



Sustainable Debt Framework

Issued October 2021



Purpose

The purpose of The GPT Group’s (GPT or Group) sustainable debt framework (Framework) is to outline how we intend to issue and manage sustainable debt instruments across GPT and its managed funds.

This Framework 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 the Climate Bonds Initiative (CBI), as applicable. These market standards are voluntary and accepted as best practice in the global capital markets.

As sustainable finance markets continue to evolve, we may update this Framework to reflect changes to market standards and best practice in sustainable finance.

Contents

Purpose	1	4.0 Sustainability Linked Bonds and Loans	9
1.0 The GPT Group and Sustainability	2	4.1 Selection of KPIs	9
1.1 About Us	2	4.2 Calibration of SPTs	9
1.2 Our Approach to Sustainability	3	4.3 Financial Characteristics	9
2.0 Sustainable Debt Framework	6	4.4 Reporting	9
3.0 Green Bonds and Loans	7	4.5 Verification	9
3.1 Use of Proceeds	7	5.0 Governance	11
3.2 Process for Evaluation and Selection	8	6.0 Framework Assurance	11
3.3 Management of Proceeds	8	7.0 Further Information	12
3.4 Reporting	8		

GPT acknowledges the Traditional Custodians of the lands on which our business and assets operate, and recognise their ongoing connection to land, waters and community. We pay our respects to First Nations Elders past, present and emerging.



1.0 The GPT Group and Sustainability

1.1 About Us ¹

GPT is a vertically integrated diversified property group that owns and actively manages its \$25.3 billion portfolio of high quality Australian office, logistics and retail assets.

The Group leverages its real estate management platform to enhance returns through property development and a funds management business, including the \$9.3 billion GPT Wholesale Office Fund (GWOF) and \$3.9 billion GPT Wholesale Shopping Centre Fund (GWSCF).

Listed on the Australian Securities Exchange (ASX) since 1971, today The GPT Group is a constituent of the S&P/ASX 50 with a substantial investor base of more than 32,000 securityholders.

Our Vision

To be the most respected property company in Australia in the eyes of our investors, people, customers and communities.

Our Purpose

To create value for investors by providing high quality real estate spaces that enable people to excel and our customers and communities to prosper in a sustainable way.

Our company values



Safety First - Everyone, Always
We care about people above everything else.



Deliver Today, Create Tomorrow
We focus on the present and the future to deliver consistent, dependable performance.



Value Differences, Play as a Team
We embrace our diverse backgrounds, experiences and perspectives, working together for the best outcome.



Raise the Bar
We think big, take initiative, share ideas and challenge the status quo.



Speak Up
We are courageous and speak up about things that matter.

Our high quality diversified portfolio



Office

- » 25 assets
- » 1,030,000 sqm NLA
- » 380+ office tenants
- » \$5.8b GPT owned portfolio
- » \$13.3b assets under management



Logistics

- » 42 assets
- » 1,140,000 sqm GLA
- » 90+ tenants
- » \$3.4b GPT owned portfolio
- » \$3.4b assets under management



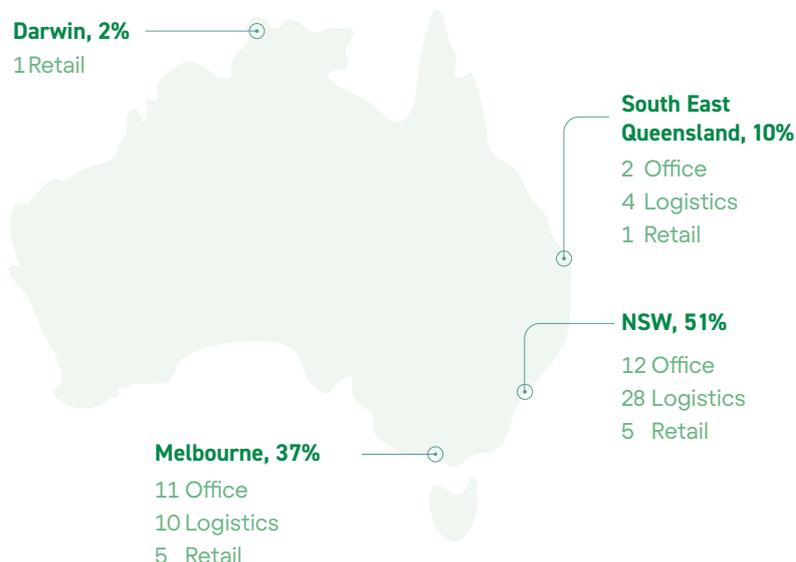
Retail

- » 12 shopping centres
- » 960,000 sqm GLA
- » 3,100+ tenants
- » \$5.6b GPT owned portfolio
- » \$8.6b assets under management

Diversity across asset classes



Diversity across locations



1. As at 30 June 2021.

1.0 The GPT Group and Sustainability continued

1.2 Our Approach to Sustainability

Sustainability is fundamental to GPT’s success as we work towards our vision to be the most respected property company in Australia.

At GPT, we create places that enable people to excel and our customers and communities to prosper. In delivering these outcomes we also aim to make a positive contribution to the planet. This means ensuring that the decisions we make each day must not only make sound financial sense, but they need to be environmentally and socially responsible as well, so that we create sustained value for our investors.

Our world is changing at an unprecedented rate, affecting how we live and work, and how we engage with our stakeholders and the communities in which we operate. Acknowledging these changes, GPT actively considers and addresses environmental, social and governance (ESG) risks and opportunities in our business practices and activities to create value over the long term. Sustainability practices underline our operations and are integrated into our organisational culture, stakeholder engagement, governance and processes.

How We Create Value

To deliver our purpose, GPT uses resources and inputs in our business activities to create value for our stakeholders.

Key inputs into the Group are our investors, real estate, our people, environmental resources, and our customers, suppliers and communities.

Through the application of our business model, GPT creates value in the form of growing and predictable earnings, thriving places, empowered people, a sustainable environment, and prospering customers, suppliers, and communities.

Business model



Value created



Growing and predictable earnings

Our aim is to deliver growing and predictable earnings and maximise total returns for our investors, through the successful execution of our strategy.

Thriving places

Our properties are community places where people come together for work, connection and enjoyment.

Empowered people

Through their effort and continued development, our skilled, engaged and motivated workforce deliver on our purpose to create value for customers, investors and communities.

Sustainable environment

We develop and manage sustainable places that operate efficiently and minimise our impact on the environment.

Prospering customers, suppliers and communities

Strong relationships with customers, supply chain partners, and communities enable us to meet their current and emerging needs and ensure our mutual future success.

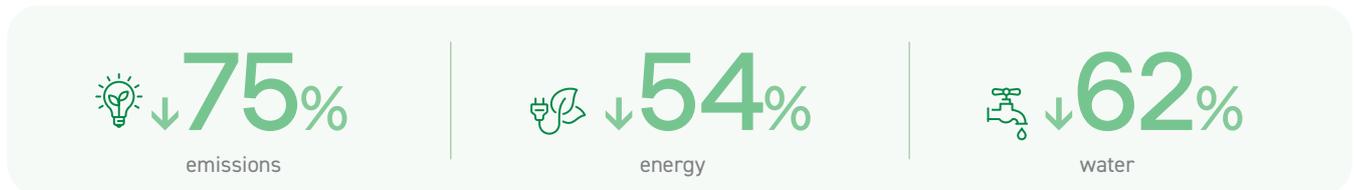
Find out more

Find out more in The GPT Group annual reports, available on our website: www.gpt.com.au

Delivering on sustainability

GPT has consistently delivered on our sustainability commitments and goals, including significant environmental performance improvements against our 2005 baseline.

Delivered intensity improvements on our 2005 baseline¹



Carbon Neutral 2024

In December 2020 GWOFF achieved its carbon neutral target, with all GWOFF operating assets independently certified by NABERS and the Australian Government’s Climate Active for Buildings, in alignment with the International Greenhouse Gas Protocol. The Green Building Council of Australia recognised this outcome as a first for a national property portfolio within the World Green Building Council network.

Acknowledging the importance of continued action to address climate change, in 2020 GPT and GWSCF announced a new target to achieve carbon neutral operations across all managed assets by 2024, bringing forward the previous target by six years.

Independent industry standards and audits validate our performance and progress towards our carbon neutral goals for our investors, tenants and stakeholders.

Water Neutral 2030

Leveraging our learnings from developing and delivering on our carbon neutral pathway, we are now working towards achieving water neutrality by 2030.

This is a bold target which will drive investment and innovation in managing the environmental impacts arising from water consumption and stormwater flows. We will work with industry to develop a water neutral framework.

As we have done for carbon, GPT will take a risk based approach to water that starts with eliminating impacts wherever possible, improving efficiency and implementing controls to reduce risks, and working to implement a credible offset program for residual impacts.

Materials and Waste

GPT has taken an industry leading role in driving accurate and transparent materials and waste management reporting and using this as a foundation to improve both the quantity and quality of recycling outcomes. Our work was instrumental in the development of the NABERS Waste ratings and platform.

Looking forward, GPT is targeting an 80% closed-loop recovery target for operational waste and other initiatives to drive circular economy outcomes.

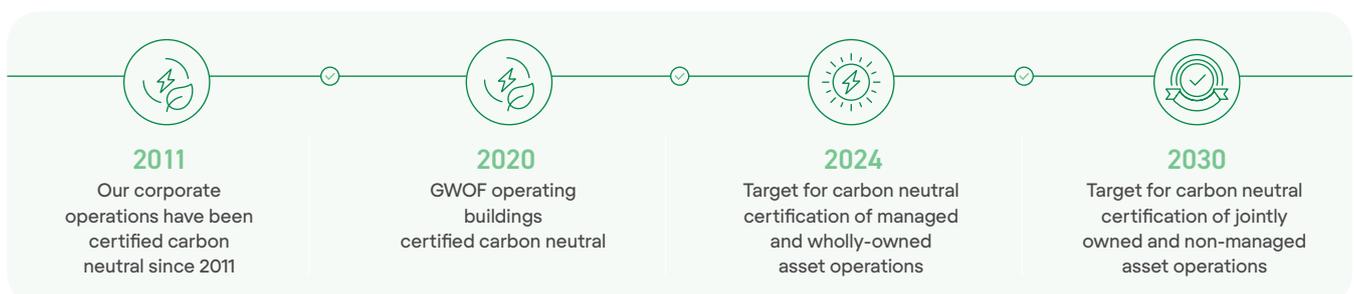
Biodiversity

GPT aims to have a net positive impact on biodiversity. We have developed biodiversity tools for adoption through GreenStar Performance and we ensure that our carbon neutral program delivers co-benefits to biodiversity wherever possible.

In the coming years, GPT will assess the baseline biodiversity performance of its portfolio and use this to deliver a plan to improve outcomes at our assets and develop a roadmap for overall positive biodiversity impacts.



Our carbon neutral journey



1. As at 31 December 2020.

1.0 The GPT Group and Sustainability continued



A strong track record

GPT participates in a number of ESG benchmarks and makes voluntary public commitments to enable us and our stakeholders to compare our progress and performance with global real estate peers.

S&P Global Corporate Sustainability Assessment

(formerly DJSI) Ranked in the top five per cent of real estate companies since 2009. In 2020 GPT was ranked in the 99th percentile of real estate companies globally and second in the world.



GRESB

Consistently recognised in the top quintile of the GRESB Real Estate Benchmark every year since the benchmark's inception in 2011.



Euronext Vigeo Eiris

Included in the World 120 Index as one of the highest ranking listed companies in corporate responsibility performance.



UN Global Compact

GPT has been a signatory to the United Nations Global Compact since 2012, aligning our business to the UN Sustainable Development Goals.



WGEA

Cited as an Employer of Choice for Gender Equality citation for the third consecutive year.



Reconciliation Australia

Stretch Reconciliation Action Plan partner.



Find out more

For more information on GPT's sustainability efforts and latest sustainability report, please visit: www.gpt.com.au/sustainability

2.0 Sustainable Debt Framework

The GPT sustainable debt framework (**Framework**) is a natural extension of our sustainability strategy and provides transparency on how we intend to issue and manage sustainable debt.

Sustainable Debt under this Framework may include:

- » Use of proceeds instruments: Green Bonds and Loans.
- » Performance based instruments: Sustainability Linked Bonds and Loans.
- » Any other instruments (including bonds, loans and commercial paper) that may be designated as Sustainable Debt from time to time.

Sustainable Debt may be raised under this Framework by GPT and any of its managed funds (each a “GPT Fund” and together, the “GPT Funds”) including:

- » General Property Trust (GPT).
- » GPT Wholesale Office Fund (GWOFF).
- » GPT Wholesale Shopping Centre Fund (GWSCF).

This Framework sets out the processes for Green Bonds and Loans and Sustainability Linked Bonds and Loans. The Framework may be updated at GPT’s discretion to include other sustainable debt instruments that may be issued in the future.



3.0 Green Bonds and Loans

Green Bonds and Green Loans are use of proceeds instruments where funds borrowed are used exclusively to finance or refinance assets, projects or activities that contribute to environmental sustainability and the transition to a low carbon, climate resilient economy.

Use of proceeds instruments under this Framework may take the form of:

- » Green Bonds in accordance with the ICMA Green Bond Principles, and where appropriate, the Climate Bonds Standard & Certification Scheme (CBS) published by the CBI.
- » Green Loans in accordance with the LMA / APLMA Green Loan Principles, and where appropriate, the CBS.

We have aligned our Framework with the four pillars of the Green Bond Principles and Green Loan Principles, being:

-  Use of proceeds
-  Process for evaluation and selection
-  Management of proceeds
-  Reporting

3.1 Use of Proceeds

GPT commits to allocate an amount equal to the net proceeds of Green Bonds and Loans to exclusively finance or refinance assets, projects or activities that meet the eligibility criteria set out below (**Eligible Assets**). Eligible Assets are selected based on criteria that align with the ICMA Green Bond Principles and LMA/APLMA Green Loan Principles and contribute towards the United Nations Sustainable Development Goals (**UN SDG**) as well as GPT’s own sustainability objectives relating to emissions, energy, water, waste and other material issues as outlined in GPT’s sustainability reporting.

Eligible Assets

Below is a list of eligibility criteria and examples of Eligible Assets for Green Bonds and Loans issued under this Framework. This list is not exhaustive and may be expanded over time as market standards are updated.

Eligible categories	Eligibility Criteria and examples of Eligible Assets	UN SDG Alignment
Green Buildings	<p>Existing and/or planned low carbon and efficient buildings, including upgrades, which meet regional, national or internationally recognised standards or certifications including:</p> <ul style="list-style-type: none"> » For Australian commercial assets (greater than 10,000 square metres) where design began after 1 May 2020, a NABERS minimum 5.5 Star or above and comply with the Australian National Construction Code requirements. » For other assets, a NABERS minimum 5 Star or above. » Green Building Council of Australia Green Star ‘Design and As Built’ and/or ‘Performance’ certifications of minimum 5 Star or above or any equivalent criteria introduced in the future, including Green Star Buildings. » Commercial buildings and assets certified by the CBI as aligned to the CBS under the Low Carbon Buildings Criteria. » Property upgrades, including energy efficiency investments, and/or refurbishments of buildings that achieve a minimum carbon emissions reduction for CBS certification including the Commercial Buildings and Low Carbon Buildings – Property Upgrade criteria. » Any other buildings or assets that are certified as meeting CBS eligibility criteria, including criteria that may be introduced in the future. » Any other asset that obtains a Green Building label that is considered an equivalent standard to the above. 	  
Energy Efficiency	<p>Assets or projects that develop processes and products/technology that reduce energy consumption of the underlying asset. For example, new technologies, optimisation platforms and improved, passive design elements in buildings.</p>	  
Renewable Energy	<p>Renewable energy facilities such as on-site solar photovoltaic arrays and off-site renewable energy contracts supported by demand-side flexibility and energy storage solutions.</p>	 

Eligible Assets may include projects delivered, or in the process of being delivered. Each Eligible Asset will be valued at its latest market valuation or at cost where a separate market valuation has not been obtained. Where assets are co-owned with another party, proceeds from the Green Bond or Loan will be applied only to the relevant GPT Fund's share of the asset.

Eligible Assets may be replenished as underlying Eligible Assets are sold or otherwise disposed of, non-eligible assets are removed, and additional Eligible Assets are identified and funded. If an asset no longer meets the eligibility criteria set out in this Framework, the relevant GPT Fund will:

- » Cease to categorise that asset as an Eligible Asset; and
- » Reduce the aggregate value of its Eligible Assets by the value of that asset.

A list of Eligible Assets will be published within the annual 'Use of Proceeds' reporting described in Section 3.4. For any Green Bonds or Loans that are certified by the CBI as complying with the CBS, the ongoing certification status will be noted within these reports.

3.2 Process for Evaluation and Selection

GPT has established processes to ensure that Eligible Assets are properly identified and assessed to ensure compliance with this Framework and market standards.

GPT will form a Sustainable Debt Working Group comprising representatives from GPT Group Treasury and Sustainability who will be responsible for compliance with this Framework. This includes identifying and selecting Eligible Assets, overseeing the allocation of proceeds raised from Sustainable Debt to Eligible Assets, managing assurance reviews and reporting requirements.

More detail around governance is included at Section 5.0 below.

3.3 Management of Proceeds

To ensure that net proceeds from Green Bonds and Green Loans are appropriately tracked and allocated, GPT will maintain a register of Eligible Assets. This will outline the value of each Eligible Asset, its compliance with the eligibility criteria and the notional allocation of net proceeds from any Green Bond or Loan.

The Sustainable Debt Working Group will maintain the register and track the allocation of proceeds and the current value of Eligible Assets.

Each GPT Fund intends to allocate the net proceeds immediately following issuance of any Green Bond or Loan, and in any event, will ensure proceeds are allocated to Eligible Assets within 24 months of issuance.

We do not intend to have any unallocated proceeds from Green Bonds or Loans. However in the unlikely event this occurred, the amount of unallocated proceeds will be managed by GPT Group Treasury and applied to temporarily repay revolving bank debt or invest in cash deposits or cash equivalent instruments until such time that those proceeds are able to be allocated to finance or refinance Eligible Assets.

3.4 Reporting

GPT recognises the importance of transparency and disclosure and intends to make the following information available on its website or to lenders as required by market standards.

Item	Frequency
Framework and Framework Assurance	At the time of establishment of the Framework (subsequently updated at GPT's discretion).
Assurance Statements	Prior to issuance of the first Green Bond or Green Loan under this Framework and then annually in line with the Group's annual sustainability reporting for all outstanding Green Bonds and Loans.
Climate Bonds Initiative Certification (if applicable)	At issuance of any CBS certified Green Bond or Green Loan. Programmatic certification from the Climate Bonds Initiative may also be obtained for Green Bonds and/or Loans.
Use of Proceeds Reporting	Annually for all outstanding Green Bonds or Green Loans. This will include: <ul style="list-style-type: none"> » A list of the Eligible Assets being financed or refinanced, including description and asset value. » Confirmation that the Eligible Assets meet the eligibility criteria under this Framework, including if relevant, information on the characteristics, current NABERS rating, and performance of the Eligible Assets. » Allocation of net proceeds to earmarked Eligible Assets. » Disclosure of any unallocated proceeds. Where applicable, impact reporting will be incorporated within Use of Proceeds reporting.

4.0 Sustainability Linked Bonds and Loans

Sustainability Linked Bonds and Loans are performance based instruments where the cost of borrowing is linked to the performance of ambitious targets that are related and material to the borrower's sustainability strategy.

Unlike Green Bonds and Loans, proceeds from sustainability linked bonds and loans are not allocated and can be utilised for general corporate purposes.

Sustainability Linked Bonds and Loans issued under this Framework may take the form of:

- » Sustainability Linked Bonds in accordance with the ICMA Sustainability Linked Bond Principles; and
- » Sustainability Linked Loans in accordance with the LMA / APLMA Sustainability Linked Loan Principles.

This Framework covers the five core pillars of the above market standards, being:



Selection of Key Performance Indicators (KPIs)



Calibration of Sustainability Performance Targets (SPTs)



Financial Characteristics



Reporting



Verification

4.1 Selection of KPIs

KPIs for Sustainability Linked Bonds and Loans will be chosen on the basis that they are core, material and relevant to the GPT Fund's ESG Strategy and operations as identified in GPT's sustainability strategy and reporting.

GPT provides the following metrics as a guide for potential target setting for the issuance of Sustainability Linked Bonds or Loans:

- » Emissions reduction.
- » Renewable energy usage.
- » Energy efficiency.
- » Water consumption.
- » Waste, materials and resource management.
- » Improvement in externally rated environmental performance (e.g. NABERS, GRESB or other).
- » Other environmental or social sustainability metrics that are relevant to the relevant GPT Fund's overall ESG strategy and this Framework.

4.2 Calibration of SPTs

Based on the above KPIs, we will determine measurable and identifiable SPTs that are meaningful and aligned to our overall sustainability and business strategy and are set in accordance with market standards.

SPTs will be clearly specified in the relevant documentation for each Sustainability Linked Bond and Loan together with any material factors that may impact the achievement of the SPTs. All calculation methodologies will also be disclosed alongside the selected SPT in the relevant documentation.

4.3 Financial Characteristics

Proceeds of any Sustainability Linked Bonds or Loans will be available for general corporate purposes unless otherwise stated.

These transactions will feature financial and/or structural characteristics that encourage the achievement of the SPT. This may include both penalties and/or incentives, depending on the transaction. The magnitude of the coupon or margin adjustment, as well as the effective date(s) will be clearly set out in the relevant documentation for each transaction.

4.4 Reporting

GPT will clearly state the scope, detail and frequency of reporting in the relevant documentation for each sustainability linked instrument.

For Sustainability Linked Bonds, at a minimum the relevant GPT Fund will undertake annual reporting regarding the issuance and performance in relation to the SPTs and will make such reporting available on its website or to lenders as required by market standards.

For Sustainability Linked Loans, the relevant GPT Fund and arranging bank(s) will agree on the appropriate reporting parameters and timing for disclosing information on sustainability performance to the lender(s).

4.5 Verification

For each Sustainability-Linked Bond or Loan on issue, an appropriate external verification will be undertaken. This includes obtaining a second party opinion and assurance of sustainability performance prior to issuance, as well as ongoing annual assurance of performance in relation to the selected SPTs for each issuance.



5.0 Governance

The GPT Board (in the case of GPT) and the GPT Funds Management Limited (GPTFM) Board (in the case of GWOFF and GWSCF) have ultimate responsibility for, and oversight of, this Framework and the issue of any Sustainable Debt under this Framework.

The GPT Audit Committee and GPT Sustainability and Risk Committee (SRC) will oversee matters relating to Sustainable Debt issued by GPT.

The Audit Committee is a sub-committee of the GPT Board, responsible for matters including financial reporting, treasury and internal controls. The SRC is a sub-committee of the GPT Board, responsible for GPT's risk management and sustainability including its approach to climate change and progress in meeting sustainability targets. The Audit Committee and SRC meet four times a year and will consider Sustainable Debt matters and opportunities for GPT on an ongoing basis as required.

For Sustainable Debt issued by GWOFF or GWSCF, the GPTFM Audit Compliance and Risk Management Committee (ACRMC) will have oversight.

The ACRMC is a sub-committee of the GPTFM Board, responsible for matters such as sustainability, treasury, financial reporting and risk management. The ACRMC meets four times a year and will consider Sustainable Debt matters and opportunities for GWOFF and GWSCF on an ongoing basis as required.

6.0 Framework Assurance

GPT has engaged EY to provide external assurance in relation to this Framework and confirm alignment with the ICMA Green Bond Principles, the LMA / APLMA Green Loan Principles, the ICMA Sustainability Linked Bond Principles and the LMA / APLMA Sustainability Linked Loan Principles.

7.0 Further Information

Feedback and Updates

GPT welcomes feedback on this Framework from investors, lenders and stakeholders. Please email your feedback to gpt@gpt.com.au

While this Framework has been developed in accordance with market accepted principles and guidelines, we acknowledge that the global sustainable finance markets are evolving and may seek to update the Framework from time to time to reflect updates to best market practice as well as any changes in our sustainable debt strategy.

Further information on GPT's approach to ESG can be found on our websites www.gpt.com.au and wholesalefunds.gpt.com.au (as applicable) and in our Reporting Suite:

Annual Report

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

Sustainability Report

A detailed report of our sustainability policies, priorities, and progress along with future targets, released annually.

Environment Data Pack

Detailed data and important notes about our environmental performance, released annually.

Climate Disclosure Statement

A statement of the steps we are taking to identify, assess and manage climate change risks and opportunities, prepared in accordance with TCFD recommendations.

Corporate Governance Statement

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

Modern Slavery Statement

A statement of our actions and plans to identify and prevent modern slavery within our operations and across our supply chains.

Results Presentation and Data Pack

A summary of GPT's operating and financial performance and key developments in our business and portfolio, accompanied by a data supplement released every six months.

Property Compendium

Consolidated information about the assets in the Group's property portfolio.

Disclaimer

This Framework is a statement of intention and is not legally binding on The GPT Group, GWOFF, GWSCF or any of their subsidiaries or affiliates.

You may not rely on this Framework including, without limitation, as a basis on which to make an investment decision. To the extent that you rely on this Framework, you do so at your own risk.

This document does not constitute or form part of any offer to, or solicitation of an offer to, enter a transaction including, without limitation to issue, sell or buy Sustainable Debt. To the extent that any transaction is subsequently entered into between the recipients and any member of The GPT Group, GWOFF or GWSCF, such transaction will be entered into upon such terms as may be agreed by the parties in legally binding transaction documentation.

Unless expressly set forth in such binding transaction documentation, this Framework does not create any legally enforceable obligations against any member of The GPT Group, GWOFF or GWSCF. No representation is made as to the suitability of Sustainable Debt or any other opportunity to the recipients. While every effort is made to provide accurate and complete information, we do not represent or warrant that the information in this Framework is free from errors or omissions, is complete or is suitable for your intended use.

Any forward-looking statements contained in this Framework are based on a variety of estimates and assumptions. Such forward-looking statements, estimates and assumptions are inherently uncertain and may be subject to change. There can be no assurance that the estimates and assumptions made and forward looking statements will prove accurate, and actual results may differ materially.

