

# Audit Committee Charter

## GPT RE Limited and GPT Management Holdings Limited

### 1. Background

1.1 The GPT Group (GPT or the Group) comprises GPT Management Holdings Limited (ACN 113 510 188) (GPTMHL) and General Property Trust (Trust). GPT RE Limited (ACN 107 426 504) (GPTRE) AFSL (286511) is the responsible entity of the Trust. GPT's stapled securities are listed on the Australian Securities Exchange (ASX). References to the "Board" in this charter are references to the Boards of GPTRE and GPTMHL

### 2. Purpose

2.1 The Audit Committee (the "**Committee**") is a Committee of the GPT Board set up to:

- (a) Review the quality and reliability of the financial reporting processes.
- (b) Review and recommend to the Board for approval the financial statements to be issued by GPT.
- (c) Review external auditor's qualifications, performance, audit plans and independence.
- (d) Oversee GPT's internal controls and the internal audit function.

2.2 The Board has delegated authority to the Committee to fulfil the responsibilities set out in section 3 of this Charter and may make other delegations to the Committee from time to time.

2.3 The Audit Committee will work with and refer relevant matters to the other Board committees to assist the Board in fulfilling its responsibilities.

### 3. Responsibilities of the Committee

#### (a) Financial Reporting

- (i) Oversee compliance with statutory responsibilities relating to financial disclosure including:
  - the adequacy and quality of financial statements disclosure;
  - accounting policies adopted; and
  - the nature and impact of any change in accounting policy during the period.
- (ii) Review annually with management and the external auditor the accounting and valuation policies and practices adopted and compliance with accounting standards, ASX Listing Rules and relevant legislation.
- (iii) Review and discuss with management and the external auditor the half year reviewed and annual audited financial statements.
- (iv) Discuss with management and the external auditor, the appropriateness of significant judgments made by management in preparing GPT's financial statements.
- (v) Review and make recommendations to the GPT Board on the statement from management regarding the integrity of the financial statements and that an appropriate system of risk management and internal compliance and control has been maintained.
- (vi) Discuss with the General Counsel legal matters that may have a material impact on the financial statements or the compliance with regulatory policies.
- (vii) Review the GPT Group Valuation Policy at least every three years and recommend any amendments to the Board for approval.

#### (b) Treasury

- (i) Review policies and procedures that are in place to identify, measure, manage and monitor treasury risks.
- (ii) Review the GPT Group Treasury Policy every three years and recommend any amendments to the Board for approval.

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- (iii) Monitor compliance with the GPT Group Treasury Policy.
- (iv) Review reports in relation to treasury risk profile and material treasury actions.

## **(c) Taxation**

- (i) Oversee the tax risk management framework that has been established to identify and manage all major tax risks.
- (ii) Review reports in relation to GPT's compliance with applicable taxation laws and regulations.
- (iii) Consider and discuss with management material taxation issues which may arise from time to time.

## **(d) Internal Controls**

- (i) Oversee the appropriateness and effectiveness of GPT's internal controls including by obtaining assurance from management, internal audit, and the external auditor in this regard.
- (ii) Monitor the timely resolution of significant internal control deficiencies identified by internal audit, the external auditor or management.
- (iii) Provide information in relation to significant internal control matters to the:
  - a. Sustainability and Risk Committee that impact the Group's risk profile or risk appetite; or
  - b. Human Resources & Remuneration Committee that impact the Group's culture or remuneration outcomes.

## **(e) Internal Audit**

- (i) Approve the GPT Internal Audit Charter.
- (ii) Review and recommend the Internal Audit plan to the Board for approval, taking into account any input received from any other Committee.
- (iii) Review reports regarding internal audit activity undertaken in accordance with the GPT Internal Audit Plan and the GPT Risk Management Framework, and through these reports monitor the progress of management action plans.

## **(f) External Audit**

- (i) Make recommendations to the GPT Board for approval on the appointment, reappointment, replacement, and remuneration of external auditors.
- (ii) Review all reports from the external auditors and management response to any issues raised.
- (iii) Approve any non-audit work to be provided by the external auditor as required under the Guidelines for the Engagement of and Dealing with Auditors.
- (iv) Discuss with the external auditors the overall scope of the external audit, their audit plan and whether there are any specific identified risks that will be of focus.
- (v) Review the performance of the external auditor annually.
- (vi) Consider the independence of the external auditor. On a six monthly basis the Committee must formally determine whether it is satisfied that the provision of non-audit services is compatible with the general standards of independence for auditors imposed by the Corporations Act and provide written advice of its conclusions to the GPT Board.
- (vii) Review a report from the external auditor describing:
  - The audit firm's internal quality control procedures;
  - Any material issues raised by any inquiry or investigation by authorities or from a peer review relating to independent audits carried out by the firm (in Australia over the last five years), and any steps to deal with any such issues; and
  - All relationships between the external auditor and GPT.

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- (viii) Periodically consult with the external auditor without the presence of management about the audit and any issues raised with management.
- (ix) Ensure that each of the audit partner and the review partner for GPT are rotated every five years, but not simultaneously. At this time, the Committee is to interview the proposed replacements to satisfy itself as to the experience and qualifications of the replacements and make recommendations to the GPT Board for approval.

## **(g) Whistleblower Policy**

- (i) Review and recommend any changes to the Whistleblower Policy to the Board for approval.
- (ii) Review reports in relation to operation and effectiveness of the Whistleblower Policy and monitor management's actions to investigate and address matters raised under the Whistleblower Policy.

## **4. Access to information and independent advice**

- 4.1 In carrying out its responsibilities the Committee has full authority to investigate all matters that fall within the terms of reference of this Charter. Accordingly, the Committee may:
- (a) Obtain independent professional advice in the satisfaction of its duties at the cost of GPT.
  - (b) Have such direct access to the resources of GPT, as it may reasonably require, including legal, CEO, CRO, management and the external and internal auditors.

## **5. Membership**

- 5.1 The Committee shall comprise members of, and be appointed by, the GPT Board. The Committee is to consist of:
- (a) Only Non-Executive Directors.
  - (b) At least three members.
  - (c) A majority of independent Non-Executive Directors.
  - (d) All members of the Committee shall have a working familiarity with basic finance and accounting practices, and at least one member of the Committee shall have financial expertise (eg a qualified accountant or other financial professional with financial and accounting experience).
- 5.2 The Chairman of the Committee is to be an independent Non-Executive Director and is to be appointed by the Board (but is not to be the Chairman of the Board).
- 5.3 A quorum shall consist of two members of the Committee.
- 5.4 Representatives of external auditors and management will be requested to attend and report at meetings of the Committee as appropriate.

## **6. Meetings**

- 6.1 The Committee will meet as necessary but a minimum, four times per year.
- 6.2 The Secretary of the Committee will be the GPT Company Secretary, or such other person as nominated by the Board.
- 6.3 The GPT Board will appoint a Chairman of the Committee.
- 6.4 Directors who are not Committee members may attend meetings.
- 6.5 The Secretary will ensure that a record of submissions and papers, together with minutes of meetings is maintained. Agendas for, and minutes of meetings will be sent or made available to all members.

## **7. Reporting**

- 7.1 The Chairman of the Committee will report the proceedings, deliberations and recommendations of the Committee to the next meeting of the GPT Board.

## **8. Committee Performance**

- 8.1 On a periodic basis the Board shall perform an evaluation of the Committee's performance. The evaluation will be on the basis of feedback sought from the Committee and management.

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## **9. Review of Charter**

9.1 The Committee will review this Charter at least every two years. Any amendments to the Charter will be approved by the Board.

## **10. Confidentiality**

10.1 All proceedings of the Committee, including papers submitted and presentations made to the Committee, shall be kept confidential and will not be disclosed or released to any person other than Board members, GPT employees and GPT's auditors, except as required by law or as agreed by the Committee.