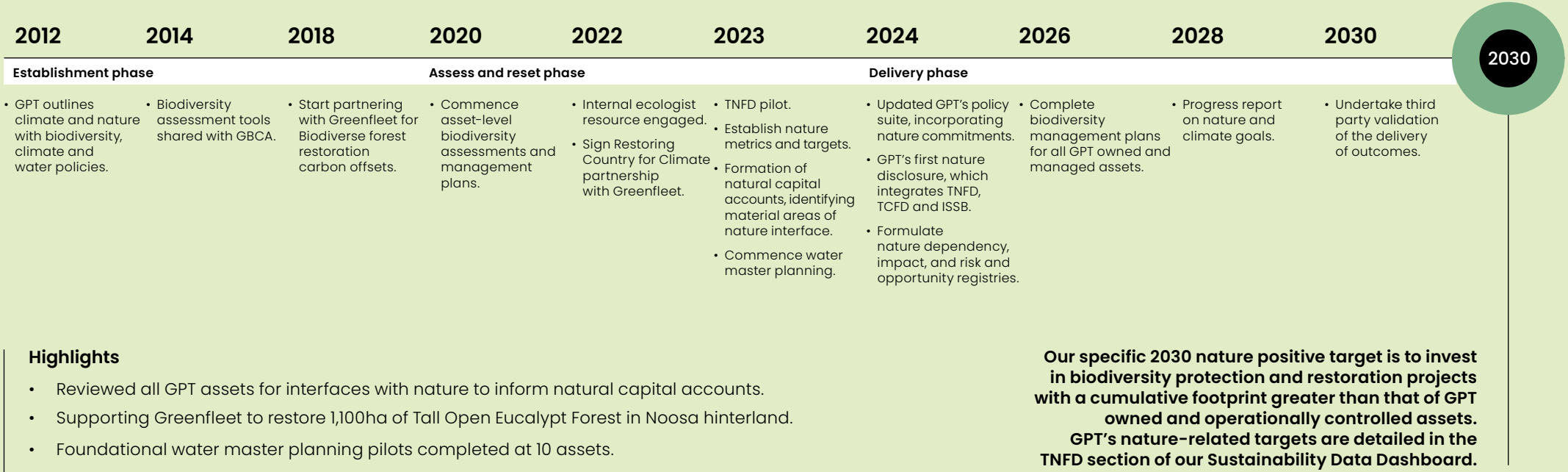
Nature Roadmap

GPT is developing a roadmap toward nature positive outcomes through identifying, assessing and managing nature-related dependencies, impacts, risks and opportunities. We are also investing in on-site biodiversity improvement plans and nature restoration and protection projects with a target to exceed our cumulative built environment footprint by 2030.

GPT is applying the TNFD 'LEAP' framework (locate, evaluate, assess and prepare) in delivering our roadmap.



Highlights

- Reviewed all GPT assets for interfaces with nature to inform natural capital accounts.
- Supporting Greenfleet to restore 1,100ha of Tall Open Eucalypt Forest in Noosa hinterland.
- Foundational water master planning pilots completed at 10 assets.
- Completed 110ha of greenspace biodiversity assessments since 2022.
- 33ha of voluntary (non-regulatory) flora and fauna assessments for greenfield developments.
- Native vegetation seed collection for endangered grassland habitat to preserve genetic diversity.

Our specific 2030 nature positive target is to invest in biodiversity protection and restoration projects with a cumulative footprint greater than that of GPT owned and operationally controlled assets. GPT's nature-related targets are detailed in the TNFD section of our Sustainability Data Dashboard.

Our Environmental Focus

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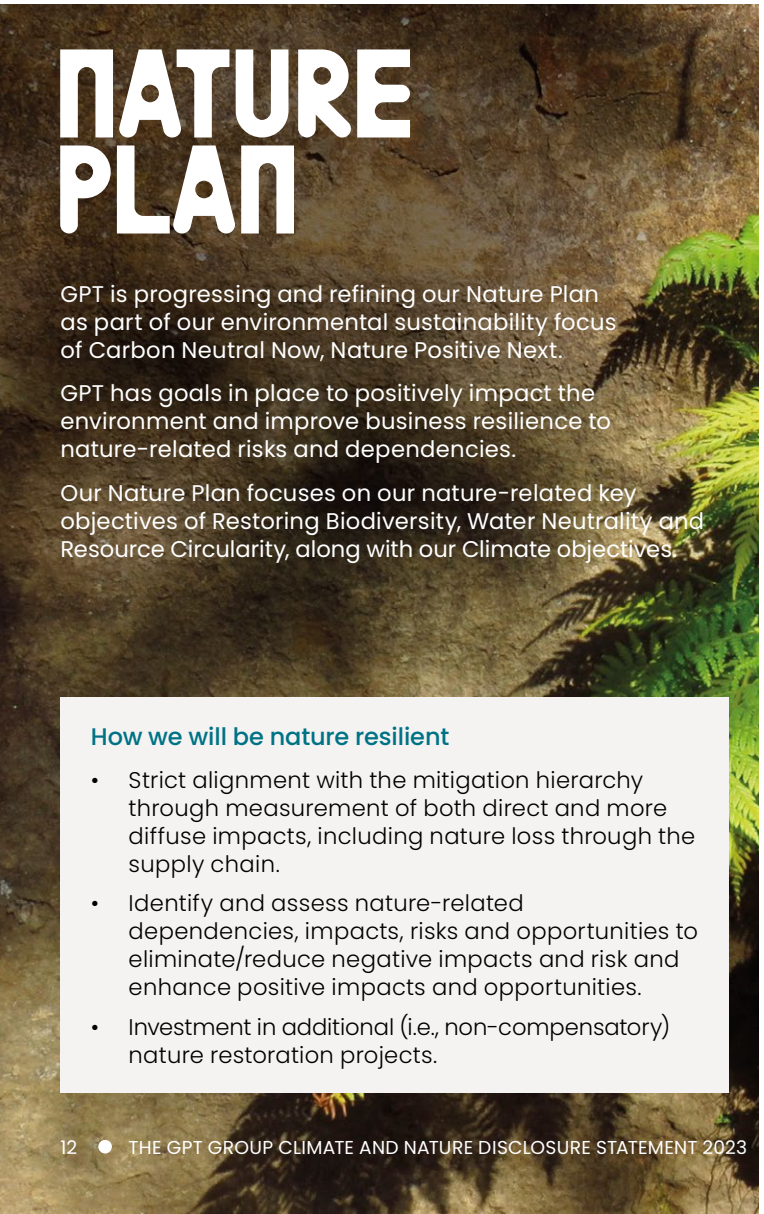

NATURE PLAN

GPT is progressing and refining our Nature Plan as part of our environmental sustainability focus of Carbon Neutral Now, Nature Positive Next.

GPT has goals in place to positively impact the environment and improve business resilience to nature-related risks and dependencies.

Our Nature Plan focuses on our nature-related key objectives of Restoring Biodiversity, Water Neutrality and Resource Circularity, along with our Climate objectives.

How we will be nature resilient

- Strict alignment with the mitigation hierarchy through measurement of both direct and more diffuse impacts, including nature loss through the supply chain.
- Identify and assess nature-related dependencies, impacts, risks and opportunities to eliminate/reduce negative impacts and risk and enhance positive impacts and opportunities.
- Investment in additional (i.e., non-compensatory) nature restoration projects.

	Restoring Biodiversity 2030 land-use targets	**Water Neutrality** 2030 freshwater-use targets	**Resource Circularity** 2030 resource-use/replenishment targets
Measure	• Measure nature-related impacts, dependencies and risks (and opportunities) and register for consideration in decision-making.		
	• Measure displacement of natural environments, intersections with significant ecologies and species.	• Measure portable water consumption, stormwater impacts and exposure to water stressed regions.	• Measure materials consumption, waste to landfill and pollution (inc. CO_2) from materials and waste and resource recovery.
Eliminate and reduce	• Biodiversity reviews and create management plans.	• Develop GPT Water Master Plan.	• Reduce depletion and pollution to levels re-absorbed by the environment without harm.
	• Reduce on-site biodiversity impacts by improving existing ecologies and species.	• Reduce water use through water efficiency measures.	• Reduce impacts through materials selection design efficiencies.
	• Avoid development and materials that impact biodiversity.	• Reduce stormwater impacts by rainwater capture and re-use or release and pollution controls.	• Design for re-use and improve materials recovery.
Offset and restore	• Restore on-site species, populations and ecosystems.		
	• Adopt 'last but not later' approach; only utilise offsets when impacts cannot be eliminated or reduced.		
	• Restoring Country for Climate offsetting agreement with Greenfleet will result in permanent carbon removal and improved biodiversity outcomes.	• Review and pilot options for a credible water offset process that also delivers biodiversity and climate co-benefits (i.e. wetland or water catchment rehabilitation projects).	• Climate biodiversity and water programs with tangible restorative aspects to compensate for any residual impacts in materials and waste supply chains.
Disclose	• Independently validate and transparently disclose outcomes and processes.		

Leveraging our influence

- Participated in the Australian Government's TNFD pilot and early adopters of the TNFD framework.
- Sharing our experience with stakeholders to assist them on their own journeys.
- Principal supporter of the Green Building Council of Australia's Nature Roadmap.

Governance

GPT's approach to managing and reporting climate and nature-related risks and opportunities is underpinned by our commitment to strong, transparent governance and guided by our overarching commitment to ESG leadership. We regularly and publicly report on progress against our sustainability performance, with independent verification.

We have a range of policies in place to guide us towards achieving our climate and nature-related strategies and objectives. These policies provide the link between our sustainability commitments and our day-to-day practices by identifying key activities and establishing a roadmap to facilitate decision-making.

For a detailed explanation of all of GPT's sustainability policies, please see the policies page on our website.

Sustainability Policies

Climate and nature-related business risks which include climate, energy, water, resource circularity and biodiversity are considered and addressed in accordance with the GPT Risk Management Framework (RMF), applying the same governance around risk identification, assessment and management as for other key business risks. The RMF is aligned to ISO 31000:2018.

Our approach to managing environmental impacts from sustainability-related risks and opportunities, is addressed through our ISO 14001:2015 certified Environmental Management System (EMS).

Governance

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Board Oversight

The GPT Board strives to ensure that GPT meets high standards of governance across its operations. The Board and its Committees regularly review governance arrangements and practices to ensure they remain appropriate.

The Board has ultimate responsibility for overseeing the application and management of the Risk Management Framework and the Group's Environmental Management System (EMS) to ensure that climate change, nature and other sustainability-related financial and environmental risks and impacts are appropriately identified and assessed.

During the year, the Board was actively engaged in its governance responsibilities, fulfilling their role in accordance with the Board and Committee Charters. Board and Committee meetings are the main forum for the Board to monitor GPT's performance, set expectations for management and provide oversight over progress against GPT's strategy. Clear planning and agenda setting ensures the time of the Board and its Committees is used efficiently.

The Board has a mix of skills and experience to enable it to discharge its responsibilities, including in funds management, property investment and development, taxation, engineering, accounting and law, which provide insight into the potential business impacts of climate and nature-related risks. For more detail on the skills and experience of the Board, see the Governance section of the 2023 Annual Report and the 2023 Corporate Governance Statement.

Board Committees

The Board has established the Audit Committee and the Sustainability and Risk Committee to assist it in carrying out its responsibilities. Management has established special purpose committees and working groups to focus on specific sustainability matters, with reporting provided to the Board and its Committees as required.

The Chairman of each Board Committee is an independent Non-Executive Director with the appropriate qualifications and experience to carry out that role. The Board receives minutes of Board Committee meetings and updates from the Chair of each Committee to ensure that there is an appropriate flow of information between the Committees and the Board.

The Charters for each Committee were reviewed during 2022, with amendments made to adjust to the changing needs of GPT and evolving governance practices.

The Group's Sustainability Governance Framework (Chart 1) facilitates the systematic management of climate change, nature, biodiversity and other sustainability-related risks and opportunities across GPT to mitigate potential negative impacts and maximise potential opportunities.

Governance

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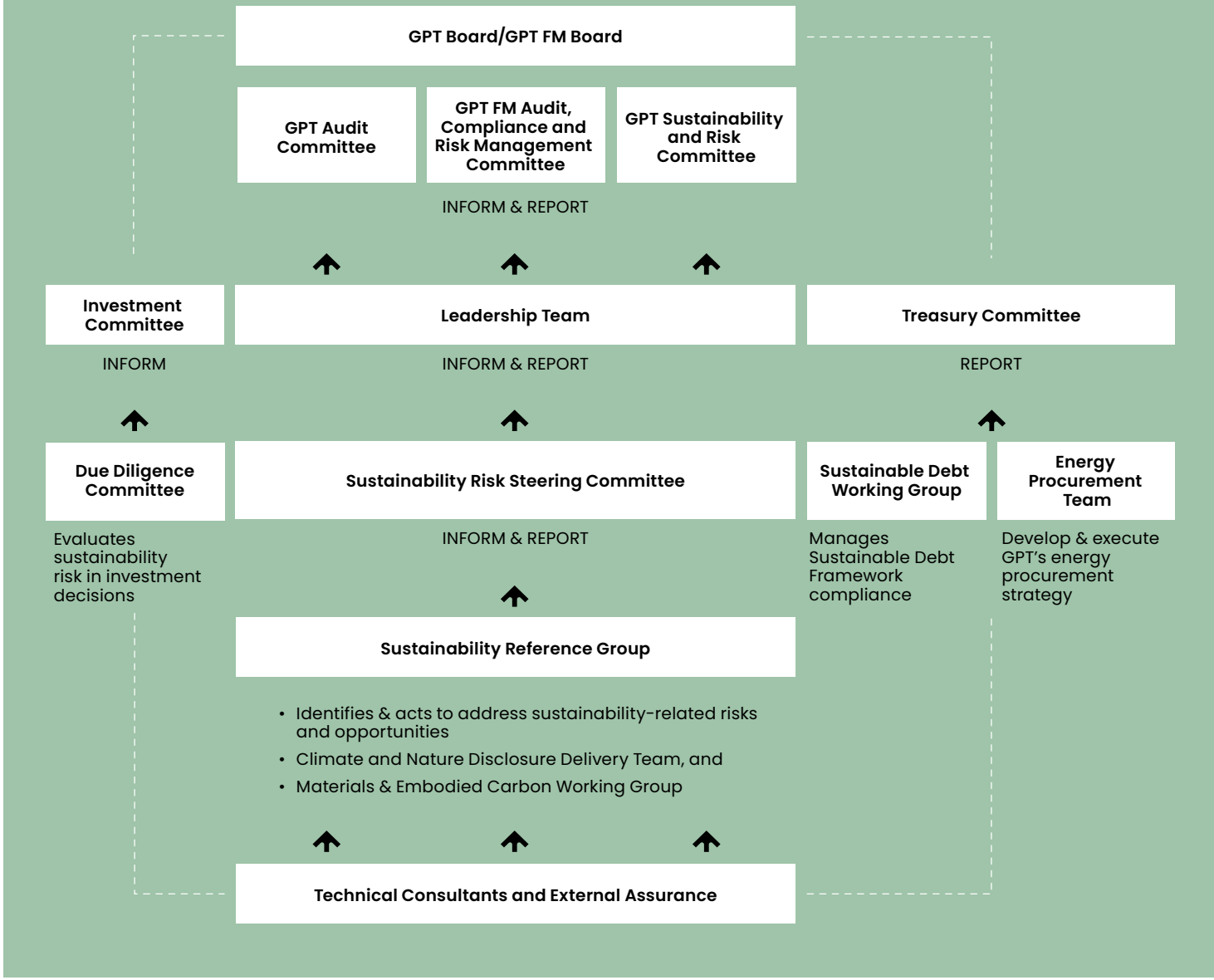
A summary of the responsibilities and membership of each Board Committee and key sustainability-related management committees, along with their areas of focus in 2023, is set out in the table on pages 16-17.

Chart 1: Sustainability-Related Governance Framework



Governance

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Name and composition	Meeting regularity	Sustainability governance role	Reporting structure	Climate and nature-related activities in 2023
GPT Board of Directors ("Board") Six independent Non-Executive Directors and one executive Director	9x a year	• Oversee application and management of the Risk Management Framework. • Consider sustainability risks and opportunities, particularly in the context of Group strategy and major investments, performance metrics and associated remuneration.	• Oversight function is performed on behalf of all entities in The GPT Group, including GPT Funds Management Limited (GPTFM).	• Directors participated in internally and externally delivered presentations on various aspects of climate change and nature, including upfront embodied carbon, sustainability reporting standards, carbon offsetting, nature impact and dependencies, electricity demand management, regulatory change (i.e. TCFD, TNFD and ISSB). • Monitored the Group's performance on key ESG metrics and oversaw implementation of strategies to improve ESG performance. • Approved sustainability KPIs for the CEO.
Board Sustainability and Risk Committee (SRC) Three independent Non-Executive Directors	Quarterly (5 meetings held in 2023)	• Assist the Board with the oversight of risk management and sustainability approach. • Oversee overall approach to climate change and nature-related risks and opportunities. • Review quarterly reports on Environmental Management System (EMS), including related assurance activity. • Monitor quarterly progress against sustainability targets. • Review and recommend to the Board for approval the Group's Climate and Nature Disclosure Statement and sustainability metrics and targets.	• Reports to the Board.	• Reviewed reports from management on the identified climate and nature-related risks disclosed in the Climate and Nature Disclosure Statement and progress against stated metrics and targets (see Appendix B), and • Reviewed reports on key projects such as Carbon Neutral certifications, updates to key asset-level physical risk assessments, solar PV installations and climate and biodiversity adaptation planning.

Governance

CONTINUED

Name and composition	Meeting regularity	Sustainability governance role	Reporting structure	Climate and nature-related activities in 2023
Audit Committee Three independent Non-Executive Directors	Quarterly	• Oversee the Group's corporate reporting, treasury, taxation, internal audit and external audit practices and receive updates on assurance of sustainability data.	• Reports to the Board.	• Considered material climate and nature-related risks in GPT's financial reporting. • Oversaw matters, together with the SRC, relating to the sustainable debt issued by GPT.
GPTFM Board, Audit, Compliance and Risk Management Committee (ACRMC) Five Independent Non-Executive Directors	Quarterly	• Responsible for matters such as sustainability, treasury, financial reporting and risk management.	• Reports to the GPTFM Board.	• Considered sustainable debt matters and opportunities for GWOF and GWSCF. • Received two reports during the year from GPT's Head of Sustainability on all aspects of sustainability management and sustainability-related risks and opportunities.
Sustainability Risk Steering Committee (SRSC) COO, CFO, CRO (Chair)	3x a year	• Oversee climate and nature-related disclosures.	• Reports to Leadership Team as required. • Supported by a cross-business reference group to identify sustainability risks and opportunities.	• Reviewed risk management and sustainability, including GPT's approach to climate change and progress in meeting sustainability targets. • Considered current and emerging nature-related risks and opportunities.
Investment Committee (IC) COO (Chair), CEO, CFO, General Counsel, CRO, and Heads of Retail, Office, and Logistics	Fortnightly or more frequently as required	• Review investment and major expenditure proposals, taking into consideration climate and nature-related risks and alignment with GPT's risk appetite and strategic goals.	• Decisions of the IC are subject to sign off by the Due Diligence Committee.	• Sustainability matters are required to be considered in all IC proposals.

Governance

CONTINUED

Management Accountability

GPT's Chief Executive Officer (CEO) and Managing Director is accountable for ensuring that the Group is identifying, assessing and managing material sustainability-related risks and opportunities, including those related to climate change and nature, in accordance with the Risk Management Framework. The Chief Risk Officer (CRO) reports directly to the CEO. The CRO is a member of the GPT Leadership Team and is responsible for ensuring GPT's management teams are identifying, assessing and managing climate change and nature-related risks and opportunities effectively and in accordance with the Risk Management Framework and the EMS.

In addition to roles on the Investment Committee and Due Diligence Committee, the CRO is instrumental in ensuring that major sustainability trends and emerging risks are considered by GPT's Leadership Team in strategy, and that the Group is appropriately resourced to meet them. Material sustainability-related risks and opportunities are discussed and reported to the SRC quarterly.

Matters regularly considered by the SRC include:

- Risks and opportunities, including in relation to climate, water, resource circularity and nature
- GPT's EMS and related assurance activity, and
- Progress against metrics and targets disclosed in this Statement.

The Head of Sustainability reports directly to the CRO, ensuring alignment between the EMS and the Risk Management Framework. The Sustainability Team is responsible for formulating and driving implementation of GPT's sustainability initiatives across the business.

The team includes specialists with expertise in building optimisation and energy, climate science, water management, biodiversity and ecology, resource circularity, data analytics and human rights. Additionally, cross-functional working groups include:

- Climate and Nature Disclosure Delivery Team
- Sustainable Debt Working Group, and
- Materials and Embodied Carbon Working Group.

GPT recognises the requirement for effective risk management as a core capability and consequently all employees are expected to be managers of risk, including climate and nature-related risk. On a six-monthly basis, all business unit managers review and update their business unit risk register with members of the Risk Team.

The CEO and Leadership Team are informed of and consider sustainability-related risks and opportunities through the Investment Committee capital allocation process which takes into account a range of factors, including customer experience, environmental impacts, reputational impacts, risk mitigation, strategic alignment and operational and safety matters.

Key performance indicators (KPIs) that monitor environmental performance are established at an asset level. Corporate metrics and targets (listed on our Sustainability Data Dashboard) are monitored by subject matter experts in the Sustainability Team and progress is reported through to the relevant Leadership Team members and the Sustainability Risk Steering Committee.

Climate linked remuneration outcomes

Accountability for the Group's sustainability and climate-related targets and outcomes is reinforced through KPIs in the performance targets of the CEO, the Chief Operating Officer (COO), the CRO, all members of the Sustainability Team and key operational-level team members. In the case of the CEO, COO, CRO and the Head of Sustainability, these KPIs are directly linked to remuneration outcomes. These climate-related performance indicators are reported to the Board SRC every quarter.

Considering climate and nature factors in major investment decisions

To achieve our policy objectives, GPT continuously monitors and assesses sustainability-related risks and opportunities likely to impact our assets and incorporates these into capital allocation and operational decision-making. For example, all submissions to the GPT Investment Committee are required to address climate and nature-related risks and opportunities.

Strategy

"GPT looks to take a leading role in sustainability which will position us well for opportunities that may arise from our response to both climate and nature-related challenges and strengthen the prospects of our core business strategy."

Steve Ford, Head of Sustainability

RESPOND

Climate and nature impacts to GPT's core business strategy

GPT's core business strategy aims to deliver growing and predictable earnings for investors through owning, developing and managing a diversified portfolio of high quality real estate, principally located in Australian capital cities and established regional centres.

We differentiate our business through our purpose of – Experience First, we create experiences that drive positive impact for people, place and planet.

We achieve our purpose by focusing on what matters most to our customers, which in turn drives enhanced returns and sustainable investments. Our customers, including tenants, investors, property owners and the people that use our buildings have a keen interest in how we respond to key environmental sustainability issues.

Our commitment to the environment is succinctly captured in our overarching environmental sustainability objective to deliver resilient assets that optimise environmental outcomes with our focus of 'Carbon Neutral Now, Nature Positive Next'. We must be fully informed about the external climate and nature pressures so that we can adapt our strategy to respond where necessary.

GPT's strategy to optimise our portfolio to grow returns involves taking a long term view of our assets. How and when we develop and evolve our portfolio is informed by our broader strategy, including climate and nature-related inputs that are triggered over the lifecycle of the asset. This approach benefits our tenants and our broader stakeholder groups and improves the resilience of our assets to the impacts of physical and transitional climate and nature-related risks while maximising opportunities.

Climate action, improving nature, human rights and leaving a positive legacy for future generations matters to our customers. Our leading practices in environmental and social sustainability enhance relationships with our customers and improve the resilience of our business.

The proactive identification and management of key risks and opportunities, including those related to climate change, biodiversity loss and water, supports the achievement of this strategy.

Strategy

CONTINUED

Time Horizons for climate and nature-related risks and opportunities

GPT's strategy to optimise our portfolio involves taking a long term view of our assets and sustainability initiatives.

For climate and nature scenario analysis, GPT considers our strategy and response to climate change impacts over the time horizons listed below that align with the lifecycle of our assets.

The time horizons are defined with reference to the typical lifecycle of commercial buildings, which provides GPT with the flexibility to make decisions on an asset by asset basis depending on where each asset sits in its lifecycle, rather than taking a simple portfolio-level approach to evaluating risks and opportunities.

For example, when an established building is approaching a major redevelopment, we will undertake a detailed physical climate risk assessment. The assessment will include developing design and construction responses to improve resilience to foreseeable physical risks over the next 50 years, being the period for which we would expect the major building elements to last.

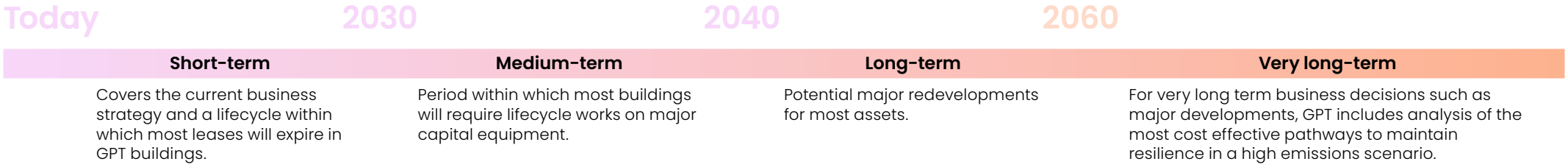


Figure 1: Commercial Building Lifecycle Trigger Points.

In contrast, an asset built 15 to 20 years ago will be approaching mechanical plant replacement decisions. Our scenario-based climate risk assessment will focus on foreseeable risks to the operation of the new plant over the next 20 years, being the period for which it will be expected to service the building.

The physical climate risk assessment for a recently developed asset will focus principally on administrative and management controls to address current physical risks and maximise opportunities that arise from GPT's fast transition to a low carbon and nature positive economy.

Nature-related risks are mostly assessed over the short-term, in alignment with GPT's nature commitments, current business strategy and average lease terms. More detail on GPT's Nature Plan will be available on our website in April 2024.

Medium term nature-related risk assessments consider our broader business model and sustainability commitments to nature restoration. We cross reference the clear trends in nature-related regulation and capacity constraints to understand the potential risks and dependencies that will become material to our business.

Long term nature-related risks have been excluded from the current assessment due to the inability to conduct nature-based scenario analysis with sufficient integrity, including modelling using natural capital accounts methods.

Strategy

CONTINUED

Climate change emissions scenarios to model future impacts

GPT has adopted two climate change emissions scenarios to model the potential future impacts of climate change on our business and the resilience of our strategy. The two scenarios we have adopted align with the Representative Concentration Pathways (RCPs) recommended by the Intergovernmental Panel on Climate Change (IPCC), which describe different climate futures with varied volumes of greenhouse gas emissions and provide guidance regarding the likelihood of physical and transitional risks being realised. We have adopted a low emissions scenario aligned with RCP 2.6 and a high emissions scenario aligned with RCP 8.5.

These scenarios are used to test the resilience of the Group's strategy and to develop strategies that address climate and nature-related risks and opportunities.

Through a series of Sustainability Reference Group workshops, we have determined the acute and chronic climate-related risks and opportunities for our business. We have considered the impact of climate change on GPT's business strategy by adopting a high impact scenario, being the physical impacts of high emissions under RCP 8.5 and the transitional impacts of low emissions under RCP 2.6.

GPT acknowledges that uncertainty exists in the projections of both physical and transition climate risks. We have identified the highest concentration of uncertainty to be in emerging areas of technology, particularly EVs, and the most extreme weather events. Further details can be found in Appendix B.

In our investment and management decision-making, we consider:

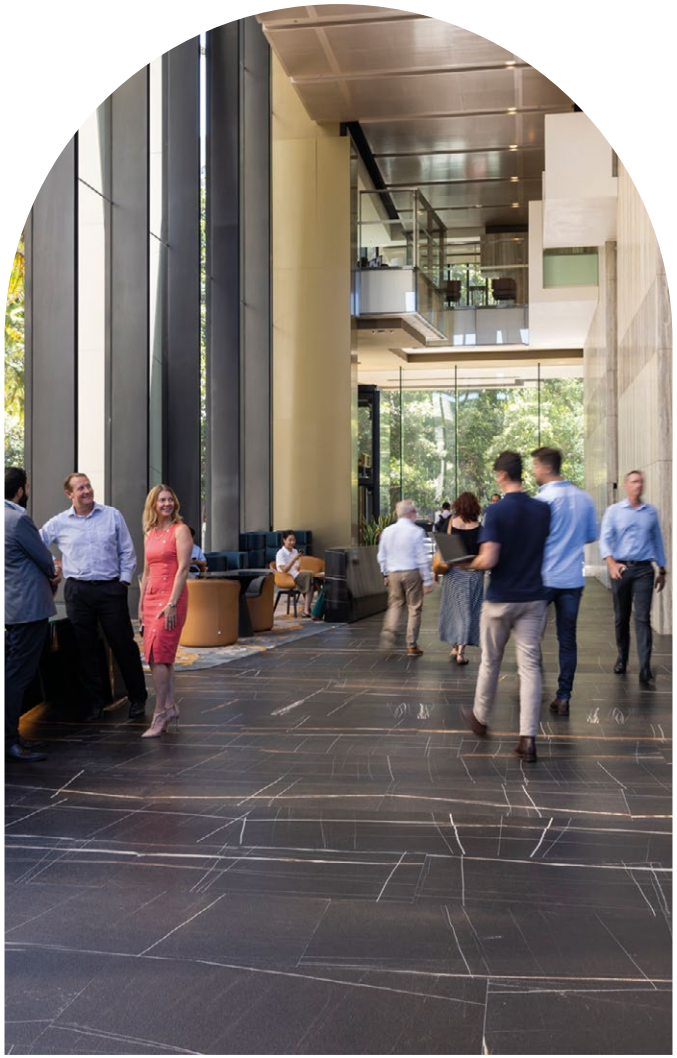
- Potential physical impacts that could affect GPT's assets or the regions they are located in and could damage or limit the asset's capacity to operate, and
- Potential transitional impacts that could result from policy, regulatory, or technological change and shifts in market and stakeholder expectations.

In both cases, our final investment and management decisions include processes to mitigate negative climate-related impacts and maximise potential opportunities to support long term value creation. The case studies within our Case Study Library provide insight into risk mitigation and opportunity maximisation.

Additionally, in our investment and management decision-making, we consider nature-related risks, dependencies and impacts as well as alignment with our biodiversity and water policy goals.

For both climate and nature-related risks, we consider the potential impacts to our direct operations, upstream impacts to our supply chains and downstream impacts to our customers. These are all integrally linked to the ongoing prospects of our core business.

See page 16 of our 2023 Annual Report for further detail on our strategy.



One One One Eagle Street, Brisbane

Strategy

CONTINUED

Climate change on business strategy

GPT has considered the risks and opportunities of acute and chronic physical climate change as well as the transition risks in relation to stakeholder expectations, technology, our net zero plans and government policy and regulation. We continually assess our approach, using the governance forums we have established and input from external advisors, to ensure our strategy remains sound. See Appendix B for further detail of GPT's climate-related risks and opportunities and GPT's strategy response.

In considering our business prospects in the context of climate change, no material climate-related risks have been identified that we believe could have a negative impact on our current business model or strategy over the short to medium term time horizon.

We have drawn this conclusion based on key attributes of our core business in two climate scenarios:

1. Fast transition (RCP 2.6 climate scenario)

GPT has undertaken detailed reviews of the potential impacts on our core business strategy of a fast transition to a low carbon economy. Our business resilience conclusions in this scenario are supported by the following:

- Our assets are located in major Australian cities with diverse and growing economies, good infrastructure and stable governments
- Our assets are not overly dependent on carbon intensive industries which may no longer be viable in a fast transition scenario
- GPT's Sustainability Team actively contributes to all decisions made by the GPT Investment Committee
- The majority of our operations are already carbon neutral certified through years of investment in efficiencies, shifting to renewable energy and an established offset plan for residual emissions, and
- We have invested in technology such as demand-side flexibility to reduce exposure to volatile energy markets as aging fossil-fuel energy generators are retired without clear pathways to provide alternative firm energy supplies.

We are leveraging our decarbonisation leadership to create opportunities that enhance our core business by:

- Creating strong business alignment with our customers and their own net zero journey. This alignment provides us with the ability to better service our customers' needs, particularly given that we are often a large part of their Scope 3 emissions
- Generating energy savings. Energy is the second largest operational cost to our base-buildings. GPT's efficient buildings and in-house Building Performance Team help to generate significant annual savings when compared with operational energy intensity from our baseline year of 2005
- Generating income and operational cost savings through investments such as GPT's Smart Energy Hubs and our demand response Loadflex program, which also support the energy grid
- Increasing investor appeal and opportunities for growing funds under management
- Attracting, retaining and motivating staff who are aligned with our purpose, and
- Improving the terms and diversity of our debt through sustainable debt options.

2. Business-as-usual (RCP 8.5 climate scenario)

Whilst GPT's climate strategy includes our Net Zero Plan which targets limiting global warming to 1.5 degrees Celsius, we understand that the current international emissions trajectories have a high possibility of resulting in an RCP 8.5 scenario of dangerous climate change and more than 4 degrees of warming. Our business resilience conclusions in this scenario are principally supported by:

- Physical climate modelling completed for all assets which indicates that less than 3% (by value) of assets are located in areas with a moderate Value at Risk (VaR) (VaR of between 0.2% and 1%) and no assets are located in areas with high VaR (VaR greater than 1%)
- Our ongoing ability to adequately insure all assets at a reasonable cost
- Our portfolio of high quality assets located in major capital cities and fast growing major regional economies which are less vulnerable to extreme climate change hazards due to regional climate risk mitigation and adaptation measures, and
- Internal processes requiring that all developments and lifecycle upgrades consider and respond to acute and chronic physical climate risk in design and investment decision-making.

Strategy

CONTINUED

Nature impacts on business strategy

GPT regularly assesses risks, opportunities, impacts and dependencies caused by physical constraints within nature, stakeholder expectations around how the business interacts with nature, our nature-related goals and government policy and regulation in this area. Our strategy will continue to evolve to meet the changes in our operational environment with regard to nature.

To date, GPT has considered nature-related risks in the context of our direct operations and upstream supply chains, including materials, utilities and land. Impacts to our down-stream value chains (principally our tenants) have not yet been considered in detail.

GPT's assessment of nature-related risks has identified **two material risks**, principally associated with developments, which could have a minor to moderate impact on our direct operations and/or our supply chain in the short term:

- **Stormwater regulation**: An increase in water regulation to manage the impacts of extreme rainfall and flooding are expected to result in:
  - An increase in the cost of stormwater management and mitigation requirements for greenfield developments, driven by mandated measures to detain stormwater and reduce pollutants discharged into waterways. An expected increase in operational costs associated with levies for impermeable surfaces at our assets over time.

  The impact of these regulatory changes will require consideration in the business case and final plans for development assets, and in managing stormwater at our operational assets.
- **Biodiversity regulation**: GPT's strategic growth of its logistics portfolio has resulted in land acquisitions and developments in greenfield sites in Sydney, Melbourne and Brisbane. Despite being in designated growth corridors that have been rezoned for industrial development, some of these properties have risks associated with loss of biodiversity resulting in environmental offsetting costs and/or development delays.

In the medium term, we foresee a wider range of nature-related risks emerging that will require a response from GPT. Early identification and planning for these risks are being undertaken to minimise their potential impact.

See Appendix C for further detail on short to medium term nature-related risks and opportunities, and GPT's strategic response.

Strategy

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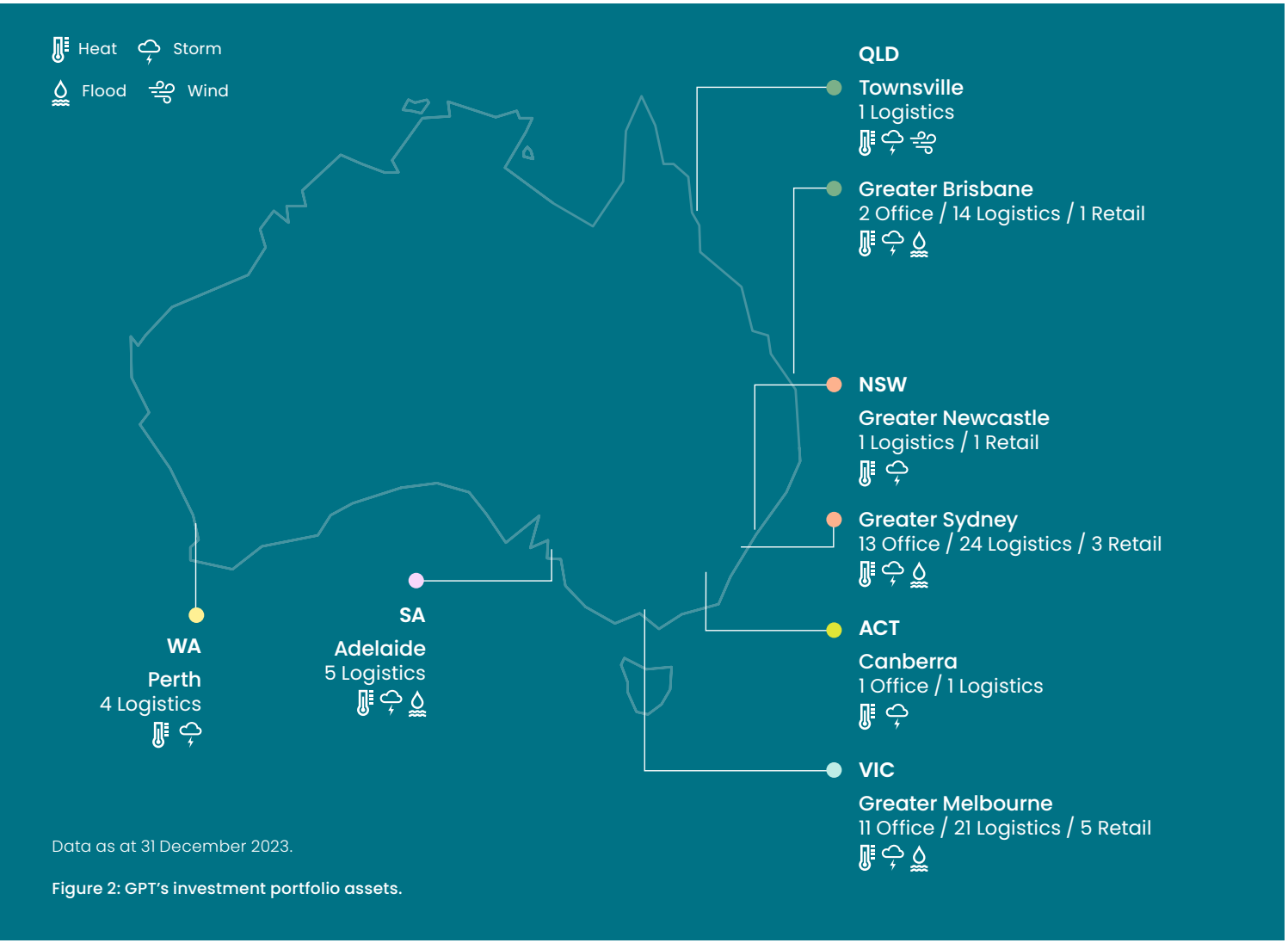


Data as at 31 December 2023.

Figure 2: GPT's investment portfolio assets.

Understanding climate risks at an asset level

The majority of assets in our portfolio are located in cities and urban areas, as shown in Figure 2, places identified as having a high capacity to adapt to climate change from a socio-economic perspective. Assets located in these areas are more likely to be resilient to the risk of becoming stranded or impacted by decreasing values.

In line with climate change adaptation guidance, GPT conducts thorough due diligence, including climate-related risk assessments, when making decisions on acquisitions and developments. For example, flood risk is scrutinised for all assets, and in the past has resulted in GPT not acquiring assets due to either the elevated risk of flooding, or actual historical flood events impacting a site. GPT also analyses changes over time of climate hazards, for example a 1 in 100 year flood zone may become a 1 in 20 year flood zone in coming decades.

GPT has a preference for assets located in major cities and urban areas. These urban and industrial areas may already have existing flood mitigation infrastructure, however GPT will still consider how flooding may directly and indirectly impact an asset.

Despite having a majority of assets in low transition risk areas such as cities and urban areas, acute and chronic physical risks of climate change still exist, such as extreme heat, severe storms and in some cases flooding. However, through considering climate related risks in the due diligence process, and adapting to inherent localised risks, we have greatly reduced our vulnerabilities.

Figure 2 identifies the locations of GPT's assets and the main physical climate-related risks that they are exposed to. The table on page 25 provides a summary of the high impact physical risks to assets and GPT's mitigation factors.

Strategy

CONTINUED

Concentration of GPT's climate-change related risks

Listed in the following table are the regional areas where climate physical risks are concentrated, which portfolio is the most exposed and what actions have or are being implemented to reduce or eliminate our vulnerabilities.

Climate adaptation planning triggers

GPT's climate adaptation planning process is integrally linked to our business and asset lifecycles to ensure that we make the right investments at the right time. Key decision-making points include:

- Review of climate risks and opportunities during acquisition due diligence to ensure that our investments are within our long term sustainability risk appetite
- Development planning incorporates long term climate modelling to ensure resilience to foreseeable climate impacts, and
- Major capital works and lifecycle upgrades consider the potential change in physical conditions and transition risks that need to be managed over the full lifecycle of that particular element of the asset.

Physical risks: acute vs. chronic risk

Acute risk: Shocks, event-driven risks such as increased severity of cyclones, floods and other extreme weather events.

Chronic risk: Stresses, longer-term shifts in climate patterns that may cause sea level rise, increased frequency of heatwaves and changes in rainfall patterns.

See Appendix B for more detail on the acute and chronic physical risks GPT assesses.

Physical Risk	Concentrated Risk Region	Portfolio	Adaptation or mitigation implemented	Resulting opportunities
River flooding 	**Brisbane CBD**	Office	Brisbane River flood barrier system installed at Riverside Centre and One One One Eagle Street.	Continued operation with minimal tenant disruptions in flood events e.g. the 2022 flood.
River/creek flooding 	**Western Brisbane, Western Sydney, Greater Melbourne and Adelaide**	Logistics	Due diligence throughout the acquisition process to specifically consider flood impacts, including on building design.	Increased likelihood of continued operations during times of heavy rain and flooding of local waterways.
Severe storms 	**All regions**	Office, Retail and Logistics	In design and at life cycle upgrade opportunities, our assets undertake climate adaptation planning, including upsizing hydraulics to account for increased severity of storms.	Continued operations during times of severe storm activity.
Tropical cyclones 	**Townsville**	Logistics	Asset designed and built to wind speeds specific to the region. Not located near the coast which eliminates risk of storm surge and tidal inundation.	Would be expected to be operating following the passage of a tropical cyclone.
Increasing average temperatures, extreme hot days and heatwaves 	**All regions**	Office, Retail and Logistics	Climate adaptation planning, including passive cooling techniques, installing better plant technology and implementing energy efficient procedures.	Creating conditions where customers and tenants remain comfortable during hot periods, while maintaining energy costs.

Strategy

CONTINUED

Rouse Hill Town Centre, NSW

Direct and indirect climate risk mitigation and adaptation efforts

In our efforts to decarbonise and increase resilience to impacts of climate change, GPT considers both direct and indirect mitigation and adaptation strategies that can be implemented now and in the future. Asset-level climate adaptation plans also address direct and indirect risks and opportunities across multiple time horizons, as well as today.

Direct mitigations cover our own business operations. For example, installing solar arrays on asset roofs to reduce emissions and save on energy costs addresses both the risks of a disorderly transition on energy prices and the need for more energy in a scenario with increasing temperatures.

Indirect mitigations include considering upstream impacts to our suppliers and downstream impacts to our customers and the communities that we serve. For example, how climate change may alter local population growth or business prospects in future years and how this would impact revenue for our assets.

Climate modelling

GPT procured physical climate modelling for all our assets from XDI (Cross Dependency Initiative) in 2022 and we have used this modelling to inform our climate risk vulnerability assessments and adaptation planning. The modelling provided by XDI uses the RCP 8.5 global warming scenario, and downscales climate change projections to an asset level so that we can use them to identify and treat hazards now and in the future. The high resolution modelling then allows us to take a 'bottom up' approach to climate adaptation planning and reducing vulnerabilities at an asset level.

The modelling for each asset shows how a potential hazard's risk level changes over time, out to the year 2100. For key assets, XDI has provided large site analyses, which is a more detailed analysis of direct physical climate risk within an asset's boundary, as well as the surrounding area, to capture any indirect risks that could impact the asset. The modelling is incorporated into our climate adaptation planning process. See Appendix B: Risk Analysis and Mitigations for more about our adaptation strategies for key transitional and physical risks.

As an example of how our scenario modelling and risk assessments aim to ensure the right investments are made at the right time, we can look at our approach to air-conditioning plants. If the plant needs replacement today, we focus on elements that contribute to and future proof for a fast transition. These include efficiency opportunities, changing to low greenhouse warming potential refrigerants, implementing controls that support demand-side flexibility and the potential for the replacement to contribute to the building electrification plan by operating in a heating mode during winter to eliminate gas boilers.

Alternatively, if an air-conditioning unit is modelled to require a specific sustainability upgrade by 2070 to meet the predicted heat loads from our climate scenario analysis, this upgrade will be implemented at the lifecycle replacement closest to when the need arises, rather than implementing expensive upgrades now. This way we ensure investments respond appropriately to business needs whilst minimising unnecessary expenditure.

Strategy

CONTINUED

Carbon price considerations

GPT's core business is not highly exposed to international markets and our climate response has resulted in a low emissions profile for our business. As a result, there is currently only limited exposure to a price on carbon through schemes such as the European Emissions Trading Scheme which is already over AU$100 per tonne of carbon emissions (tCO_2). However, there are some cost premiums associated with carbon emissions reduction in Australia, including mandatory renewable energy purchases and supply chain cost impacts through suppliers that fall under the national Safeguard Mechanism, as well as the voluntary action taken by GPT in order to deliver on our policy goals to limit warming to less than 2 degrees.

Retail electricity contracts in Australia require a mandatory 19% renewable energy through the purchase and retirement of renewable energy certificates. Over and above the mandatory requirement, GPT has committed to operate using 100% renewable electricity. Because the cost premium for renewable electricity in Australia has risen, GPT's renewable energy certificate contract, signed in 2020 and in place until to 2030, has largely shielded the Group from price increases. When comparing our 100% renewable energy certificate contract to typical retail electricity contracts (modelled at current $50 per certificate rates), our 100% renewable contract is estimated to save approximately AU$2M over the course of the contract.

Carbon offset prices in Australia have also risen dramatically over the past few years with significant potential to continue rising. As GPT is not directly exposed to the Safeguard Mechanism, the cost of carbon offsets is largely limited to the cost of materials from upstream suppliers who are exposed to the Mechanism or international jurisdictions with a price on carbon, as well our voluntary action, such as carbon offsetting to deliver embodied carbon neutral developments or to compensate for residual emissions in our operations.

Our offset strategy results in an effective carbon price of AU$30/t out to 2027. Beyond 2027, our strategy is to continue preferencing direct investment in Australian reforestation projects and effectively manage our carbon offsetting costs. In 2023, the total cost of offsets at GPT to deliver on our net zero strategies for corporate operations, building operations and upfront embodied carbon neutrality was $600,000.

See our Sustainability Reporting website for further information on GPT's offset strategy.

Climate impacts on valuations and financial reporting

Our review processes and response to climate-related risks ensure that climate-related financial impacts on our assets are embedded in forward-looking capital and operational savings and costs. These savings and costs are provided to independent valuers for their consideration in conducting asset valuations, with GPT's standard valuation instruction letter which includes a requirement for the valuer to consider the effects of climate change. The costs and savings associated with the climate response activities outlined in this Statement and our case studies are embedded within GPT's financial statements and asset valuations and should not be considered additional financial disclosure.

While GPT does track costs that are flagged to deliver climate-related benefits, currently we do not do this in isolation, in recognition of the fact that this expenditure will also deliver other benefits (e.g., greater durability, improved quality, operational reliability and reduced safety risk). By taking this approach, GPT avoids the risk of overstating the contribution of climate related issues in expenditure decision-making. The case studies in our Case Study Library provide project-by-project insight into the impact of climate-related decisions, but must be read in the context of there being many other considerations running in parallel.

We are currently working on enhancing our systems to allow more comprehensive identification and reporting of climate and nature-related investments and operational expenses. Together with independent assurance, these improvements will further enhance the transparency of GPT's sustainability reporting.

Strategy

CONTINUED

Understanding nature risks, at an asset level

Of GPT's current assets, 55 assets are within areas of biodiversity significance (i.e., ecological communities likely to occur on or immediately adjacent to the asset). These assets are prioritised for greenspace biodiversity assessments to inform management of these assets. See Figure 3 for an example of this analysis.

GPT has committed to avoiding, mitigating and offsetting biodiversity impacts from new developments and operating assets by aligning our practices to the Green Building Council of Australia's Building with Nature Principles and Targets. Importantly, our due diligence and risk assessment approach ensures biodiversity dependencies and risks are locally contextualised at the asset or operational level, with consideration given to adjacent areas, and upstream and downstream activities.

New developments pursue biodiversity objectives by responsible sourcing of materials, including timber, incorporating environmental objectives and goals of regional environmental planning schemes, and through supporting GPT's carbon and water neutrality goals.

GPT's operating assets pursue biodiversity objectives through responsible sourcing and management of materials, ongoing infrastructure and operating system efficiencies, improving storm water management, supporting broader efforts to conserve natural environments, and raising awareness of biodiversity risks and opportunities through supply chains, tenancies, and industry groups.

Where biodiversity impacts are unavoidable for new developments and operating assets, we strategise options for going beyond minimum regulatory environmental standards with relevant stakeholders.

GPT also ensures that our decarbonisation and investments in nature deliver co-benefits. For example, a key aspect of GPT's carbon offsets is Australian biodiverse forest restoration which removes carbon while improving biodiversity and delivering ecosystem services for water. With most building operations and future developments now delivering on our carbon neutral goal, we are creating an additional legacy of positive outcomes for nature.

GPT has identified and assessed biodiversity/land use values related to our direct footprint via desktop analysis, including identification of our interface with ecological communities/habitat and species of national and state significance (Figure A-C). Specifically, we have assessed:

- Ecological communities of national and state environmental significance within asset boundary plus within 0.5km
- Species of national and state environmental significance within asset boundary plus within 0.5km
- Extant ecological communities within asset boundary, and
- Preclearance ecological communities within asset boundary.

Where possible, biodiversity and land-use databases have been verified via on-ground assessment by a qualified ecologist. Through this approach, we can account for a very significant portfolio wide nature interface.

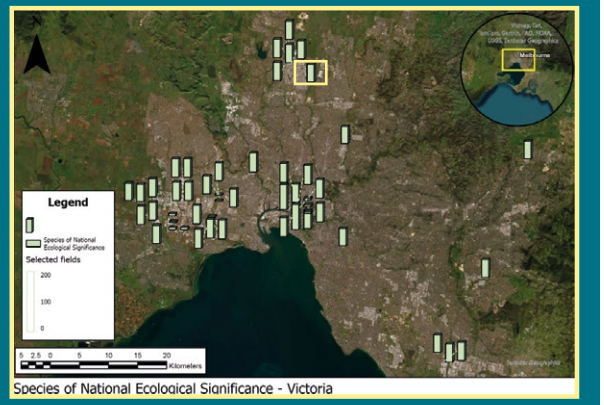


Figure B

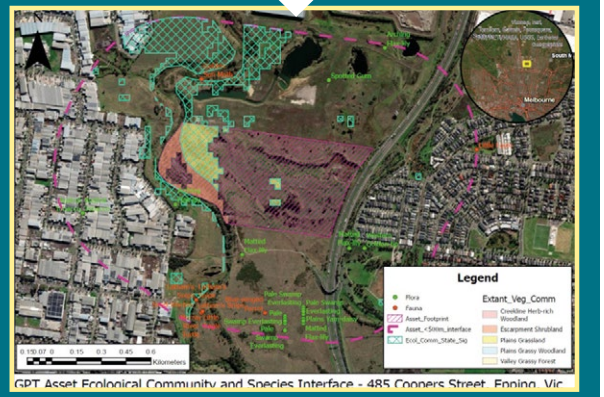


Figure C

Figure 3: Example of GPT's process for locating biodiversity values of significance.

Strategy

CONTINUED

Concentration of GPT's nature related risks

Listed in the below table are the regional areas where nature (excluding climate change-related) physical risks are concentrated, which portfolio is the most exposed and what actions have or are being implemented to reduce or eliminate our vulnerabilities.

Risk type	Risk description	Portfolio and risk region	Adaptation or mitigation implemented	Resulting opportunities
Physical risk: 	Bushfire, flood, cyclone, and severe drought causing supply chain constraints and support service (transport, storage and production facility) restrictions.	Office, Retail and Logistics – All regions	Due diligence throughout the acquisition process considers supply chain sensitivity to bushfire, flood and cyclone impacts. Creation of long term contracts and continued support to supply chain and community partners.	Reduced exposure to operational disruption and goods and services market volatility.
Transition risk: Policy and legal	Increasing compliance conditions and costs towards meeting strengthened flora and fauna regulations.	Logistics – Western Melbourne, Western Brisbane	Due diligence throughout the acquisition process considers flora and fauna impacts, and exposure to flora and fauna regulations. Asset-level biodiversity assessment and management plans.	Reduced exposure to operational disruption and flora and fauna regulatory conditions and cost.
	Increasing compliance conditions and costs towards meeting strengthened water regulations.	Logistics – All regions	Due diligence throughout the acquisition process considers exposure to water regulations. Asset-level water master plans.	Reduced exposure to operational disruption and water regulatory conditions and cost.
Transition risk: Market/reputation	Increasing operational and capital expenditure driven by supply chain constraints, services restrictions, and changes in market demand (e.g., increased demand for renewable energy, solar panels, carbon offsets, green concrete, green steel, and FSC timber).	Office, Retail and Logistics – All regions	Creation of long term contracts and continued support to supply chain and community partners. Electrification strategy.	Reduced exposure to goods and services market volatility. Increased market share and interest from ESG responsible tenants and investors.
Transition risk: Technology	Reduced footfall and tenancy driven from improved work from home capacity/conditions.	Office – All regions	GPT DesignSuites (6-star Green Star fit out).	Increased market share and interest from ESG responsible tenants.

Strategy

CONTINUED

GPT's climate and nature specific strategies

Over and above our core business model and strategy, GPT has strategies that specifically respond to climate and nature-related challenges while also supporting our core business brand and purpose.

GPT's plan for transitioning to a low carbon economy and a nature positive future:

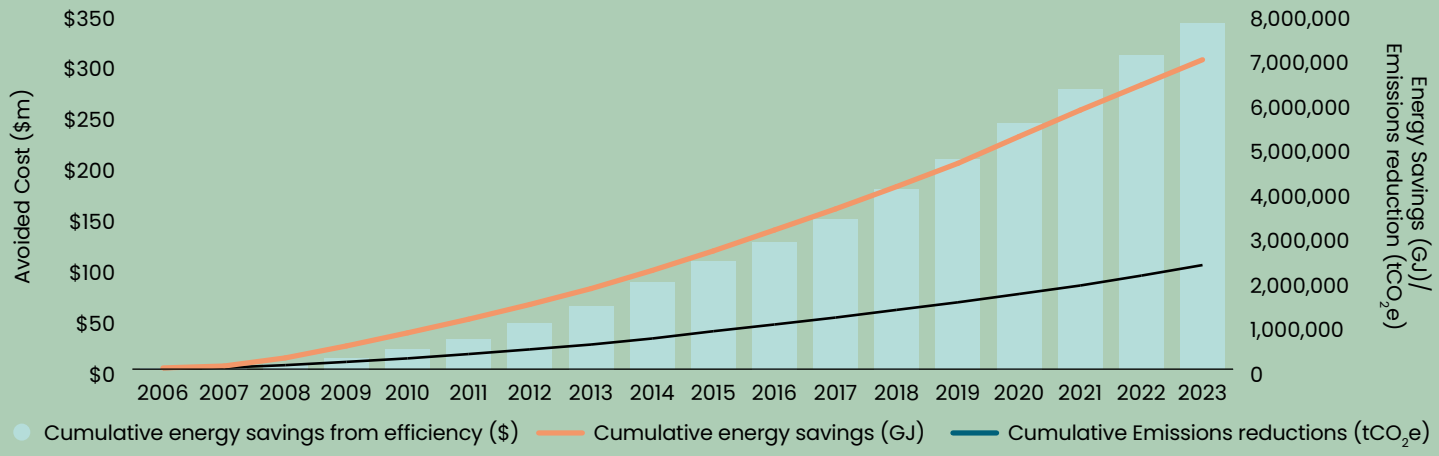
- Addresses the scientific imperative to shift to a net zero economy and targets an outcome that halts and reverses biodiversity loss
- Contributes to an orderly and just transition by supporting our stakeholders and communities to transition to a climate-resilient and nature positive economy
- Aligns with investor and customer expectations around decarbonisation and nature positive outcomes, and
- Improves the overall sustainability of the GPT business.

GPT's fast decarbonisation climate strategy

GPT has adopted a fast decarbonisation strategy, meaning we will achieve net zero earlier than the 2050 target of the Paris Agreement. Beyond doing the right thing and directing our own activities towards the goal of limiting global warming to well below 2 degrees, our decision to act early has the potential to enhance our core business strategy by:

- Meeting and/or exceeding investor expectations
- Increasing internal capabilities to identify and manage transition risks, including reducing exposure to risks arising from a disorderly and expensive renewable energy transition
- Improving our customer offering and reputation, resulting in increased loyalty and long term value creation, and
- Enabling green financing.

Chart 2: GPT's Cumulative Emissions Reduction and Avoided Energy[1]



1. Figures are against a 2005 baseline and have been calculated using energy and emissions data available on the GPT Sustainability Data Dashboard.

Strategy

CONTINUED

Delivering our Net Zero Plan with carbon neutral milestones

Carbon neutral certification milestones are key to GPT's Net Zero Plan. We have identified and acted on the three key material activities that result in emissions under our control:

- Corporate operations
- Building operations, and
- Upfront embodied carbon from developments.

GPT's corporate operations have been carbon neutral certified by the Australian Government Climate Active program since 2011.

GPT commenced a program of certifying its base building operations Climate Active carbon neutral in 2019, with a target of certifying all of our operationally controlled buildings held for investment purposes by the end of 2024. At the end of 2023, 28 of 32 of these buildings were Climate Active Carbon Neutral Certified with the remaining four buildings operating carbon neutrally and on track for certification by the end of 2024. We are also working with our co-owners to certify assets under their operational control by 2030.

The third material source of emissions that GPT has principal decision-making authority over, is upfront embodied carbon emissions from our developments. In 2022, GPT delivered Australia's first Climate Active carbon neutral certified development and our target is to deliver all future GPT developments as upfront embodied carbon neutral. For a property company, upfront embodied carbon from development activity is currently the most material source of scope 3 emissions.

Over the past five years, GPT has led the property industry in operating carbon neutral buildings and was instrumental in developing an independent certification pathway to ensure alignment of National Australian Built Environment Rating System (NABERS) and Climate Active with the Greenhouse Gas Protocol for base building operations. This was followed by being the first to deliver upfront embodied carbon neutrality working with the Green Building Council of Australia (GBCA) and Climate Active. With processes for carbon neutral operations now embedded and having commenced our carbon neutral development journey, GPT's carbon strategy is increasingly focused on supporting our supply chain and tenants reduce their emissions.

We remain on track to deliver emissions reductions well ahead of Australia's Paris Agreement target. Our strategy fosters resilience, not only against future physical climate-related risk, but also in establishing a high level of preparedness for a transition to a low carbon economy. The insights from our decarbonisation journey will stand us in good stead for our aspirational nature-related targets.

See our Net Zero Pathway on page 09 for GPT's emissions reductions.

Strategy

CONTINUED

EXPLORE

Rouse Hill Town Centre, NSW

ADVANCING NET ZERO

WORLD GREEN BUILDING COUNCIL

Green Building Council Australia

NABERS

Climate Active

Independent net zero validation

Credible independent certification of net zero achievements provides greater certainty and transparency of an organisation's net zero journey rather than self-validation of results. In addition, independent validation ensures that minimum validation requirements are well understood, actually delivered and are set with reference to reputable, external standards. GPT seeks independent certification of the net zero performance of our buildings through the Australian Government's Climate Active Carbon Neutral Certification program.

Our assets utilise either the NABERS pathway or Green Buildings Council of Australia (GBCA) Green Star – Performance pathway to achieve the Climate Active Carbon Neutral Standard for Buildings certification. Both methods utilise established external ratings as part of the certification process and require demonstrated carbon neutral operations or upfront embodied carbon outcomes before the certification is issued.

gpt

Strategy

CONTINUED

Chirnside Park, VIC, solar PV array

WorldGBC Net Zero Buildings Commitment Leadership

The GPT Group has been a signatory to the Net Zero Carbon Buildings Commitment (the Commitment) with the World Green Building Council (WorldGBC) since 2018, and in October 2022 we re-signed the updated Commitment, committing to make all GPT controlled developments upfront embodied carbon neutral from 2023 onwards. To read more about the commitment, visit worldgbc.org/thecommitment.

"Net Zero Carbon Buildings Commitment signatory and GBCA member, The GPT Group, are showcasing industry leadership in tackling emissions from the built environment. They are going further and faster than mainstream actors, taking accelerated action in line with the requirements of the Commitment, to decarbonise their asset portfolio. They are proving that the built environment can act as a critical climate solution, with achievements such as delivering the first Australian upfront embodied carbon neutral certification for a Melbourne logistics development. This leadership will undoubtedly encourage more to follow as we work together to deliver a net zero carbon, healthy, equitable and resilient built environment for all."

Cristina Gamboa CEO, WorldGBC.

ADVANCING NET ZERO

WORLD GREEN BUILDING COUNCIL

NABERS

Climate Active

commit

Strategy

CONTINUED

GPT's Nature strategy

We acknowledge that through developing and managing commercial assets, our business displaces natural habitat and disrupts provisioning, regulating, and supporting ecosystem services upon which our business, society and nature depends (Figure 3 on page 28).

We also recognise that our ability to drive positive impact for people, place and planet is dependent upon the availability of resilient ecosystems and a resilient society.

In accord with the European Commission Guidelines on Non-financial Reporting: Supplement on Reporting Climate Related Information (European Commission, 2019), we evaluate nature-impacts from a 'double-materiality' lens which considers the interrelated impacts of nature on our financial performance and the business's material impacts on nature.

This includes upstream and downstream activities within areas of water stress or climate stress. It also includes activities within areas with a dependency or impact on ecological communities or species of high biodiversity significance, including areas with known national and state legislated ecological communities and species, and areas with International Union for Conservation of Nature (IUCN) I-IV protected status, and asset greenfield development.

To mitigate material impacts on nature, and to create value over the long term, we are committed to delivering clear and actionable milestones towards addressing nature-related risk, and delivering our nature objectives.

Where practical, we endeavour to secure 2020 nature baseline data in accord with our nature next focus. In some instances, however, particularly for new metrics with relatively low historical data availability, nature impacts are measured from a baseline year of 2023.

GPT and Greenfleet's Restoring Country for Climate Project, Noosa, QLD

Strategy

CONTINUED

GPT's nature-specific strategies

GPT has committed to achieving various nature outcomes by 2030. We will initially target biodiversity protection and restoration exceeding the cumulative footprint of the total area of our directly owned and managed assets by 2030. We will also work with our suppliers and tenants to establish nature positive pathways. Nature positive pathways are an emerging area and GPT will transparently disclose our progress and learnings as we increase our maturity in this space.

See the Nature Roadmap on page 11 for further information.

Charlestown Square, NSW

Key nature-related considerations

To deliver our nature goals, we are committed to extending the application of the Mitigation Hierarchy, an international best practice tool traditionally focused on avoiding, mitigating and offsetting biodiversity impacts, by:

1) Broadening impact assessment towards nature-based impacts (not solely biodiversity)
2) Including activities that impact nature beyond the individual project scale, including direct and indirect historical and systemic drivers of nature-loss, and
3) Targeting nature net gain requirements across entire value chains and financial portfolios.

In undertaking this work, we will ensure:

1) 'Natural capital accounts' adhere to strict data integrity and quality assurance standards, including reliability and source
2) 'Natural capital' data is secured at the finest resolution and scale practicable, and
3) Residual compensatory actions and offsets strictly adhere to exchange rules that are respectful of the non-fungible quality of various natural capital asset classes (e.g. non-tradable quality of ecological communities and species).

We will seek to align our nature commitments with international climate and biodiversity commitments under the Paris Agreement, and the Kunming-Montreal Global Biodiversity Framework.

Natural capital dependency register

A natural capital dependency is a business's positive or negative reliance on natural capital. As GPT is committed to identifying impact and dependency pathways, we have started developing a natural capital dependency register.

GPT's natural capital dependency register lists the natural capital we depend upon, either directly for our activities and operations or indirectly through our value chain or financing activities. The dependency register also depicts results relevant to the dependency. See our website for a list of our natural capital dependencies.

Dependencies are usually thought of as 'positive' in the sense that a business depends or relies on the presence of natural resources, ecosystem services or sets of environmental conditions that are beneficial for the business. However, an organisation may equally depend on the absence or relative infrequency of natural resources, ecosystem dis-services or environmental conditions that are harmful. Both positive and negative dependencies will be recorded in the GPT natural capital dependency register.

Strategy

CONTINUED

Natural capital impact register

A natural capital impact register lists the natural capital that a business affects, either directly through its activities and operations or indirectly through its value chain or financing activities. Like the dependency register, GPT's impact register depicts results from relevant metrics and targets related to the dependency. See our website for our natural capital impact register.

The natural capital dependency and natural capital impact registers' combined will assist GPT in understanding and identifying relevant ecosystem services that we depend upon or impact. Understanding our relationship with nature identifies the potential risks and opportunities for our business which ultimately results in a well informed and effective strategy.

For detailed information on how GPT addresses all current and potential climate and nature-related risks and opportunities, see Appendix B and Appendix C.

GPT's application of the TNFD LEAP Framework

TNFD has developed an integrated approach for the identification and assessment of nature-related issues, called the LEAP approach.

GPT has adopted TNFD's LEAP Framework approach in order to conduct the due diligence necessary to inform our nature-related risk, dependencies, impacts and opportunities and to assist with developing our disclosure statements aligned with the TNFD recommendations.

There are four phases of the LEAP approach:

1. Locate your interface with nature
2. Evaluate your dependencies and impacts on nature
3. Assess your nature-related risks and opportunities, and
4. Prepare to respond to nature-related risks and opportunities and to report on your material nature-related issues.

In order to understand our impact and dependencies on nature, GPT has commenced:

- Reviewing our procurement policies and our approach to the use of chemicals to ensure alignment with our Biodiversity, Water and Materials and Recovery Policy
- A stormwater pilot project to improve resilience to drought and flood and other impacts of climate change. See our Stormwater Pilot case study in our Case Study Library
- Geographic information system mapping services to assess assets that are located within water-sensitive environments, add to the amount of green space and impervious surfaces and roof surfaces to inform potential rainwater capture
- Location based assessments of our dependencies and impacts on nature, including location based biodiversity assessment of 16 operating shopping centres, acquisitions and developments, and
- Assessing and establishing nature-related metrics and targets.

The development of natural capital accounts and understanding where our major impacts and dependencies lie, will enable GPT to focus efforts on assets or risks of most significance.

Risk Management

"GPT's climate-related risks are assessed and managed in accordance with our enterprise-wide Risk Management Framework to ensure the ongoing resilience of GPT's business."

Jacqui O'Dea, Chief Risk Officer

Effective risk management is fundamental to GPT's ability to achieve our strategic and operational objectives.

By understanding and effectively managing risk, GPT can create and protect enterprise value and provide greater certainty and confidence for investors, employees, customers, and the communities in which we operate.

In applying our enterprise-wide Risk Management Framework, GPT's Risk Team can monitor risk management processes and assist in the identification, assessment, treatment and management of risks. The Risk Team supports the Leadership Team, the GPT Board, the GPT Funds Management Board, and their respective committees in ensuring that risk is managed appropriately. Climate change risk is included on GPT's Key Risk Dashboard which is reviewed every six months by the Board Sustainability and Risk Committee and quarterly by the Leadership Team. See our **Sustainability Reporting** website for more detail on how climate and nature-related risks are prioritised.

In 2023, GPT reviewed all of our climate risks and developed our first nature risk register.

Climate and nature-related risks and their potential impacts are assessed using GPT's Risk Consequence and Likelihood Matrix, which considers strategic, financial, operational, compliance and environmental impacts, among others. Material risks are then reviewed by GPT's Sustainability and Risk Steering Committee. Residual risk ratings are established and mitigation plans are developed.

Sustainability risk metrics (including climate risk) are included in GPT's Risk Appetite Statement for existing portfolios and new asset acquisitions. Nature-related risk metrics and appetite will be developed over coming years.

Through effective management of climate-related risk, GPT limits the impact of transitional and physical hazards of climate change on our business activities and increases resilience to acute or chronic shifts in climate patterns and resulting market changes. Acute risks to GPT may arise from event-driven shocks, such as increased severity of extreme weather events, including thunderstorms, cyclones and floods, extreme hot days, or blackouts and load shedding. Chronic risks to GPT may arise from stresses, such as longer term shifts in climate patterns (e.g. sustained higher temperatures) that may cause sea levels to rise, more frequent heat waves, or increasing energy costs and supply constraints with a shift to renewables.

GPT applies a 'double materiality' lens to climate and nature risk assessment, considering both the potential financial impacts on the business of climate change and nature degradation, as well as the impacts of GPT's business activities on the environment and society. In summary, we consider the impact of climate and nature on the business, and the impact of the business on climate and nature.

See our **Sustainability Report** website for more detail on our materiality assessment.

FOCUS

Risk Management

CONTINUED

Integrated approach to climate change and nature risk management

GPT considers both transitional and physical risks as part of our integrated approach, including in relation to asset acquisitions and divestments, existing asset lifecycle upgrades, and new developments. Transition risks may directly or indirectly impact GPT's business resilience and tend to manifest in the short to medium term, while physical risks may extend into the long and very long term.

GPT's cross-functional Sustainability Reference Group met three times in 2023 to identify and assess the existing climate-related risks and opportunities for each of the climate scenarios adopted by GPT, and to discuss and capture any new climate risks and opportunities and the newly released framework of TNFD. During the year, we engaged KPMG to facilitate our first nature-related workshop with the Sustainability Reference Group to build the knowledge of our people around TNFD and to identify nature-related risks and opportunities.

KPMG presented to the Board about the material risks, impacts and dependencies gained from the first Sustainability Reference Group workshop focused on climate, water, biodiversity, and resource circularity.

In this workshop, the Reference Group assessed climate and nature-related risks and their potential impacts using GPT's RMF which considers strategic, financial, operational, reputational, compliance and environmental impacts, among others.

Material climate and nature-related risks are reviewed by GPT's Sustainability and Risk Steering Committee. These risks and opportunities are recorded in a Climate Risk and Opportunity Register, and a Nature Risk and Opportunity Register, in which related stakeholders assess the risks and opportunities, and treatment plans to mitigate or manage the risks, or optimise the opportunities. Residual risk ratings are then established and mitigation plans are developed.

Detail on GPT's transitional and physical risks and how we are mitigating them can be found in Appendix B and C.

Risk Management

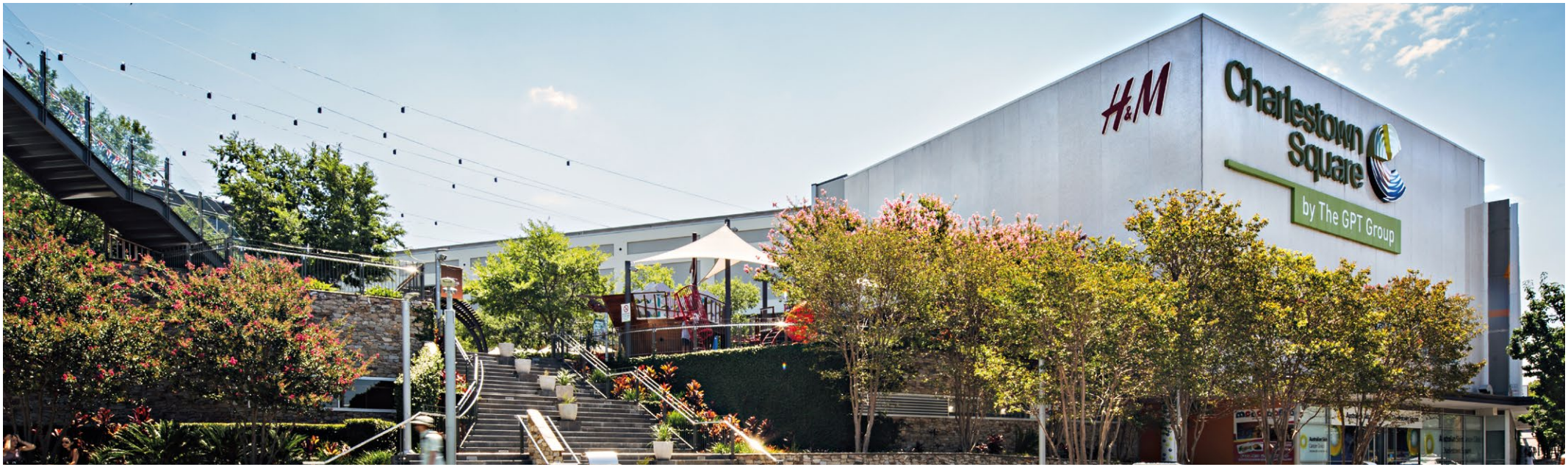
CONTINUED

Climate risk metrics are included in our Risk Appetite Statement for existing portfolios and new asset acquisitions. These metrics require GPT to identify those assets which may be vulnerable to a high risk of climate change impacts in the long to very long term. Alignment with metrics is reviewed by GPT's Leadership Team (LT) on a quarterly basis, and the LT and Sustainability and Risk Committee (SRC) on a six-monthly basis. GPT's risk appetite, including in relation to all aspects of sustainability, is required to be considered in all decisions made by the GPT Investment Committee, meaning climate change impacts are part of every investment decision.

Nature-based risks and impacts are also considered in our operations and investment decision-making in consultation with the Sustainability Team and having reference to the policies such as our Biodiversity and Water Policies. Work is underway to refine nature-based risk metrics and registers for future inclusion in GPT's Risk Appetite Statement.

Our climate and nature-based risks assessments consider not only our direct operations, but how upstream supply chain and downstream customer impacts can flow on to our business risk.

In accordance with Australian Accounting Standard Board Practice Statement 2, GPT considers and discloses information on climate and nature-related risks that are judged to potentially have a material impact as well as risks that could reasonably be expected to have a material impact. See Appendix B and C: Risk Analysis and Mitigations and pages 23-24 of our strategy.



Charlestown Square, NSW

Risk Management

CONTINUED

Climate Risk Reviews and Adaptation Planning at GPT

As a result of climate change, GPT's assets will be increasingly exposed to acute climate events such as severe weather and bushfire, and chronic, prolonged climate-driven shifts such as water scarcity, higher average temperatures and rising sea levels.

GPT's response and commitment to identify, assess and manage transition and physical climate-related risk and opportunities is both at a portfolio level and asset level. GPT undertakes asset level climate risk reviews and adaptation planning using climate scenario modelling sourced from XDI (see details on our physical climate modelling on page 26).

Physical climate risk

For acute and chronic physical climate risk analysis we use modelling based on the high emissions RCP 8.5 scenario. GPT also utilises knowledge of an asset's local weather and current climate, which is vital in reducing the asset's vulnerability to potential hazards. In order to identify and assess physical climate hazards, GPT utilises climate modelling for every asset out to 2100.

GPT's climate adaptation planning processes are delivered in alignment with ISO 14090, 14091, and AS 5334-2013. We also consider other guidelines such as Green Star Buildings in our methodology for climate adaptation planning. For our key assets, we not only look within the boundaries of our properties, but model future conditions for the surrounding areas, as broad as a 6km radius to give us a wider view of potential physical hazards.

In 2023, GPT's Climate Risk Analyst conducted a comprehensive physical climate hazard vulnerability assessment for all GPT's office, retail and logistics assets. This assessment used RCP 8.5 climate modelling, procured from XDI over multiple time horizons. This assessment is used to guide risk appetite metrics for GPT's balance sheet and funds, as well as for prioritisation of asset-level climate adaptation plans which in turn are used as a feedback loop into updates for the vulnerability assessment.

Transition climate risk

Transition risks are more likely to have greater impact at a portfolio level. However, if they pose a risk or opportunity at an asset level, they will be assessed and treated, alongside identified physical risks, in climate adaptation workshops.

Climate adaptation planning workshops also include discussion of opportunities arising as a result of transition. For example the opportunity to attract capital through our sustainability performance and initiatives.

Transition risks of climate change are listed below.

Transition risks include:

- Policy and regulatory change
- Changes to market expectation, economic disruption and impacts to reputation
- Technology

Physical climate hazards include:

- Rising average temperatures
- Increasing number of days per year exceeding critical heat thresholds
- Increasing frequency and duration of heatwaves
- Riverine and flash flooding
- Tidal inundation from rising sea levels
- Drought and water scarcity
- Severe weather, including convective thunderstorms
- Increasing fire weather intensity
- Changes in humidity
- Extreme winds
- Soil movement

Risk Management

CONTINUED

Climate risk management processes

Based on GPT's existing Risk Assessment Framework, a Climate Hazards and Consequences Matrix has been created specifically to assess climate risks at an asset level. The Matrix considers operational expenditure, capital expenditure and other consequences that could impact the viability of the asset. GPT categorises the potential consequences as either:

1. **Direct** – The impact of the hazards directly on GPT's physical assets or business operations, or
2. **Indirect** – The impact of the hazards on the surrounding community, infrastructure and local economy in which GPT's assets are located and upon which our success depends. This is in line with GPT's commitment to a just transition to prevent stranded assets, stranded workers or stranded communities. GPT contributes to the just transition by maintaining places of refuge in severe weather events, considering the impact of individual climate hazards and a changing economy on surrounding communities, and investing in new technologies that create jobs in areas such as renewable energy and battery storage.

In GPT's climate adaption workshops, the Matrix informs how material the risks and opportunities are to the asset, and consequently guides the risk level and treatment. The workshops are attended by GPT's Head of Sustainability, Climate Risk Analyst and relevant portfolio business units such as development and management teams, external consultants, project managers, engineers and other critical stakeholders.

Climate-related hazards are considered quantitatively using operational expenditure, capital expenditure and other consequence thresholds relative to each asset's net operating income or fair value. Risk levels, impacts and treatments are recorded in an asset Climate Risk Register that is reviewed on a regular basis as part of the risk management process.

GPT continues to refine the process of climate adaptation planning we have built over the previous two years and remains focused on identifying material risk. Climate adaptation planning at GPT is a perpetual process, and will adapt to the changing climate, just like our assets.

One One One Eagle Street, Brisbane

Metrics and Targets

GPT is committed to reducing our environmental impact. We aspire to be an overall positive contributor to environmental sustainability by taking a leadership role in reducing carbon emissions across our operations and shifting towards positive outcomes for nature.

We are progressing well with our Net Zero Plan, towards our milestones of Climate Active Carbon Neutral (for Buildings) Certification of all GPT operationally controlled assets which we have an ownership interest in by the end of 2024 and the delivery of upfront embodied carbon neutral new developments.

Our nature roadmap is building momentum with firmer targets and a wider range of metrics are being established and disclosed.

Beyond acting on matters within our direct control, we encourage our stakeholders to respond to climate change, reduce waste, manage water sustainably, and protect and enhance biodiversity. We support our tenants with their own decarbonisation and nature-related goals and continue to drive suppliers to provide products and services with lower associated emissions.

Measuring our buildings' emissions

GPT monitors its direct climate change impacts and reports on emissions, energy, water, and waste for each property annually. Our Sustainability Data Dashboard includes a portfolio-level summary for all key metrics – electricity, water, fuels, materials, recycling and emissions – since 2005.

GPT obtains external assurance over sustainability performance data, including the following climate metrics:

- Energy consumption and energy production in base building and tenancies (gigajoules)
- Scope 1 greenhouse gas (GHG) emissions in tonnes of carbon dioxide equivalent (t CO_2-e)
- Scope 2 greenhouse gas (GHG) emissions in tonnes of carbon dioxide equivalent (t CO_2-e) disclosing both a location-based and market-based result
- Selected operational Scope 3 emissions
- Water consumption (kilolitres), and
- Waste inputs: total waste generated (tonnes) and materials recycled (tonnes) using an outcomes-based measurement method by monitoring and reporting recycling by grade (A grade, B grade, C grade).

The greenhouse gas emission calculations are aligned with and assured against the Greenhouse Gas Protocols with the disclosures for both location-based and market-based methods reported in GPT's Sustainability Data Dashboard.

GPT also focuses on Scope 3 emissions, which are those material impacts within our operational control, in accordance with the Australian Government Climate Active approach. GPT's material Scope 3 emissions are derived from waste, gas, and water, with transmission losses from electricity eliminated by procuring 100 per cent renewable electricity.

In areas outside of our control, GPT aims to influence outcomes with a particular focus on supporting our tenants to reduce their emissions.

As a part of our Net Zero Plan, GPT is committed to actively engaging with our stakeholders to reduce greenhouse gas emissions and energy use. We seek to work with tenants to provide them with pathways to minimise their emissions through initiatives such as lighting efficiency upgrades and the installation of solar arrays.

Metrics and Targets

CONTINUED

Measuring our organisation's emissions

GPT's corporate activities and business premises, including our travel and consumables, have been certified as carbon neutral by the Climate Active since 2011. This certification covers material Scope 1, 2 and 3 emissions. GPT aims to reduce emissions through initiatives such as energy efficiency improvements at our offices and using technology to reduce the frequency of business-related flights. Emissions that cannot be avoided in these areas are offset to ensure GPT's net emissions from our operations are zero.

Darling Park

Defining Emissions

Scope 1 emissions are greenhouse gas emissions released to the atmosphere as a direct result of an activity, or series of activities, at a facility level. They are sometimes referred to as direct emissions.

Scope 2 emissions are released to the atmosphere from the indirect consumption of an energy commodity. For example, 'indirect emissions' come from the use of electricity produced by the burning of coal in another facility.

Scope 3 emissions are indirect emissions, other than Scope 2 emissions, that are generated in the wider economy. GPT includes only those Scope 3 emissions within our control in our emissions metrics and targets. We additionally include activity delivery metrics in our disclosures that demonstrate impacts on Scope 3 emissions within our influence such as the number of solar arrays offered to tenants to assist them in reducing their emissions.

Targets

In accordance with ISO:14001 Environmental Management Systems, our climate and nature-related targets focus on areas within our operational control. Our approach first seeks to eliminate greenhouse gas emissions and nature impacts within our control. Offsets are only used for emissions and nature impacts that currently cannot be feasibly eliminated. We further enhance environmental outcomes by working in our areas of influence, such as supporting our supply chain and tenants for which we set targets based on delivery of supporting activities.

GPT sets annual asset-level operational targets for energy, water and waste, driven by optimisation programs and capital upgrades. Medium to long term operational targets are also set at a portfolio level to inform energy procurement and offsets. Targets are also set for broader performance benchmarks that include multiple environmental aspects such as Greenstar ratings.

Performance against these targets is monitored through our management reporting systems to assess our progress towards our policy goals.

Environmental metrics, including energy intensity, water intensity, recycling rates and emissions intensity, are key performance indicators (KPIs) on The GPT Group Scorecard, which is outlined in the Remuneration Report within the 2023 Annual Report, and linked to remuneration outcomes for senior managers. Asset-specific KPIs are incorporated into the performance targets of property general managers, centre managers and operations managers.

Nature-based metrics and targets

Acknowledging that climate is a subset of the overall natural world, this year GPT is expanding its suite of disclosed nature metrics and targets. Our targets and metrics include performance indicators for goals that improve our impacts on the environment as well as indicators that specifically improve our resilience to climate and nature-related risks and opportunities.

Full detail of GPT's metrics and targets can be found in the GPT Sustainability Data Dashboard with numerous case studies in our Case Study Library.

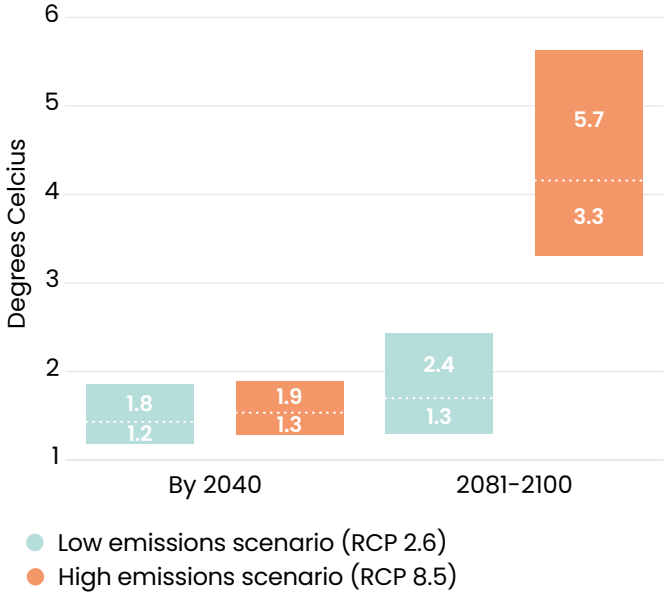
Appendix A: Emissions Scenarios

GPT has adopted two global warming scenarios to model the potential future impacts of climate change on our business and the resilience of our strategy. These scenarios are aligned with the Representative Concentration Pathways (RCPs), which provide guidance on the likelihood of physical and transitional risks due to climate change, consistent with the recommendations of the IPCC Sixth Assessment Report and the Climate Measurement Standards Initiative (CMSI).

See page 25 for our definition of acute and chronic risk.

Low emissions scenario	High emissions scenario
ALIGNED WITH RCP 2.6 Broadly aligned with Paris Agreement targets to limit global temperature increases to below 2°C. Very likely that global temperatures rise 1.2°C to 1.8°C by 2040, and between 1.3°C to 2.4°C between 2081-2100.	ALIGNED WITH RCP 8.5 Very likely that global temperatures rise 1.3°C to 1.9°C by 2040 and between 3.3°C to 5.7°C between 2081-2100.
Most ambitious global emissions mitigation scenario. In this scenario, transition impacts are the highest, with associated aggressive policy measures needed to reduce emissions quickly.	This scenario assumes there is no additional effort to constrain emissions, marked by significantly increased physical risks, resulting in dangerous climate change. Physical risks will be greatest and will accelerate in the medium, long and very long term.
• Policy and regulatory change • Changes to market expectations, economic disruption and impacts to reputation, and • Technology change.	• Extreme hot days, heatwaves and rising average temperatures • Extreme weather events including floods, severe storms and cyclones • Tidal inundation from rising sea levels • Bushfire, and • Drought and water scarcity.
Potential future socioeconomic impact is mostly aligned with the Shared Socioeconomic Pathways (SSPs) SSP1 Sustainability scenario, in which a gradual but pervasive shift towards sustainable development occurs that respects environmental boundaries. Consumption is orientated toward low material growth and lower resource and energy intensity.	Potential future socioeconomic impact is closest to the SSP5 Fossil-Fueled Development scenario, in which the world emphasises competitive markets and technological progress which leads to rapid economic growth with energy intensive lifestyles and a strong reliance on fossil fuel energy powering this growth, at least initially.

Chart 3: Potential future temperature increases under these scenarios



Sources: IPCC, 2021: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change, Cambridge University Press. In Press.

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Appendix B: Risk Analysis and Mitigations

Transition risks

GPT has identified several transition risks that may affect our business activities. These risks are likely to emerge in the low emissions scenario and are expected to manifest in the short to medium term.

In the low emissions scenario, regulatory changes, market expectations and technology change will drive the transition to a low carbon economy to avoid dangerous climate change. These changes could have a destabilising effect on the financial system, for example rising risk premiums and falling asset prices in the relatively short term. Transformations in economic, social, technological and political decisions and actions remain necessary to mitigate transitional risks and adapt to sustainable development. These changes are most relevant to GPT at the regional or portfolio level, and when considering our Group strategy, rather than at the individual asset level.

We acknowledge that uncertainty exists in future projections of transition risks. The greatest uncertainty to GPT exists in the uptake of EV's; an emerging market with regulatory changes likely in the short-to-medium term.

In our risk analysis and planning, GPT considered a low emissions scenario aligned with RCP 2.6 which broadly aligns with the Paris Agreement commitments. The RCP 2.6 pathway is associated with SSP1 scenario (sustainability-focused growth and equality) which features low challenges to mitigation and adaptation due to rapid technological development, relative global equality of income and focus on environmental sustainability. This includes increasing shares of renewables and other low carbon energy sources.

See Appendix A for the emissions scenarios used by GPT.

Highpoint Shopping Centre, VIC

Appendix B: Risk Analysis and Mitigations

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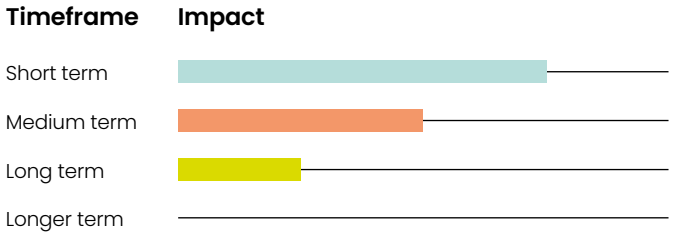
Transition risks

Table 1: Policy and regulatory change

Significant regulatory and policy volatility has already occurred in Australia over the past decade regarding climate change. This trend is expected to continue as the momentum to transition to a low-carbon economy increases around the world.



Risk impacts	GPT's current response and strategy	Near-term approach
Changes to energy tariff structures and potential supply constraints	• Chirnside Park is GPT's first managed shopping centre with investment in solar PV array and battery to ensure energy reliability and supply stability at an affordable rate. • Regularly review the impacts of a transition to renewables and minimise our exposure to regulatory changes which are likely to focus on demand flexibility requirements or energy reliability. • Implement initiatives from our Energy Master Plan, such as on-site solar electricity production, demand-side flexibility and energy storage, to mitigate the impact of potential regulation regarding energy reliability.	As equipment lifecycle opportunities arise, electrify asset heating (from gas) infrastructure to minimise dependency on fossil fuels. In 2020, we secured renewable electricity contracts for our forecast load until 2030 to ensure we can fulfil our carbon neutral commitments. We will continue to manage forward purchasing as 2030 approaches.
Increased energy prices result in higher operational expenditure and price volatility, causing expenditure uncertainty	• Since 2020, GPT has implemented a progressive procurement approach for energy, which sees GPT hedging electricity rates which has resulted in significant savings. Refer to 'Energy Price Volatility' case study in our Case Study Library. • The GPT Energy Master Plan provides a roadmap to achieve net zero carbon emissions while reducing energy cost exposure. The plan includes continued efficiency and plant optimisation programs, on-site renewable electricity generation, strengthening energy market knowledge and procurement capabilities, and demand response programs to minimise electricity capacity charges. Efficiency will remain central to our energy strategy. • Across all assets GPT has an ownership insert in, avoided operational costs of $32 million in 2023 were achieved and has cumulatively avoided $340 million in energy costs when compared to 2005 operational efficiency. (For full detail see GPT's Sustainability Data Dashboard.)	Explore energy storage options to provide protection when the majority of Australia's energy supplies are intermittent renewables.
More restrictive land planning codes lead to lower supply of land for construction, resulting in higher capital expenditure	• Climate change impacts are considered by the Due Diligence Committee as part of the investment decision-making process. • Use site-specific climate modelling to inform our understanding of potential physical risks that may drive land use and planning requirements.	Explore energy storage options to provide protection when the majority of Australia's energy supplies are intermittent renewables.

Appendix B: Risk Analysis and Mitigations

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Risk impacts	GPT's current response and strategy	Near-term approach
Regulatory changes regarding carbon intensive construction materials result in increased capital expenditure for construction and mandatory reporting for embodied carbon	• Collaborate with industry peers and the Green Building Council of Australia to develop a market for lower embodied carbon construction materials. • Explore reduced embodied carbon techniques with our construction partners where feasible for current developments. • Undertake embodied carbon inventory reviews in development planning, which will position us well in the event of future mandatory reporting requirement. • Use lower embodied carbon concrete in logistics developments.	Engage with industry groups and peers to understand emerging legislation and regulations regarding land uses and planning codes.
Potential cost impacts from price on carbon	• Continuing to reduce and eliminate carbon emissions from our operations in order to minimise or avoid the impacts of a price on carbon where possible. Our carbon neutral strategy positions us to limit cost impacts and also maximise the opportunities of market shifts to lower carbon properties in their development and operation. • Inherently the majority of GPT's operational emissions are from energy and waste. Our carbon neutral plans minimise these emissions and therefore reduce the potential impact of any price on carbon. • As the majority of carbon emissions in development projects come from concrete and steel, we model the most material emissions, implement processes to minimise emissions and apply a sensitivity analysis to the impacts of a price on carbon or engaging in carbon neutral construction contracts. • Conducting a detailed review of GPT's individual revenue streams from key tenants and tenant sectors, funds management and development to enhance metrics for climate-related risks to income.	Work with industry groups and peers to understand emerging regulation and policy developments and refine GPT's strategies where needed.
Changes to building codes mandating future proofing for transition to a low carbon economy	• GPT is involved in industry working groups and panels to provide input and received insight into potential building code changes. • Climate adaptation planning processes consider foreseeable code changes for new building designs and lifecycle upgrades.	Engage with industry groups and peers to understand and act upon emerging legislation and regulations regarding updated building codes.
Increasing regulatory and investor pressure regarding sustainability-related disclosures	• GPT has engaged external consultants to review proposed disclosures and make recommendations for improved alignment with TCFD, TNFD, ISSB and SFDR reporting frameworks. • GPT has prepared for the adoption of ISSB S1 and S2 standards and TNFD in preparation for mandatory sustainability-related disclosures. • Regular feedback is sought from investors with regards to future reporting expectations.	Continue working with external consultants to ensure we are fulfilling the requirements of governments, investors, ISSB standards and recommendations of non-mandatory standards. Regarding the EU Sustainable Finance Disclosure Regulation (SFDR), GPT has sought advice on the implications of moving from an Article 6 company to an Article 8 company and will respond soon.

Appendix B: Risk Analysis and Mitigations

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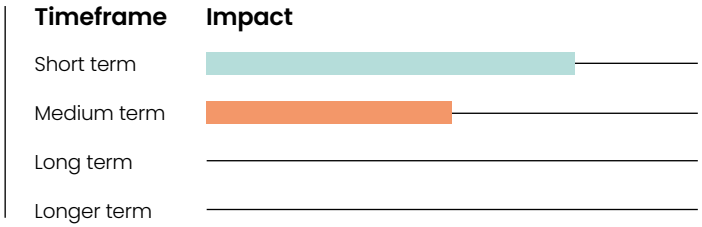
Transition risks

Table 2: Changes to market expectations, economic disruption and impacts to reputation

Investor expectations and capital allocation decisions increasingly favour organisations that are taking meaningful action to address climate change and ensure their resilience to its effects. In addition, regulators are requiring increasing disclosure around climate risk identification and management.

Failure to set or to meet stated climate and sustainability goals is likely to have negative reputational impacts, including the potential risk of litigation from shareholders and other affected parties, and may also result in reduced access to capital markets.



Risk impacts	GPT's current response and strategy	Near-term approach
Increased expectations from investors and tenants for buildings and portfolios to reduce their carbon impact	• Engage with investors, tenants and other stakeholders to understand and respond to expectations. • Attain and maintain independent carbon neutral certification for operating GWOF assets. • Continue to progress towards our target of independent carbon neutral certification for all GPT operationally controlled assets in which we have an ownership interest to be certified Climate Active carbon neutral by end the 2024. • Develop renewable electricity options for tenants by collaborating with energy partners.	GPT's jointly owned and externally managed assets are targeting independent carbon neutral certification by 2030. Offer strategies and solutions to our tenants to assist them in lowering their carbon footprint. Increased tenant engagement through asset manager relationship and existing engagement platforms such as tenant newsletters, Building management committee meetings and correction action registers.
Economic disruption, changes to consumer behaviour and structural changes in regional Australia associated with contraction in carbon-intensive economies and industries	• Continue to own a diversified property portfolio primarily located in Australian capital cities, with limited exposure to regional economies reliant on carbon intensive industries. • Review risks regarding reduced revenue from tenants and sectors that are slowly transitioning, or not transitioning at all, to a low carbon economy.	Collaborate with industry and government to ensure resilient cities are maintained through industry group membership and participation industry consultation and policy development.
Opportunity to attract capital through our sustainability credentials, performance and achievements	• Maintain our reputation for setting and delivering sustainability goals and good corporate governance. • GWOF and GPT combined issued $937 million of sustainable debt by end 2023.	Continue to develop these capital opportunities.

Appendix B: Risk Analysis and Mitigations

CONTINUED

Risk impacts	GPT's current response and strategy	Near-term approach
Supply constraints, increased costs and quality concerns over offsets	• GPT has actively partnered with Greenfleet to establish a certainty of supply, quality and price for its foreseeable offset needs until mid-2027. • GPT's offset strategy considers the vintage of the offsets we hold in our registry. We have an active watching brief for any potential changes to certification rules with regard to the use of offsets.	Explore additional opportunities for investment in long term offset creation projects.
Liability risk and greenwashing	• GPT's Board and Leadership Team are extremely focused on ESG leadership and authentic delivery of our climate response, backed by the governance processes outlined in this Statement. • Data is independently assured. • Carbon neutral outcomes are independently certified.	Continued enhancement of reporting, responding to international best practices.

Appendix B: Risk Analysis and Mitigations

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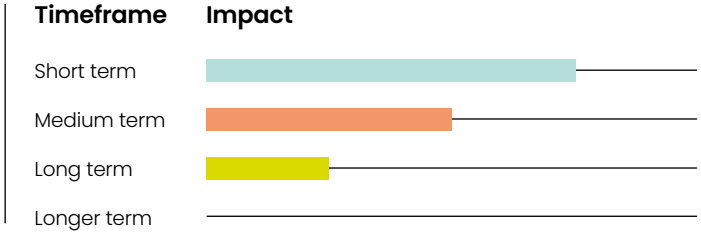
Transition risks

Table 3: Technology change

Response to climate-change risk is accelerating change in technology, from carbon intensive to low carbon technologies. For many years, GPT has been a fast adopter of technologies that improve energy and resource efficiency and we continue to see future opportunities in this space.

The transition to new technologies which improve energy efficiency can mean increased regulatory compliance and other new risks, particularly around health and safety. These are considered closely.



Risk impacts	GPT's current response and strategy	Near-term approach
Energy security is impacted during the transition from old to new technologies	• GPT is implementing Smart Energy Hubs in partnership with Shell Energy Australia. One Hub is operational in Chirnside Park Shopping Centre, and in 2023 there were two installations underway with further feasibility studies underway across the portfolio. Refer to Smart Energy Hub Case Study on our website. • The transition from coal generation to renewables faces the twin reliability impacts of aging coal power stations and the non-dispatchable nature of most renewables. GPT is investing in increased demand-side flexibility, on-site generation and storage projects as a defensive strategy against the cost volatility that this transition can drive as well as contributing to grid stability. • Consideration of business continuity during potential long duration or rolling utility outages.	GPT will continue to grow its on-site storage and develop Smart Energy Hubs in partnership with Shell Energy Australia that aim to better balance energy demand, on-site generation and storage and energy market requirements.
Increasing use of EVs and associated charging negatively impacting an assets fire risk, infrastructure capacity and energy demand profiles	• E-mobility, including electric vehicles, bikes and scooters, is an essential part of the transition to a low carbon economy, however this introduces new risks that most assets were not originally designed to manage. Of particular risk are battery fires that can impact safety and the charging infrastructure that can impact an asset's electrical capacity and peak demand profiles. During charging, where fire risk is more likely, GPT is taking a cautious approach to rolling out support infrastructure. Charging can also impact our asset electrification plans and demand-side flexibility program success. • Asset specific risk assessments are required on all existing and future installation of any e-mobility charging infrastructure, as well as during asset design and lifecycle upgrades, with risk mitigation works to be determined by the outcome of the risk assessment.	GPT is future proofing for the expansion of EVs so that when market expectations require availability of charging infrastructure, our assets can deliver this safely and readily with the most up-to-date and low risk technologies. Lithium fire risk assessments are undertaken and incorporated into asset's Emergency Management Plan.

Appendix B: Risk Analysis and Mitigations

CONTINUED

Risk impacts	GPT's current response and strategy	Near-term approach
High cost for infrastructure upgrades to meet tenant expectations for net zero buildings	• Continuous investment over the past two decades has already positioned GPT's buildings with leading sustainability performance with most being carbon neutral certified by 2023. • GPT has a strategy to electrify (degasify) our assets at lifecycle upgrade points as part of our Net Zero Plan.	Tenant engagement strategy to improve the understanding of GPT's net zero building transition and benefits to tenants.
Risks and opportunities arising from research and development that leads to new and alternative technologies	• GPT is investing in new technology research and pilots to improve financial outcomes and better understand climate risk. • Technology roll out plans that are cautious of fast changing technologies and the risks of redundant infrastructure. • Examples include: – Advances in battery technology and declining prices for solar systems increases appeal of renewable energy for investors and customers, and – Investment in the latest climate modelling, such as XDI, to inform asset level climate adaptation.	Continued consideration of new and alternative technologies and risks

Appendix B: Risk Analysis and Mitigations

CONTINUED

Physical Risks

Without additional global efforts to constrain emissions, a high emissions scenario will occur in the future. The high emissions scenario presents a greater magnitude and wider range of physical risks resulting from climate change. Through our carbon neutral efforts, GPT is contributing to the avoidance of a high emissions scenario eventuating. Nonetheless, our approach to risk management means that GPT is also preparing for the potential physical impacts of a high emissions scenario on our business and assets.

In risk analysis and planning, GPT considered a high emissions scenario aligned with RCP 8.5 which broadly anticipates potential global warming of between 3.3°C and 5.7°C this century. Whilst some of the impacts of a high emissions scenario are already manifesting, many will become more common and worsen in the long term. As asset lifecycles are of relatively long duration, adaptation opportunities must be addressed in resilience plans in the short to medium term, when upgrade opportunities arise.

We acknowledge that uncertainty exists in future projections of physical risks. The greatest uncertainty to GPT exists around increasing heat and resulting severe weather, and how we respond to the risks. By using RCP 8.5 modelling, the high emissions scenario, we remove most of the uncertainty and allows us to address the most extreme potential risks, and opportunities.

RCP 8.5 is associated with the SSP5 scenario (fossil-fuelled development), a socioeconomic scenario that features high challenges to climate change mitigation and low challenges to climate adaptation, due to its push for economic and social development coupled with the exploitation of abundant fossil fuel resources and the adoption of resource and energy intensive lifestyles around the world. This scenario has heavy reliance on fossil fuels with an increasing contribution of coal to the energy mix.

Asset-level physical hazard identification

GPT conducted a physical hazard exposure exercise for all assets in our portfolio during 2020, considering the potential acute and chronic impacts of extreme hot days, heatwaves and rising average temperatures, severe weather events, riverine and flash flooding, tidal inundation, drought, and bushfire under the RCP 8.5 scenario. The reviews considered impacts over all time periods out to the very long term (out to 2100). The asset-level assessments were cross-referenced with the September 2020 Climate Measurement Standards Initiative report, 'Scenario Analysis of Climate-Related Physical Risk for Buildings and Infrastructure: Climate Science Guidelines'.

Since the 2020 exercise, GPT has procured multi-hazard climate modelling from XDI for all assets out to 2100. In 2023, the modelling was used in a comprehensive physical climate hazard vulnerability assessment for all GPT's office, retail and logistics assets. This was building on the physical hazard exposure exercise from 2020. GPT is focused on climate hazard vulnerability, not just climate hazard exposure. When it comes to climate change and extreme weather, asset vulnerability leads to consequence and risk, in addition to actual exposure to a hazard.

The modelling assisted in GPT prioritising key assets at risk of climate change, have been the focus of initial climate risk reviews and adaptation plans since 2022. Climate risk reviews and adaptation planning for GPT owned and co-owned assets continued throughout 2023, following standards such as ISO 14090, ISO 14091 and AS 5334-2013.

Equally as important as addressing direct physical climate hazards to our assets, GPT identified how the hazards may have an indirect impact. This involved identifying possible consequences should surrounding communities, infrastructure or economies be affected, by single or compounding climate change induced events. Both potential direct and indirect consequences from physical climate hazards had many synergies with transition risks of climate change.

Detailed climate risk reviews and adaptation planning have been incorporated into major development projects, as an input into governance processes, and investment decisions regarding plant and equipment to optimise building performance and future resilience. The risk reviews and adaptation workshops have also contributed to Green Star accreditation for existing assets and developments currently underway.

GPT is on track to deliver climate adaptation plans for at least 90% (by value) of wholly owned and managed assets by end 2026. GPT's Climate Risk Analyst will continue to conduct climate risk reviews and adaptation planning for GPT's assets to identify and reduce vulnerabilities to potential climate change hazards. A summary of the key potential impacts of each physical risk in the high emissions scenario is provided in Tables 5 to 9. The impacts of the physical hazards are grouped in Table 4.

Appendix B: Risk Analysis and Mitigations

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Physical risks

Table 4: Physical Hazards Impact Definitions

Physical hazard impacts	Direct impacts	Indirect impacts
Definition	The impact of the hazards directly on GPT's physical assets or business operations.	The impact of the hazards on the surrounding community, infrastructure and local economy in which GPT's assets are located and upon which our success depends.
Attributes considered	• Estimated cost of damage to both operational and capital expenditure • Duration or length of impact • Approximate size of the common areas impacted • Potential immediate health and safety impact • Length of disruption to operations and tenants, and • Implication to new builds.	• Duration or length of impact • Immediate financial impact to the greater regional economy • Potential disruption or decrease of population, and • Long-term community impact.

Appendix B: Risk Analysis and Mitigations

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Physical risks

Table 5: Extreme hot days, heatwaves and rising average temperatures

Heatwaves are predicted to increase roughly in line with the change in higher average temperatures for southern and central Australia, meaning an increase in the average number of days over 35°C that cause notable impacts to infrastructure, health and ecosystems. As per the IPCC, every additional 0.5°C of global warming causes discernible increases in the intensity and frequency of hot extremes, including heatwaves and heavy precipitation.

Adaptation

GPT retail and office assets have significant air-conditioning infrastructure with lifecycle upgrades occurring approximately every 15 years.

GPT uses climate modelling to consider this physical climate hazard, such as the projected increase in the number of extreme hot days per year exceeding 35°C in 2030, 2050, 2070 and 2090 at an individual asset level to help inform lifecycle upgrades.

While the economic viability of the communities where we operate is not expected to be undermined by heatwaves, GPT assets can provide refuge for the community during periods of extreme heat.

As a result, we focus on maintaining comfortable conditions, avoiding increases in electricity and equipment costs, and considering critical equipment requirements to reliably provide heat refuges. These considerations are not expected to materially impact asset returns due to existing controls within the Energy Master Plan and lifecycle planning.

Logistics assets have varying mechanical and passive cooling qualities and are often located in the more intense heat impacted areas of cities such as Western Sydney. However, logistics buildings have short lifecycles and GPT is already increasing focus on developing and upgrading logistics assets with improved insulation, access to air-conditioning to meet heatwave operating conditions, landscaping designed to minimise heat island impacts and access to on-site solar PV to lower energy costs.

Timeframe	Impact
Short term	
Medium term	
Long term	
Longer term	

Appendix B: Risk Analysis and Mitigations

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Risk impacts	GPT's current response and strategy	Near-term approach	Long-term approach
Increased capital expenditure and operational expenditure for cooling upgrades or the potential of stranded assets that don't meet comfort condition expectations	• Increased business intensity and occupancy density in GPT buildings necessitates increased cooling capacity in our buildings. Our infrastructure upgrade program continues as a part of our capital works program, which includes planning to ensure that cooling infrastructure meets potential future extreme heat conditions. • The high-quality cooling infrastructure in GPT's buildings generates comfortable conditions during heatwaves that allows for business-as-usual and may also be a contributor to 'community resilience'. In our retail assets, this may act as a drawcard for visitors seeking respite from the heat. • Efficiency programs and air-conditioning optimisation investments are reducing the energy costs to operate our buildings, combined with proactive energy cost management and demand management programs.	• Increase emphasis on passive design elements and demand management capabilities to ensure that peak air-conditioning loads avoid overlapping directly with network peaks during heatwaves to minimise operational costs. • On-site solar installations at logistics assets in anticipation of air-conditioning becoming part of future building requirements, to manage energy costs.	• Continue to review climate modelling, technology advances, the detailed asset – level climate risk assessments and adaption plans for further actions. • Continue to deliver comfortable indoor conditions for those seeking respite from the higher than average temperatures, and engage with local governments to manage refuge risks and opportunities.
Potential damage to infrastructure resulting in utilities service interruptions and access issues for assets	• Business continuity plan in place for major acute events and natural disasters, including the management of service interruptions and constrained access to assets.	As the probability of service failure increases in the medium term with the potential for increased peak temperatures during heatwaves, GPT will specify higher operating temperature ranges for major equipment or where possible, relocate equipment to sheltered positions.	Engage with all levels of government to understand the resilience of energy infrastructure and update our strategies accordingly.

Appendix B: Risk Analysis and Mitigations

CONTINUED

Physical risks

Table 6: Extreme weather events including floods, severe storms and cyclones

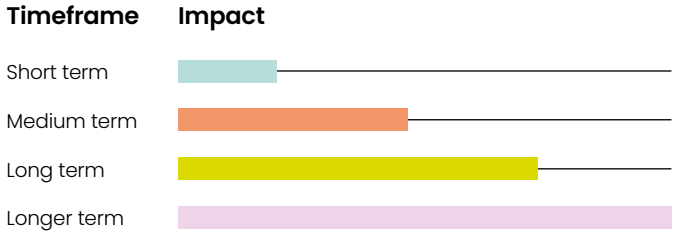
The high emissions scenario projects that extreme rainfall leading to flash flooding is very likely to increase. For every 1°C of warming, moisture content in the atmosphere can increase by around seven per cent, according to the Australian Bureau of Meteorology. This can dramatically alter the water cycle. In eastern, southern and south-western Australia, annual mean rainfall is projected to decrease, with potentially more extreme rain events leading to flash flooding. In northern Australia, increased annual mean and heavy rainfall events are projected, with a decline in the frequency of tropical cyclones. While the frequency of tropical cyclones is projected to decrease, there is a potential increase in their severity. Analysis of hailstorms shows an increase in the frequency of the storms in southeast and southwest Australia but declining elsewhere. However, modelling projects hailstorm frequency and severity increasing in Australia. Increased heavy rainfall leading to river flooding in most parts of Australia is also projected by 2050.

Adaptation

The majority of GPT assets are not exposed to flood risk. For assets with exposure to potential flooding, we have invested in infrastructure to build resilience to ensure operations viability.

Severe storms are a regular occurrence in Australia, mostly from September to April. Every asset will be exposed to severe storms at some point in time, so it is vital we reduce the assets' vulnerability with detailed climate modelling and adaptation planning.

In the short term, 0.2% of GPT's balance sheet is exposed to potential cyclones (one logistics asset in Townsville). Further modelling will be required to investigate the risks of cyclones impacting our southern Queensland assets and their communities in the long term.



Risk impacts	GPT's current response and strategy	Near-term approach	Long-term approach
Damage to buildings resulting in increased capital expenditure for repairs	Work with our insurers to model potential catastrophic events and ensure that we understand these risks and have appropriate insurances. Where major capital investments are made, GPT future proofs its buildings for potential extreme events.	Where major capital investments are made, GPT future proofs its buildings for potential extreme events.	Detailed climate modelling is included in major developments to ensure building designs are resilient to extreme weather events.
Disruptions to operations resulting from extreme weather events	GPT has detailed business continuity, maintenance and asset replacement plans that are updated on a regular basis. The major capital cities where most of our assets are located also have strong resilience plans and infrastructure that can withstand extreme weather events. Use available tools to model extreme precipitation when determining lifecycle upgrades to roofs, including guttering systems to limit operational impacts.		

Appendix B: Risk Analysis and Mitigations

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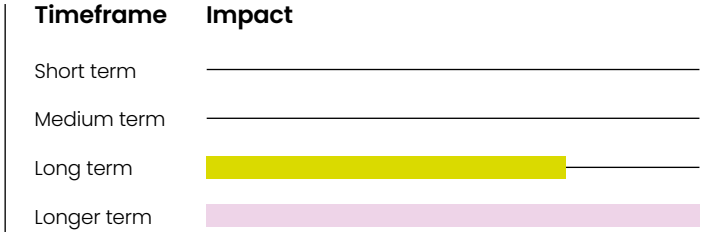
Physical risks

Table 7: Tidal inundation from rising sea levels

Based on the rate of sea-level rise, tidal inundation is very likely to increase and cause damage to buildings and infrastructure. It is projected by the IPCC that relative sea levels around Australia will rise at a rate higher than the global average, contributing to increased coastal flooding and shoreline retreat along sandy coasts. Under the RCP 8.5 emissions scenario, the historical centennial extreme sea level event (HCE, or 1 in 100 year event) is projected to become an annual event for most of the Australian coast by 2050.

Adaptation

The vast majority of GPT's assets will not be directly impacted by sea level rise. Minimal impact is also foreseen on the regional economic viability and infrastructure upon which the assets depend. In the very long term, a small number of assets will be impacted by potential inundation if no preventative actions are taken. However, it is anticipated that these impacts will occur beyond the current building lifespans and adaptation plans will be acted upon as climate outcomes become clearer.



Risk impacts	GPT's current response and strategy	Near-term approach	Long-term approach
Damage from direct flooding of assets or flooding of local infrastructure or communities making the assets inaccessible or isolated from customers	GPT has reviewed all assets for the threat of tidal inundation out to 2100. The portfolio is assessed as having minimal potential risk in the short to medium term.	Work with local government authorities to understand the planning response to potential inundation risks.	Reassess any investments in assets where there are risks of material tidal inundation impacts with the potential to undermine long term investment returns.

Appendix B: Risk Analysis and Mitigations

CONTINUED

Physical risks

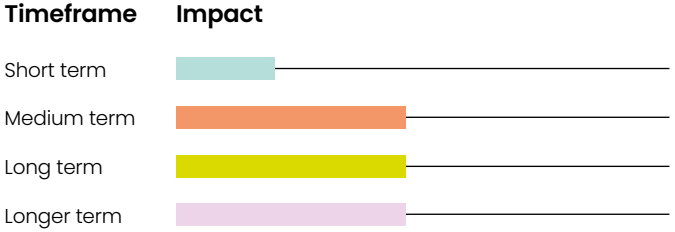
Table 8: Bushfire

The frequency of extreme fire weather days has increased across Australia, and the fire season has become longer since 1950. It is projected that the intensity, frequency and duration of fire weather events will increase further throughout Australia as climate change becomes more extreme, according to the IPCC.

Adaptation

The vast majority of GPT's assets are not located in bushfire affected areas as they are largely located in capital cities and industrial precincts, resulting in limited direct threat of physical damage to our assets. A small number of logistics assets are situated near low bush fire risk areas and have bushfire management plans in place.

We recognise that assets outside of direct fire threats may be impacted by bushfire smoke. Consequently, our planning and future upgrades consider indirect bushfire effects such as the impact on surrounding infrastructure and air quality, and the quality of our assets ventilation and filtration systems in particular.



Risk impacts	GPT's current response and strategy	Near-term approach	Long-term approach
Direct threats from bushfires such as impacts on air quality as well as threats to surrounding infrastructure such as power and roads	Installation of improved air filtration in office assets in response to the COVID-19 pandemic has the joint benefit of improving indoor air quality during events, including bushfires and dust storms.	As a major property manager, GPT will work with local authorities in developing community resilience plans and there is potential for GPT buildings to be a refuge for the community during bushfires.	Review technology advances to provide greater bushfire resilience and engage with local government to manage refuge risks and opportunities.

Appendix B: Risk Analysis and Mitigations

CONTINUED

Physical risks

Table 9: Drought and water scarcity

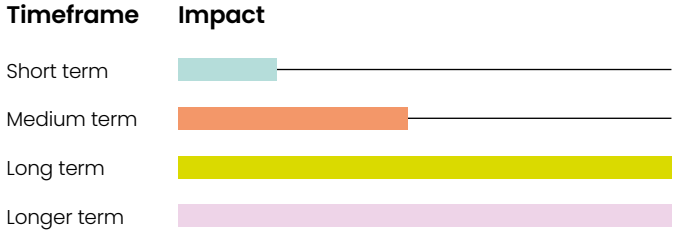
As per the IPCC, time in drought is projected to be more prolonged for eastern, southern and south-western Australia in the high emissions scenario, while in northern Australia the projected increase is significant only for the extreme drought category. As populations grow in the long term, greater competition for water resources will amplify water scarcity issues and it is foreseeable that many of our urban areas will become more dependent on manufactured water (e.g. desalination plants) which is more costly.

Adaptation

GPT explores ways to build resilience against water scarcity and reduce water usage and pollution. GPT has set a target to deliver water neutral operations for GPT owned and managed buildings by 2030. This target is supported by our Water Master Plan, which has a focus on eliminating, reducing and/or substituting potable water consumption through active participation by key parts of the business across the development, operations and lifecycle upgrade phases of our assets.

GPT's major asset-level water use is for cooling towers. Water currently makes up less than four per cent of total asset operational costs, therefore the impact of a potentially significant cost increase imposed by suppliers in response to future water scarcity would be minimal.

As community and regulatory expectations grow, ongoing water infrastructure investments will be required. Several GPT assets already have access to rainwater capture or recycled water which further reduces the potential direct impact from drought hazards.



Risk impacts	GPT's current response and strategy	Near-term approach	Long-term approach
Availability of water for business as usual operations	While GPT is mindful of the increased risk of drought, the Group does not have investments in regions of Australia that are significantly impacted by drought.	Research diversification of cooling water supply, as an alternative to using potable water. Develop a Water Master Plan to govern water use across the portfolio.	Eliminate the use of water where viable at major asset developments and redevelopments through strategies such as geothermal heat exchange.
Increased price of water	GPT has implemented a water efficiency strategy that has resulted in an over 50 per cent reduction in water intensity of its assets over the past 18 years.	Work with tenants to reduce water usage.	
Increased regulatory requirements regarding the allowable uses of water	Continue to investigate strategies for reducing our water usage, the usage of drinking water for operations, and reducing the degradation of downstream waterways by managing stormwater discharge.	Collaborate with local council and government to build resilient cities and water supply. Engage with the industry to develop a credible scheme for water offsets.	

Appendix C: Nature

GPT recognises that nature is integral to our business and broader society, and that our business has impacts and dependencies on nature. The TNFD defines nature loss as the loss of, and/or decline in, the state of nature. The major drivers of biodiversity loss within Australia include deforestation and land clearing, climate change-induced drought and warming oceans, and invasive species. Some of these drivers can be linked either directly or indirectly to the value chains of Australian companies, including in the agriculture, transport, infrastructure and property sectors.

TNFD defines:

Impacts as changes in the state as nature, which may result in changes to the capacity of nature to provide social and economic functions.

Impacts may be:

1. **Direct** – a change in the state of natural capital caused by a business activity with a direct causal link
2. **Indirect** – a change in the state of natural capital caused by a business activity with an indirect causal link (caused by climate change or greenhouse gas emissions), and
3. **Cumulative** – a change to the state of natural capital that occurs due to the interaction of activities of different actors operating in a landscape, not only the target organisation.

Dependencies are aspects of ecosystem services that an organisation or other actor relies on to function.

Dependencies include:

1. Ecosystems' ability to regulate water flow, water quality, and hazards like fires and floods
2. Provide a suitable habitat for pollinators (who in turn provide a service directly to economies), and
3. Sequester carbon (in terrestrial, freshwater and marine realms).

These direct and indirect impacts may be:

- **Acute:** biodiversity impacts: event or project driven, for example where a mining company clears a specific section of vegetation to make way for a new mine, or where a farmer applies pesticides to a crop and inadvertently degrades soil biodiversity.
- **Chronic:** biodiversity impacts: longer terms shifts in the way that ecosystems function or cease to function.
- **Cumulative:** biodiversity is impacted from multiple events or projects over time, alongside background stressors such as climate change.

GPT's dependence and impact on nature and biodiversity creates both risks and opportunities.

Nature-related transition risks and opportunities:

Nature-related transition risks are risks that result from a misalignment between an organisation's or investor's strategy and management and the changing regulatory, policy or societal landscape in which it operates.

1. Liability and litigation
2. Regulation and compliance
3. Market (including financial risk)
4. Technology, and
5. Reputational and social licence.

Appendix C: Nature

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Nature-related transition opportunities:

1. Investment opportunities.
2. Access to green bonds or sustainability linked loans.
3. Culturally sensitive restoration projects that benefit Traditional owners.

Nature-related physical risks and opportunities:

Nature-related physical risks are a direct result of an organisation's dependence on nature. Physical risks arise when natural systems are compromised, due to the impact of climatic events (e.g. extremes of weather such as a drought), geologic events (e.g. seismic events such as an earthquake) events or changes in ecosystem equilibria, such as soil quality or marine ecology, which affect the ecosystem services organisations depend on. Physical risks can be acute, chronic, or both. Nature-related physical risks arise as a result of changes in the biotic (living) and abiotic (non-living) conditions that support healthy, functioning ecosystems. Physical risks are usually location-specific.

Nature-related physical risks are often associated with climate-related physical risks. Ecosystems play a key role in emitting and sequestrating greenhouse gas emissions, and in supporting the adaptation to a changing climate.

1. Productivity
2. Availability and cost of raw materials, and
3. Business and supply chain continuity.

Definitions:

Risk sources: The factors or conditions that can cause or contribute to the occurrence of a risk. They can be internal or external, related to stakeholders, environment, technology, process, or product. Within the register, risks sources commonly include hazardous chemical, legislative controls, investor preferences or natural features bring impact (e.g., flora, fauna, soil, water).

Risk triggers: The causes or actions that will cause a risk to materialise. Within the register, risk triggers are either due to a GPT action, broader societal action, illegal practice, or change in market perceptions.

Risk impacts: The expected harm or adverse effect that may occur due to exposure to the risk if it were to materialise.

Appendix C: Nature

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Material nature-related risks identified through the TNFD assess phase.

Physical risks

Table 10: Acute natural hazard

Asset soft and hard infrastructure impact.

Risk impact	Risk source	Trigger
• Asset infrastructure damage – increased insurance premiums, and investment in erosion defences, and natural disaster systems, management, training and response. • Asset disruption and delays – lost revenue from breached terms of lease, and/or absent or low footfall and investment. • Decreased asset urban heat island mitigation, carbon sequestration, biodiversity, and stormwater interception and treatment from lost or damaged greenspace provisions.	• Vegetation disturbance and/or clearing, climate change, invasive species, salinity. • Nitrogen, phosphorus, PFAS, petroleum, hydrocarbons, asbestos, heavy metals (e.g., lead), fertiliser, pesticide. • Sulphur oxides, nitrogen oxides, particulate matter, volatile organic compounds, ammonia, carbon monoxide.	• Land and marine-use conversion and development (e.g., marinas, harbours, ports, breakwaters), intensive farming, dredging, introduction and spread of invasive species, intensive fishing, desalination plants. • Creation and improper disposal and treatment of hard – rubbish, grey water and sewerage, oil leaks and spills, radioactive waste, pesticides, fertilisers. • GHG and non-GHG emissions from combustion vehicles, power generation, industrial facilities and smelting of mineral ores.

Table 11: Acute natural change: Supply chain and support service impact.

Risk impact	Risk source	Trigger
• Reduced access to material provisions and supporting services (roads, storage facilities, production and health care facilities, etc). • Increased operational and capital costs (due to material supply related delays, elevated demand for goods, etc).	• Vegetation disturbance and/or clearing, climate change, invasive species, salinity. • Nitrogen, phosphorus, PFAS, petroleum, hydrocarbons, asbestos, heavy metals (e.g., lead), fertiliser, pesticide. • Sulphur oxides, nitrogen oxides, particulate matter, volatile organic compounds, ammonia, carbon monoxide.	• Land and marine-use conversion and development (e.g., marinas, harbours, ports, breakwaters), intensive farming, dredging, introduction and spread of invasive species, intensive fishing, desalination plants. • Creation and improper disposal and treatment of hard – rubbish, grey water and sewerage, oil leaks and spills, radioactive waste, pesticides, fertilisers. • GHG and non-GHG emissions from combustion vehicles, power generation, industrial facilities and smelting of mineral ores.

Appendix C: Nature

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Transition risks

Table 12: Policy and legal: Land/soil/flora and fauna regulation: current and future compliance. Non-compliance and/or increased compliance costs.

Risk impact	Risk source	Trigger
• Expenditure affiliated with increased building standard/ code, carbon and biodiversity offsetting requirements, greening provisions. • Constrained development opportunity due to regulatory controls/zoning, decreasing asset footprint and revenue. • Civil or criminal penalties including imprisonment, injunctions to stop degrading activities, directed environmental audits to assess impacts that are different or larger than what was approved, remediation of damage to the protected matter or third parties, enforceable undertakings to pay the Commonwealth or another party to protect or conserve a protected matter. Increased legal costs.	• Existing and/or future land use legislation (e.g. planning, building codes, native vegetation, environmental protection, and wildlife and soil conservation legislation).	• Asset operations • Greenfield developments, and • Brownfield developments.

Table 13: Policy and legal: Water regulation – current and future compliance. Non-compliance and/or increased compliance costs.

Risk impact	Risk source	Trigger
• Increased operational costs towards meeting increased and/or modified building standards and codes and stormwater management planning requirements. • Increased operational and capital costs from constrained development opportunity (e.g., more public conservation zoning reduces land supply). • Increased operational costs from civil penalties including injunctions to stop degrading activities, directed environmental audits to assess impacts that are different or larger than what was approved, and remediation of damage to the protected matter or third parties.	• Existing and/or future water legislation (e.g. planning, water, and environmental protection legislation).	• Asset operations • Greenfield developments, and • Brownfield developments.

Appendix C: Nature

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Transition Risks

Table 14: Market and reputation: Material and operational expenditure.

Risk impact	Risk source	Trigger
• Increased operational and capital expenditure from supply constraints (e.g., limited market access to timber, steel, sand and concrete), service and operational restrictions (e.g., inaccessible transport infrastructure, skills shortage), and changes in market demand (e.g., increased demand and cost for in demand renewable energy, solar panels, carbon offsets, green concrete, green steel, FSC timber, sustainability consultants).	• Changes to material and operational provisions.	• Realisation of physical chronic and acute nature risks (land/soil/flora and fauna, water, air/atmosphere, natural hazards, cultural values). • Increased demand for goods or services driven by markets, consumers and governments.

GPT's response and current plans.

Table 15: Technology change: Technology advancement – disruption.

Risk impact	Risk source	Trigger
• Reduction in footfall, investment, and tenancy from improved work from home capacity and conditions, particularly for office based assets/investments.	• Technology.	• Technological advancement.

More detail on GPT's Nature Plan will be available on the website in April 2024.

Appendix C: Nature

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Nature-related opportunities

The TNFD defines nature-related opportunities as activities that create positive outcomes for corporates and financial institutions and nature by avoiding or reducing impact on nature, or contributing to its restoration. Nature-related opportunities can occur:

1. When organisations avoid, reduce, or mitigate the risk of natural capital and ecosystem services loss, and
2. Through the strategic transformation of business models, products, services and investments that actively work to halt or reverse the loss of nature, including the implementation of nature-based solutions or support for them through financing or insurance.

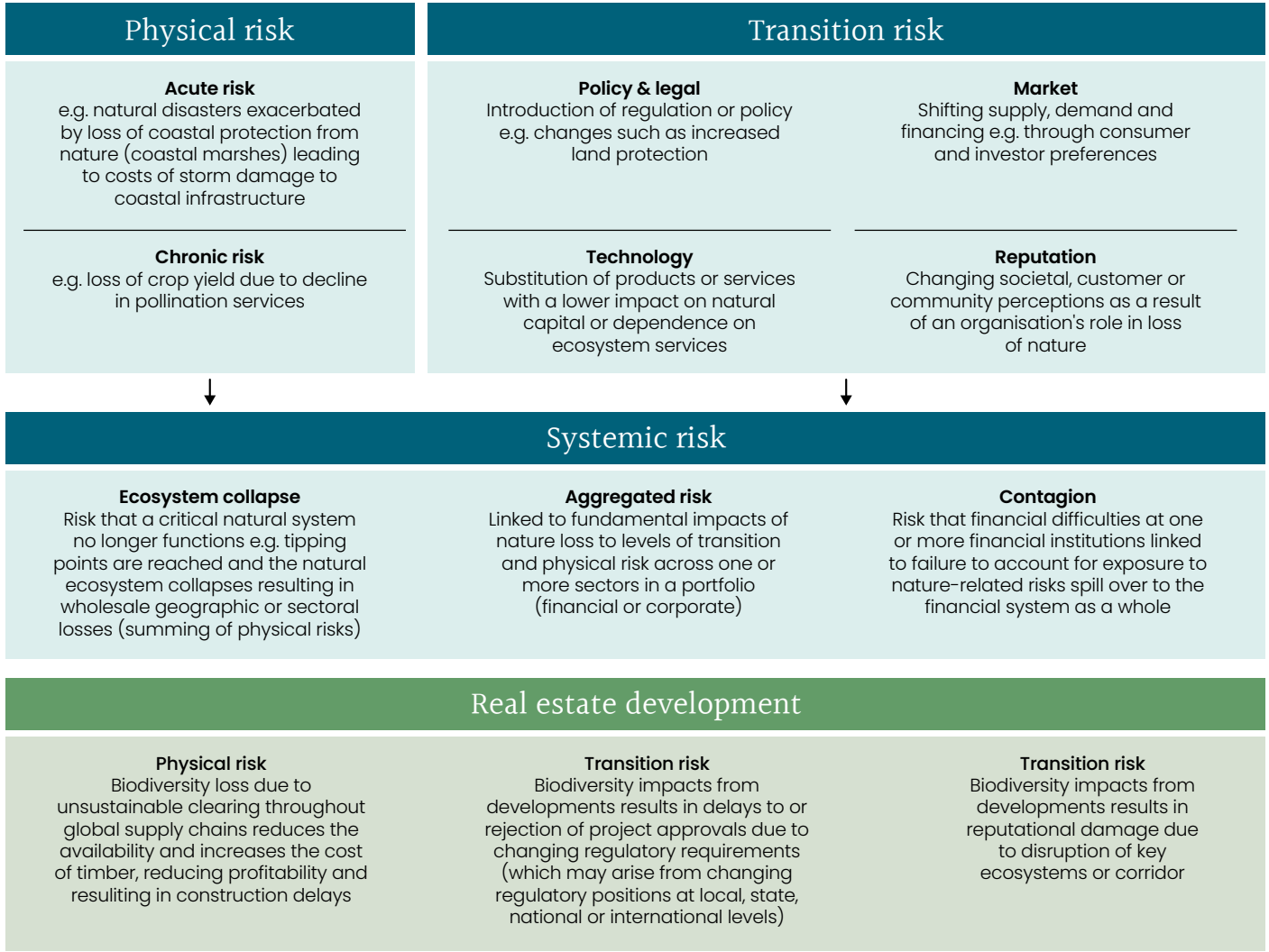
Opportunities:

- Resource efficiency: Reducing raw material and energy costs.
- Markets: Enabling entry to new markets.
- Financing: Improving access to capital.
- Resilience.
- Reputation: Improving value proposition and brand.

Nature-related systemic risks

Systemic risks are risks arising from the breakdown of the entire environmental system, which can lead to financial instability, the collapse of ecosystems and increased risks for organisations. Nature-related systemic risks are characterised by modest tipping points combining indirectly to produce large failures and cascading interactions of physical and transition risks. One loss triggers a chain of others and stops systems from recovering their equilibrium after a shock.

Chart 4: Categories of systemic risks include ecosystem collapse, aggregated and contagion.



Appendix C: Nature

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TNFD Mapping Governance

Disclose the organisation's governance around nature-related dependencies, impacts, risk and opportunities.

1. Describe the Board's oversight of nature-related dependencies, impacts, risks and opportunities.
2. Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.

Strategy

Disclose the actual and potential impacts of nature-related dependencies, impacts, risks and opportunities on the organisation's businesses strategy and financial planning where such information is material.

1. Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.
2. Describe the effect nature-related risks and opportunities have had on the organisation's businesses, strategy and financial planning.
3. Describe the resilience the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.
4. Disclose the locations where there are assets and/or activities in the organisation's direct operations, upstream, and/or downstream and/or financed, where relevant, that are in:
   a) High integrity ecosystems
   b) Areas of rapid decline in ecosystem integrity
   c) Areas of high biodiversity importance
   d) Areas of water stress, and
   e) Areas where the organisation is likely to have significant potential dependencies and/or impacts.

Risk Management

Disclose how the organisation identifies, assesses and manages nature-related risks.

a) Describe the organisation's processes for identifying and assessing nature-related risk.

b) Describe the organisation's processes for managing nature-related risks.

c) Describe how processes for identifying, assessing, and managing nature – related risks are integrated into the organisation's overall risk management.

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant nature-related risks and opportunities where such information is material.

1. Disclose the metrics used by the organisation to assess and manage nature-related risks and opportunities in line with its strategy and risk management process.
2. Describe the targets used by the organisation to manage nature-related risks and opportunities and performance against targets.

Appendix D: Glossary

Throughout this Statement, several national and international bodies and commitments are referenced. They are described below.

Reference	Description
Carbon Neutral	Carbon neutral means reducing emissions where possible and compensating for the remainder by investing in carbon offset projects to achieve net zero overall emissions, as defined in the Australian Government Climate Active Carbon Neutral Standards.
Climate Active	Climate Active is an ongoing partnership between the Australian Government and Australian businesses to drive voluntary climate action. Climate Active certifies businesses and organisations that have proven that they are measuring, reducing and offsetting their emissions, with a net result of zero emissions. Wherever GPT refers to Climate Active, we are referring to the Australian Governments' Climate Active programs and certification standards. www.climateactive.org.au
Climate Measurement Standards Initiative (CMSI)	The CMSI is an Australian industry-led collaboration formed to provide comparable and consistent climate-related risk disclosures guidelines specifically for asset owners, banks, insurers and traders of private and residential property in Australia, and for institutions whose role it is to oversee financial and community stability. www.cmsi.org.au
European Emissions Trading Scheme (EU ETS)	The EU ETS is a cornerstone of the European Union's policy to combat climate change and its key tool for reducing greenhouse gas emissions cost-effectively. It is the world's first major carbon market and remains the biggest one. www.climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets_en
EU Sustainable Finance Disclosure Regulation (SFDR)	The Sustainable Finance Disclosure Regulation (SFDR) is a European regulation introduced to improve transparency in the market for sustainable investment products, to prevent greenwashing and to increase transparency around sustainability claims made by financial market participants. www.finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/sustainable-finance-disclosures-regulation_en
Financial Stability Board (FSB)	The FSB is an international body that monitors and makes recommendations about the global financial system, by coordinating national financial authorities and international standard-setting bodies as they develop regulatory, supervisory and other financial sector policies. TCFD was established in 2015 by the FSB to improve and increase reporting of climate-related financial information, and the first recommendations was released in 2017. www.fsb.org
Funds From Operations (FFO)	Funds From Operations is defined as the underlying earnings calculated in accordance with the Property Council of Australia 'Voluntary Best Practice Guidelines for Disclosing FFO and AFFO'.

Appendix D: Glossary

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Reference	Description
Global Biodiversity Framework (GBF)	The Kunming-Montreal Global Biodiversity Framework (GBF) was adopted during the fifteenth meeting of the Conference of the Parties (COP 15) following a four year consultation and negotiation process. This historic Framework, which supports the achievement of the Sustainable Development Goals and builds on the Convention's previous Strategic Plans, sets out an ambitious pathway to reach the global vision of a world living in harmony with nature by 2050. Among the Framework's key elements are 4 goals for 2050 and 23 targets for 2030. www.cbd.int/gbf
Global Reporting Initiative (GRI)	GRI is an independent international organisation that provides organisations with the widely used standards for sustainability reporting the GRI Standards. www.globalreporting.org
Green Buildings Council Australia (GBCA)	The GBCA is the authority on Green Star rated projects (see further information under Green Star in this glossary), leading sustainable building practices and educational resources about developments within Australia's built environment. www.new.gbca.org.au
Green House Gas Protocol (GHG Protocol)	G Protocol establishes comprehensive global standardised frameworks to measure and manage GHG emissions from private and public sector operations, value chains and mitigation actions. The GHG Protocol works with governments, industry associations, NGOs, businesses and other organisations. www.ghgprotocol.org
Green Star	Founded by Green Building Council of Australia in 2003 for the Australian environment, Green Star is an internationally recognised rating system setting the standard for healthy, resilient, positive buildings and places. www.new.gbca.org.au/green-star
International Financial Reporting Standards (IFRS)	The IFRS Foundation is a not-for-profit, public interest organisation established to develop high-quality, understandable, enforceable and globally accepted accounting and sustainability disclosure standards. Standards are developed by their two standard-setting boards, the International Accounting Standards Board (IASB) and International Sustainability Standards Board (ISSB). www.ifrs.org
Innogen	A subsidiary of GPT Property Management, which is used as a vehicle to operate the Embedded Networks and Energy Generation.
Intergovernmental Panel Climate Change (IPCC)	The IPCC is the United Nations body for assessing the science related to climate change. The IPCC was created to provide policymakers with regular scientific assessments on climate change, its implications and potential future risks, as well as to put forward adaptation and mitigation options. www.ipcc.ch

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Reference	Description
International Sustainability Standards Board (ISSB)	The ISSB is an independent, private-sector body that develops and approves IFRS Sustainability Disclosure Standards (IFRS SDS). The purpose is to deliver a comprehensive global baseline of sustainability-related disclosure standards that provide investors and other capital market participants with information about companies' sustainability-related risks and opportunities to help them make informed decisions. www.ifrs.org
International Union for Conservation of Nature (IUCN)	The IUCN protected area categories, or IUCN protected area management categories, are six management categories used to classify protected areas in a system developed by the International Union for Conservation of Nature. www.iucn.org
Mitigation hierarchy	The mitigation hierarchy is a tool that is used to limit the amount of damage an action, such as a development, will have on the environment. There are three steps (avoid, mitigate and offset) and each step must be followed in order and to the greatest extent possible before moving on to the next. www.dcceew.gov.au/environment/epbc/approvals/offsets/guidance/mitigation-hierarchy
National Australian Built Environment Rating System (NABERS)	NABERS provides simple, reliable, and comparable sustainability measurement used across the building sectors. NABERS rates a building's energy, water, waste or indoor environment performance based on the building's operational data. www.nabers.gov.au
Nature Positive	Halt and reverse the loss of nature, measured from its current status, reducing future negative impacts alongside restoring and renewing nature, to put both living and non-living nature measurably on the path to recovery. https://www.iucn.org/our-work/biodiversity/nature-positive
Operational control	Operational control is where an entity has principal decision-making authority in respect of operating a space or a service. For example, GPT does not have operational control over the majority of its logistics assets, where tenants have principal decision-making authority over matters such as entry into contracts for the supply of energy and its use on site.
Paris Agreement	The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 Parties at COP 21 in Paris, on 12 December 2015 and entered into force on 4 November 2016. Its goal is to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. Unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement
Representative Concentration Pathways (RCPs)	RCPs are different greenhouse gas concentrations and their radiative forcing potential to describe different climate futures that are considered in scenario analysis.
Scope 1 Emissions	Scope 1 emissions are greenhouse gas emissions released to the atmosphere as a direct result of an activity, or series of activities, at a facility level. They are sometimes referred to as direct emissions. For a property portfolio, Scope 1 emissions stem from gas burned for heating and hot water, diesel and gas burnt for electricity generation, including emergency backup electricity and occasional refrigerant gases from air conditioning systems.
Scope 2 Emissions	Scope 2 emissions are released to the atmosphere from the indirect consumption of an energy commodity. For example, 'indirect emissions' come from the use of electricity produced by the burning of coal in another facility.

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Reference	Description
Scope 3 Emissions	Scope 3 emissions are indirect emissions, other than Scope 2 emissions, that are generated in the wider economy. For GPT's property portfolio, we are principally focused on reducing Scope 3 emissions in areas over which we have strongest management control. We align with the Australian Government's Climate Active boundaries for Scope 3 reporting. For our properties, this includes emissions from electricity and gas transmission losses and emissions from waste and water consumption.
Shared Socioeconomic Pathways (SSPs)	SSPs describe different futures of socio-economic development in the absence of climate policy intervention. The combination of SSP-based socio-economic scenarios and RCP-based climate projections are often used together to consider future climate impact and policy analysis
Sustainable Debt Framework	The GPT Group Sustainable Framework was established in October 2021 which outlines how GPT and GPT's Wholesale Funds (The GPT Wholesale Office Fund and The GPT Wholesale Shopping Centre Fund) intend to issue and manage sustainable debt. It has been developed in line with the principles and guidelines issued by the International Capital Market Association (ICMA), Loan Markets Association (LMA), Asia-Pacific Loan Market Association (APLMA) and where relevant, the Climate Bonds Initiative (CBI). These market standards are voluntary and accepted as best practice in the global capital markets. www.gpt.com.au/sustainable-finance
Task Force on Climate-Related Financial Disclosures (TCFD)	The TCFD was established by the Financial Stability Board to develop recommendations for more effective climate-related disclosures that could promote more informed investment, credit, and insurance underwriting decisions and, in turn, enable stakeholders understanding of the concentrations of carbon – related assets in the financial sector and the financial system's exposures to climate-related risks. These recommendations were released in 2017 to help companies provide better information to support informed capital allocation. www.fsb-tcfd.org
Taskforce on Nature-related Financial Disclosures (TNFD)	The Taskforce on Nature-related Financial Disclosures (TNFD) has developed a set of disclosure recommendations and guidance that encourage and enable business and finance to assess, report and act on their nature-related dependencies, impacts, risks and opportunities. The recommendations and guidance will enable businesses and finance to integrate nature into decision making. Our aim is to support a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes, aligned with the Global Biodiversity Framework. www.tnfd.global

gpt.com.au