

Prepared with reference to
the recommendations of the
Task Force on Climate-related
Financial Disclosures
Released February 2021

Climate Disclosure
Statement **2020**

Introduction

“GPT is committed to minimise its impact on climate change and is pleased to disclose our progress in alignment with the TCFD recommendations to provide clarity and confidence to our stakeholders.”

Vicki McFadden, Chairman

About this Statement

Climate change is a global challenge. The science is clear: ongoing carbon emissions are contributing to dangerous levels of climate change, resulting in an increase in the frequency and intensity of climate-related events around the world. Leadership and action to curb emissions is essential. In many countries, including Australia, market expectations and government policy are shifting to address this challenge.

As the owner and manager of a \$24.4 billion portfolio of office, logistics and retail properties across Australia, GPT recognises the importance of identifying, monitoring and transparently reporting the climate change risks and opportunities that could have a material impact on GPT's assets and on the communities in which we operate.

This Climate Disclosure Statement outlines the steps that GPT is taking to identify, assess and manage climate-related risks and opportunities. The Statement has been prepared with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Taking action to address climate change

GPT's actions to address climate change align with our overarching commitment to sustainability and to achieving positive outcomes for the communities in which we operate, our people and the environment. This commitment is articulated in our Sustainability Policy.

During 2020, GPT announced a revised target to achieve carbon neutral operations across all managed assets by 2024, six years ahead of our original 2030 target, in recognition of the importance of continued action to address climate change.

GPT has a strong governance culture. The Board and Leadership Team are well informed of climate risks and opportunities and oversee our leading carbon neutral program as well as the climate risk management response processes. Our Climate Disclosure Statement is approved by the Board and prepared in consultation with our cross-functional TCFD Reference Group, which contributes to the identification of foreseeable climate risks and opportunities and assists in formulating and implementing our ongoing response to climate change.

In addition to providing this Climate Disclosure Statement, GPT participates in multiple environmental, social and governance (ESG) indices and benchmarks to measure our sustainability performance and provide transparency for our stakeholders.

Reporting suite

This Climate Disclosure Statement is part of the GPT corporate reporting suite for 2020. It should be read in conjunction with other reports and statements including:

Annual Report

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

Environment Data Pack

Detailed environmental performance reporting guided by the Global Reporting Initiative (GRI).

Sustainability Report

A report guided by the Global Reporting Index (GRI) that details our performance, priorities and progress in addressing material sustainability matters. (To be released in March 2021.)

GPT Website

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



Contents

- | | |
|-------------------------|---|
| 1. Introduction | 18. Appendix A:
Emissions Scenarios |
| 3. Governance | 19. Appendix B:
Risk Analysis and
Mitigations |
| 6. Strategy | 27. Appendix C:
Glossary |
| 10. Risk Management | |
| 12. Metrics and Targets | |
| 17. Next Steps | |



Using scenario analysis to understand risks and opportunities

In line with the TCFD recommendations, GPT uses climate scenario analysis to examine the potential future risks and opportunities of climate change under two distinct categories:

- » **Transition impacts** – reflecting the risks and opportunities associated with changes in the economy, including policy and regulatory changes, industry transformations as a result of decarbonisation, and other macro-economic factors.
- » **Physical impacts** – reflecting the changes in the physical climate and both chronic and acute climatic events that may impact future business activities, such as changes to rainfall volume, intensity and timing, and increased storm intensity.

Insights from this climate scenario analysis contribute to major decisions to enhance the climate resilience of our business so that we continue to generate value for stakeholders over the short, medium and long term.

At a glance: Our response to climate change

GPT has a strong track record of taking action to reduce emissions and address climate-related risks and opportunities, and has been reporting on our goals and progress since 2005.

We recognise the importance of preparing our business to successfully adapt to multiple climate scenarios.

Our leadership and actions in response to climate change achieve both positive physical environmental outcomes and position the Group to manage the risks and benefit from the opportunities that arise in the transition to a low carbon future.

Climate resilience

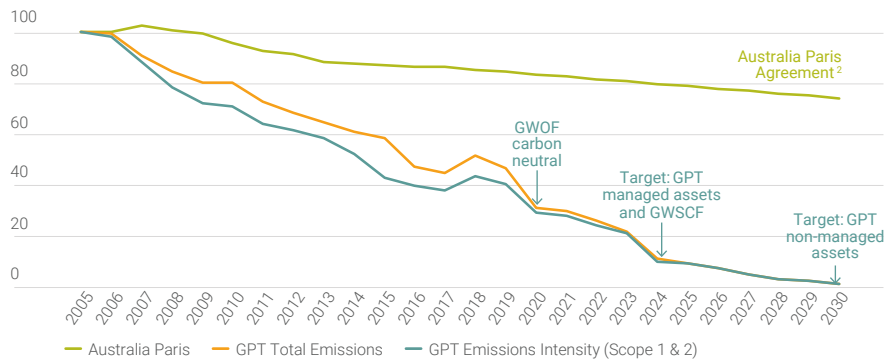
GPT owns and manages a portfolio of high quality commercial properties, diversified across asset classes and locations within Australia. This diversification, together with our long term approach to asset ownership and management and our prudent capital management, increases our resilience to sector risks and market shocks, as seen by our performance throughout the COVID-19 pandemic. This same strategy also makes us more resilient to the physical and transitional risks of climate change.

Our assets are primarily located in Sydney, Melbourne, and Brisbane. These cities have diverse economies and relatively stable climates and are well-positioned to navigate any major stresses and shocks that may result from climate change.

Climate risk is considered in the development and major capital expenditure decisions that ensure we maintain a high quality portfolio. Formulating climate adaptation plans and identifying asset-level hazards is helping us to identify risks and plan capital expenditure to enhance the resilience of our assets over the long term. For example, investments in lighting, air conditioning and vertical transport upgrades improve a building's operational efficiency which contributes to both operational cost savings and reduced emissions.

Chart 1: GPT Net Zero vs Australia Paris Agreement¹

FOR MORE INFORMATION, SEE APPENDIX C.



Leading emissions reductions

GPT has a long-standing commitment to climate action. We began voluntarily procuring renewable energy in 2007 and first achieved Climate Active carbon neutral certification for our corporate operations in 2011.

We are at the forefront of emissions reduction in the property sector by managing and certifying carbon neutral operations for our properties and portfolios. Achieving GPT's carbon neutral operations targets for our buildings is a key part of our response to climate change. After more than a decade of continuously improving energy efficiency and reducing emissions, in 2017 GPT announced a target to achieve carbon neutral operations certification for our owned and managed portfolio by 2030. In August 2020, we brought this target forward by six years, following the success of our Energy Master Plan in reducing emissions. Our target is now to achieve certified carbon neutral building operations for all GPT owned and managed assets by the end of 2024.

In 2020, the GPT Wholesale Office Fund (GWO), managed by GPT, achieved carbon neutral certification for its portfolio of operating office buildings. This certification delivers on the international carbon neutral commitment made by GWO in 2018.

The GPT Wholesale Shopping Centre Fund (GWSCF) has set a target to achieve carbon neutral operations by 2024 for the managed portfolio.

We are working towards the goal of carbon neutral operations by 2030 for the jointly owned and externally managed assets in our portfolio. We continue to work proactively to influence and support our tenants, customers, and suppliers in their efforts to reduce emissions.

GPT's emissions reduction pathway tracks significantly ahead of Australia's commitments to the Paris Agreement, ensuring that we contribute to attempts to keep global warming below 2 degrees and reduce the risk of dangerous climate change. This also reduces GPT's exposure to transitional risks, such as climate-related policy and market expectation shifts, and opens up opportunities to benefit from a low carbon future.

"We have set an ambitious target for the Group's managed portfolio to be carbon neutral by 2024 and are pleased with the progress we are making. Our actions to maximise the use of renewable energy and reduce our energy consumption are the most important contributions that we can make to climate change mitigation."

Bob Johnston, Chief Executive Officer and Managing Director

1. Calculated using Australia 2005's absolute emission as start point with subsequent years absolute emissions normalised to that point to compare changes in emissions over time (indexed). GPT's emissions are calculated using this indexed technique against our 2005 emissions baseline and are assured to 2020.

2. Australia's emissions projections 2019, Commonwealth of Australia 2019.

Governance

GPT’s approach to managing and reporting climate change risks and opportunities is guided by our overarching commitment to sustainability, as articulated in our Sustainability Policy.

The GPT Climate Change and Energy Policy states our commitment to carbon neutral building operations, responding to climate change risks and opportunities, managing emissions and energy consumption, and supporting and encouraging our stakeholders in their aligned endeavours to address climate change.

To achieve these policy objectives, we consistently monitor and assess the climate change risks and opportunities likely to impact our assets and incorporate these considerations into investment and business decision-making.

The Group takes a long-term, holistic approach to managing our assets. We regularly and publicly report our sustainability performance and progress with independent verification. We work in partnership with our customers and supply partners to manage our sustainability performance in a way that enables our stakeholders to hold us to account.

Climate-related business risks are considered and addressed through the GPT Risk Management Framework, applying the same governance approach to controls and decision-making pathways as other key business risks. The Framework is aligned to ISO31000:2018.

GPT’s approach to managing emissions and energy consumption is overseen by the Board and the Sustainability and Risk Committee (SRC), who require delivery through an ISO 14001 certifiable Environmental Management System.

Management report to the SRC on compliance with GPT’s ISO certifiable Environmental Management System and on matters such as the delivery of environmental performance targets.

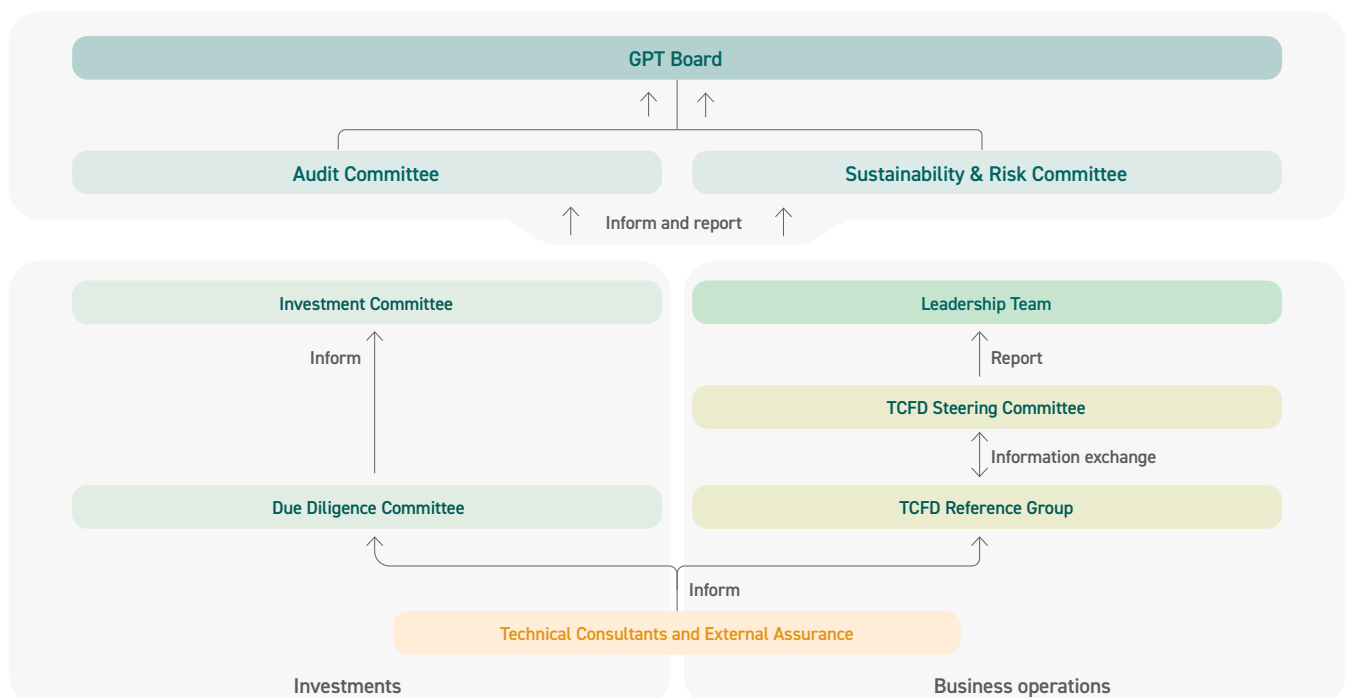
Our carbon neutral targets, in accordance with ISO 14001 management standards, first seek to eliminate greenhouse gas emissions within our control before purchasing renewable energy to power our operations, and offsetting any emissions that cannot be avoided. We further enhance the environmental outcomes by also working in areas of influence such as our supply chain and tenants.

FIND OUT MORE ABOUT HOW WE MONITOR AND ASSESS ASSET-LEVEL CLIMATE RISKS AND OPPORTUNITIES IN THE STRATEGY SECTION.

Find out more about GPT’s approach to corporate governance and risk management in the GPT Annual Report 2020, Corporate Governance Statement and on the GPT [website](#).

Chart 2: Climate Governance Framework

The Group’s climate governance framework facilitates the systematic management of climate change risks and opportunities across GPT to mitigate potential negative impacts and maximise potential opportunities. The framework is outlined in the chart below.



Governance (continued)

GPT Board of Directors

The key functions of the Board are set out in the Board Charter, which is available on our website: www.gpt.com.au

The GPT Board of Directors ('Board') has ultimate responsibility for overseeing the application and management of the Risk Management Framework and Environmental Management System to ensure that climate-related financial and environmental risks and impacts are appropriately identified and assessed.

Climate-related risks are considered in the performance of the Board's duties, including in relation to business strategy, major investments and strategic commitments, risk management, and performance metrics and associated remuneration. The Board also consider material climate-related risks in the context of its continuous disclosure obligations.

The GPT Board meets a minimum of six times each year and comprises seven independent Non-Executive Directors and one Executive Director.¹ The number of meetings held is reported in the GPT Annual Report, which is available on our website: www.gpt.com.au.

The Board and the Board Committees review GPT's governance to ensure it remains appropriate and takes into account any relevant regulatory changes.

Find out more about the GPT Board and corporate governance in the GPT Annual Report and Corporate Governance Statement, and on the GPT [website](http://www.gpt.com.au).

Sustainability and Risk Committee (SRC)

The SRC, a sub-committee of the Board, is responsible for considering any matters relating to the affairs of GPT that have been delegated to it by the Board. In accordance with its Charter, the SRC oversees GPT's risk management and sustainability. This includes:

- » Overseeing GPT's approach to sustainability, including environmental sustainability, social sustainability and climate change
- » Reviewing reports on GPT's Environmental Management Systems, including related assurance activity
- » Monitoring GPT's progress in meeting sustainability targets set by management, and
- » Reviewing and recommending to the Board for approval the Group's Climate Disclosure Statement and Sustainability Report.

The SRC meets quarterly with additional meetings scheduled as necessary. The proceedings, deliberations and recommendations from SRC meetings are reported to the Board by the Committee Chairman.

The Papers and Minutes of all SRC meetings are available to the full Board. GPT's enterprise-wide Risk Management Framework (consistent with AS/NZS ISO 31000:2018) guides this process. SRC meetings occur prior to Board meetings so any items of significance can be discussed with the full Board if required.

Climate-related risks are recorded in the Group's Key Risk Dashboard and are regularly reported to the SRC and the GPT Leadership Team. The SRC is updated each quarter on the key risks disclosed in the Climate Disclosure Statement and our progress against stated metrics and targets, including key projects such as carbon neutral certifications, key asset-level physical risk assessments, solar PV project delivery and climate adaptation planning.

Climate-related risk disclosures are reviewed by the Board on an annual basis during the preparation of the GPT Climate Disclosure Statement.

» DETAILS OF METRICS AND TARGETS CAN BE FOUND IN THE METRICS AND TARGETS SECTION.

Audit Committee

The Audit Committee is a sub-committee of the Board that oversees the Group's corporate reporting, treasury, taxation, internal audit and external audit practices. The Audit Committee supports the SRC and the Board on climate-related matters by considering material risks in GPT's financial reporting. The Committee meets quarterly.

Management's Role

Our Chief Executive Officer and Managing Director (CEO) is accountable for ensuring that the Group is identifying, assessing and managing material risks including climate change and other sustainability risks in accordance with GPT's Risk Management Framework.

The Chief Risk Officer (CRO) is responsible for ensuring GPT's management teams are identifying, assessing and managing climate change risks and opportunities effectively and in accordance with the Risk Management Framework and Environmental Management System.

The CRO also manages the Sustainability Team, which is responsible for formulating and ensuring implementation of GPT's sustainability initiatives and facilitating climate change related responses with the TCFD Reference Group.

GPT recognises the requirement for effective risk management as a core capability and consequently all employees are expected to be managers of risk.

1. Gene Tilbrook retired from the Board on 31 December 2020.

Climate-related management process

In 2020, GPT established the TCFD Steering Committee to oversee our climate disclosure. The TCFD Steering Committee consists of Chief Operating Officer (COO), Chief Financial Officer (CFO), and CRO and meets four times a year. The CRO chairs the TCFD Steering Committee and sponsors the climate-related risks and opportunities response as a member of the GPT Leadership Team.

The Steering Committee is supported by the TCFD Reference Group, which is responsible for identifying the foreseeable climate-related risks and opportunities presented in this Statement and embedding ongoing climate change risk identification and management processes. The Reference Group includes representatives from our Office, Retail, Logistics, Asset Management, Operations, Development, Investment Management, Funds Management, Sustainability, Procurement, Risk and Finance teams.

Reference Group members are responsible for ensuring that climate change planning and mitigation processes are implemented in their business areas to promote longer term business resilience. The Reference Group meets twice a year to discuss existing and new climate-related risks and opportunities, our progress in delivering our committed actions, and for training. Each business area within the Reference Group also undertakes additional planning sessions to enhance the risk assessment and mitigation processes that are relevant to their part of the business.

Considering climate factors in major investment decisions

All capital expenditure, acquisitions, divestments and developments with a value of over \$5 million are approved by the GPT Investment Committee prior to either CEO or Board consideration and approval. The Committee meets every two weeks, or more frequently if required. It is chaired by the COO and consists of the CEO, the CFO, the General Counsel, the CRO, the Head of Funds Management, the Head of Office and Logistics and the Head of Retail.

All proposals submitted to the Investment Committee consider sustainability issues. Key risks of each proposal, together with mitigating strategies, are identified as part of this process, which may include climate-related risks.

Where appropriate (for example, in the case of acquisitions), decisions of the Investment Committee are subject to sign off by the Due Diligence Committee, a sub-committee of the Investment Committee. The Due Diligence Committee is chaired by the CRO and is responsible for the review and approval of all due diligence in respect of a proposal approved by the Investment Committee. Members of the cross-functional Due Diligence Committee include representatives from Capital Transactions, Legal, Financial Analysis & Planning, Research, Treasury, Tax and Risk. A key input to the deliberations of the Due Diligence Committee is the reports of expert consultants, including with regard to sustainability matters.

Accountability for climate targets

Accountability for the Group's sustainability and climate-related targets and outcomes is reinforced through the Key Performance Indicators (KPIs) in the performance targets of the CEO, the COO, the CRO, all members of the Sustainability Team and key operational-level staff members. In the case of the CEO, COO and CRO, these KPIs are directly linked to remuneration outcomes. These key climate-related performance indicators are reported to the Sustainability and Risk Committee on a quarterly basis.

Find out more in the Remuneration Report within the 2020 GPT Annual Report.

Find out more about GPT's external assurance and process in the Environment Data Pack, available on the [GPT website](#).





Strategy

The proactive identification and management of key risks and opportunities, including those related to climate change, supports the achievement of our business strategy.

GPT's overarching business strategy is outlined in the Annual Report for 2020.

Our business strategy of owning, managing and developing a diversified, high quality portfolio of property assets principally located in the economically stable and resilient cities of Melbourne, Sydney and Brisbane positions us well to manage stresses and shocks, including those from climate change.

This strategy also supports a long-term approach to investment in initiatives to help achieve our sustainability goals, including tools to inform building design and operations, and climate scenario modelling. This benefits our tenants and our broader stakeholders, and improves the resilience of our assets to the impacts of physical climate risks.

GPT's Climate Disclosure Statement outlines our risk management process to identify and deal with climate-related risks and opportunities. Through these processes, together with natural catastrophe modelling and valuation work undertaken by our insurers, there have been no specific climate-related risks identified which we believe could have a material impact on our current business model or strategy.

GPT's climate-related risks and opportunities are identified in Appendix B. The costs and benefits of responding to these risks and opportunities are embedded into our business-as-usual processes.

Efficiency strategies provide significant opportunities

The resilience of environmental resources and processes is fundamental to our continued ability to conduct our business activities and deliver financial returns now and into a low carbon future.

For over a decade, we have improved the energy efficiency of our buildings and reduced their emissions. To date, GPT has cumulatively avoided \$249.5 million in energy costs and 1.8 million tonnes of carbon dioxide equivalent (CO₂-e) compared to our 2005 baseline.

The savings are derived from low cost improvements, management practices, lifecycle equipment replacement programs and specific energy efficiency upgrade projects that usually deliver a return on investment within five years.

In August 2020, we revised our target for all GPT-managed assets to be carbon neutral by 2024, bringing the former target date of 2030 forward by six years.

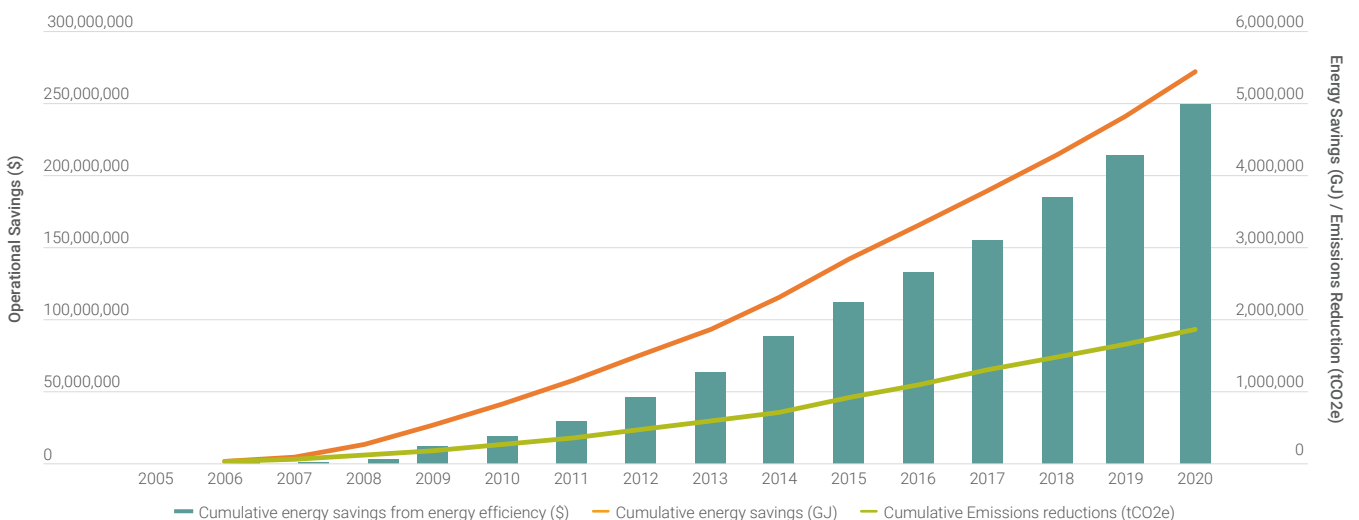
The GPT Wholesale Office Fund (GWOFF) portfolio of operating premium and A-grade office buildings completed Carbon Neutral Certification for their operations in December 2020. GWOFF was an inaugural signatory to the World Green Building Council's Net Zero Carbon Buildings Commitment and is the first to deliver a portfolio of Carbon Neutral Buildings within the Commitment.

Our carbon neutral targets are a key driver of our climate strategy, with our actions guided by the GPT Energy Master Plan. Under the Master Plan, we have implemented a unified certification pathway to ensure that our properties meet the standards for a range of recognised carbon neutral pathways. The GPT pathway incorporates carbon neutral certification by NABERS and Climate Active in alignment with the Greenhouse Gas Protocol.

Chart 3: GPT's Energy Efficiency Results

The chart below shows GPT's accumulated financial, energy and emissions savings from energy efficiency improvements.

FOR MORE INFORMATION, SEE THE CHARTS ON PAGE 13 AND THE ENVIRONMENT DATA PACK AVAILABLE ON OUR WEBSITE.





150 Collins Street, Melbourne

Climate strategies that are guided by science

The GPT Group’s commitment to managing our energy and emissions is primarily guided by the scientific imperative of preventing dangerous climate change by limiting global warming to below 2 degrees Celsius.

As a result of our strategy and our actions, GPT remains on track to deliver emissions reductions well ahead of Australia’s Paris Agreement target to keep global warming below 2 degrees. We believe that our strategy positions us well to manage any low carbon economy transitional risks. Refer to Chart 1 on page 2 to see GPT’s emission reduction pathway compared to Australia’s Paris targets.

In a low emissions scenario, regulatory changes and market expectations will be the drivers of the transition to a low carbon economy to avoid dangerous climate change. The strategies that we have implemented as part of our Carbon Neutral 2024 target will provide business opportunities, including differentiating our buildings for prospective tenants, securing investment, and operational efficiency savings.

The built environment contributes 23 per cent of Australia’s greenhouse gas emissions.¹ At GPT, we believe that being a leader in delivering carbon neutral building operations is one of the biggest contributions that we can make to the UN Sustainable Development Goals (SDGs).

Find out more about our sustainability performance in our Sustainability Report and Environment Data Pack, which are available on the GPT [website](#).

Our carbon neutral journey



1. Australian Sustainable Built Environment Council (ASBEC) (2016), 'Low Carbon, High Performance: How buildings can make a major contribution to Australia's emissions and productivity goals

Strategy (continued)

Climate scenarios inform our approach

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. This aligns with the Climate Measurement Standards Initiative (CMSI) recommendation released in September 2020. The two scenarios we have adopted are aligned with the Representative Concentration Pathways (RCP), which describe different climate futures depending on the volume of future greenhouse gas emissions and provide guidance on likelihood of physical and transitional risks as recommended in the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report.

FURTHER DETAIL OF THE CLIMATE SCENARIOS IS IN APPENDIX A.

These scenarios have been used to test the GPT business strategy and to develop strategies that address climate-related risks and opportunities. Through a series of TCFD Reference Group workshops facilitated by an external advisor, we determined the risks, opportunities and strategy response by considering:

- » The **potential physical impact** to GPT's assets or to the regions they are located in which could damage or limit the asset's capacity to operate.
- » The **potential of transitional impacts** of policy, regulatory or market and stakeholder expectations changes regarding material expenditure items that are carbon intensive.

DETAILS OF THESE CLIMATE RISKS AND OPPORTUNITIES ARE IN APPENDIX B.

Timeframes

In undertaking the scenario analysis, GPT considered our strategy and response to climate change impacts over the following timeframes:

- » **Short-term (before 2030):** up to 10 years - the period covered by the current business strategy and also the term within which most leases will expire in GPT buildings.

Our climate scenarios



Low emissions scenario

Aligned with RCP 2.6

Global temperature rises of well below 2°C
Broadly aligned with Paris targets

Requires a more rapid rate of decarbonisation and associated policy, regulatory and market changes in the near term. Transitional risks will be highest.



High emissions scenario

Aligned with RCP 8.5

Global temperature rises of between 2.6 - 4.8 C over the 21st century

Emissions continue without constraint, resulting in dangerous climate change. Physical risks will be greatest and will accelerate in the medium, long and very long term.

- » **Medium-term (2030-2040):** 10 to 20 years - the period within which most buildings will require lifecycle works on major capital equipment.
- » **Long-term (2040-2060):** 20 to 40 years - the period that coincides with potential major redevelopments for most assets.
- » **Very long-term (Out to 2100):** Generally business considerations don't extend to 2100. However for long-term business decisions such as major redevelopments, GPT will include analysis of the most cost effective pathways to maintain resilience to high emissions scenarios.

These timeframes have been defined with reference to the typical building lifecycle, providing the flexibility to make decisions asset by asset, rather than taking a one-size-fits-all approach to evaluating risks and opportunities.

For example, an established building that is approaching a major redevelopment will undertake detailed physical risk assessments and develop design and construction responses to improve its resilience to foreseeable physical risks over the next 50 years. This also applies to new developments.

In contrast, an asset built 10 years ago will be approaching a major mechanical plant upgrade and its scenario risk assessment will focus on the foreseeable risks to that plant's operation over the short to medium term.

The physical risk assessment for a recently developed asset will focus principally on administrative and management control to address current physical risks and maximise opportunities that arise from the transition to a low carbon economy.

Industry engagement and public policy

GPT participates indirectly in climate change policy development through our membership and participation in industry organisations including the Property Council of Australia, the Green Building Council of Australia and the City of Sydney's Better Buildings Partnership. GPT believes that the development of a shared response is important for the property sector as many climate change risks are shared and resilience is best created at a regional level.



CASE STUDY 1: BUILDING CLIMATE RESILIENCE INTO DEVELOPMENT AT 32 SMITH

Developing an office building is a privilege that leaves a lasting legacy, one that must remain intact as our environment changes over time. As a real estate company, we have the responsibility and opportunity to design and construct buildings that enable their occupants to thrive and which will operate sustainability and cost-effectively into the future.

As the effects of climate change become more evident, physical and transitional climate risks must be addressed during the development process to ensure buildings are resilient should these risks eventuate.

We have incorporated resilience strategies into our 32 Smith office development in Parramatta to ensure its climate resilience.

Anticipating transitional risks

The transition to a low-carbon future will alter expectations of the real estate sector. Three transitional risks were identified as most relevant to 32 Smith and addressed in the building's development.

1. Tenant and investor expectations - In response to increasing tenant and investor expectations, 32 Smith will operate on a carbon neutral basis from its first day of operations. On-site photovoltaic solar arrays and the procurement of renewable electricity will eliminate the largest source of inherent emissions from the building.

2. Reliance on fossil fuels - Anticipating that fossil fuel dependency may increase future operating costs, 32 Smith is designed to accommodate an all-electric heating, ventilation and cooling (HVAC) system when the current gas boiler system reaches its end of life. Taking these steps now for a cost of approximately \$50,000 during development future-proofs the building for these capital upgrades if needed in the future.

3. Changing consumer behaviour - To ensure 32 Smith remains an attractive asset for both investors and tenants in the future, the car park has higher ceiling heights than required by building standards to enable these levels to be converted into additional office space if driving to work declines in the future. This added an additional \$450,000 to the building's development cost however provides significant flexibility regarding the use of floorspace within the building into the future.

Addressing physical risks

Two physical risks are particularly relevant for property development in Parramatta and were incorporated into the development of 32 Smith.

1. Flood risk - As a riverside city the Parramatta CBD is exposed to flood risk. This risk could increase as the effects of climate change become more apparent, meaning that buildings may be affected

by more serious flooding, more often over the building's lifetime. For 32 Smith, we positioned the car park, key plant and equipment on and above ground level rather than in their typical basement location, avoiding site excavation. This includes one of the first elevated electrical substations in Parramatta, which is located on Level 1 above potential future flood levels. The costs of these measures were offset by the savings from avoiding site excavation works.

2. Extreme heat - The Western Sydney region is exposed to heat conditions that are expected to become both more frequent and more extreme with climate change, and which would impact the building's indoor comfort for our tenants.

In anticipation of these future heat events and to maximise indoor comfort today, 32 Smith's design uses external shading features for each level. This maximises shade while providing good levels of indoor sunlight. The façade also incorporates specially coated double glazing that reflects energy from sunlight to reduce heat while maintaining good visibility outwards for building occupants.

By considering these transitional and physical climate-related risks during the building's design, GPT has ensured that 32 Smith is efficient today and can remain both efficient and resilient as the climate changes in the future.

Transitional risks addressed



Tenant and investor expectations regarding carbon neutral operations



Fossil fuel dependency increases operating costs as prices change



Changing consumer behaviour reduces revenue from building features



Parramatta CBD is exposed to riverine flooding which is forecast to become more extreme



Extreme heat conditions in the region are forecast to become more extreme and frequent

Risk Management

“GPT manages climate-related risks and opportunities through its enterprise Risk Management Framework. Climate change risk has been identified on our Key Risk Dashboard and receives attention at the highest levels in our business and is considered in all major investment decisions.”

Jacqui O’Dea, Chief Risk Officer

GPT recognises that effective risk management is fundamental to achieving our strategic and operational objectives.

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

Applying our enterprise-wide Risk Management Framework, GPT’s Risk Team monitors the operation of risk management processes and assists in the identification, assessment, treatment and monitoring of identified risks. The Risk Team supports the GPT Leadership Team, the GPT Board, the Funds Management Board, and their respective committees in ensuring that the business is managing risk appropriately.

Integrated approach to climate change risk management

As stated in the Sustainability and Risk Committee (SRC) Charter, the SRC regularly receives and reviews reports regarding material business risks and oversees the progress of management action plans.

Climate change risk is included on GPT’s Key Risk Dashboard, which is reviewed every six months by the SRC and quarterly by the Leadership Team. As detailed in the Governance section of this Statement, the SRC also receives quarterly updates on the status of the actions and commitments disclosed in the metrics and targets section of this Statement.

GPT’s cross-functional TCFD Reference Group meets twice a year to identify and assess the existing climate-related risks and opportunities for each of the climate scenarios adopted by GPT, and discuss and capture any new risks and opportunities.

The Reference Group scenario analysis workshops consider the potential impacts of climate-related physical and transitional risk, and are examined against GPT’s Risk Consequence and Likelihood Matrix, which enables risk consequence to be assessed across a range of dimensions including strategy and financial, operations (people, processes and systems), community and reputation, legal and compliance, health and safety, and environment. Risks with high inherent risk ratings are examined in depth to ensure appropriate management responses are in place to lower the inherent risk rating to a point where material impacts are likely to be avoided.

Those risks with the highest inherent risk rating (likelihood and consequence) are then monitored, with any action or mitigation plans reported to the Steering Committee.

We have provided GPT’s current response and strategy and future approach in Appendix B in accordance with Australian Accounting Standards Board Practice Note 2.

[DETAILS OF OUR CLIMATE-RELATED RISKS ARE IN APPENDIX B.](#)

[FIND OUT MORE ABOUT OUR RESPONSE TO THESE RISKS AND OPPORTUNITIES IN THE STRATEGY SECTION.](#)

Identifying asset-level climate hazards

During 2020, we conducted desktop scenario analysis of 61 assets to identify the climate-related physical hazards relevant to their location, delivering on a commitment made in our first Climate Disclosure Statement.

Transitional risks were considered at the portfolio level under the low emissions scenario, in which regulatory, policy, and market requirements and expectations lead to greater change in the economy in the short and medium term.

Physical risks were considered at the asset level under the high emissions scenario to identify the potential emergence of physical hazards at each asset over the very long term (out to 2100).

[DETAILS OF THIS REVIEW, INCLUDING THE METHODOLOGY USED, CAN BE FOUND IN APPENDIX B.](#)

Find out more about GPT’s approach to materiality and key risks in the GPT Group Annual Report and Sustainability Report.



Artist's impression



CASE STUDY 2: ANTICIPATING PHYSICAL CLIMATE RISKS IN THE REDEVELOPMENT OF QUEEN & COLLINS

GPT is applying our understanding of asset-level climate hazards to the planning of development projects to consider potential future climate-related physical risks and incorporate them into building designs.

Climate resilience considerations during the planning stage informed GWOF's redevelopment of the Queen & Collins building in Melbourne's city centre. The project is transforming the 34-level landmark tower and adjacent heritage buildings into a boutique office precinct that blends its gothic character with contemporary design. The development is substantially enhancing the precinct's entrances, building lobbies and street-level connection, complemented by 1,100 square metres of new high quality ground level retail.

Queen & Collins is targeting carbon neutral certification as well as 5 Star Green Star and NABERS 4.5 Star Energy and 4 Star Water ratings when completed to verify its ongoing sustainability performance.

During the development's planning stage, a climate resilience workshop was held with the broader project team, including the architect, consulting engineers, climate consultants, and development managers, to discuss the likelihood and impact of climate-related physical risks to the building and how to best address them in the building's design.

The workshop focused on two climate risks particularly relevant to the Melbourne CBD; heatwaves, and intense rainfall and flooding. The impacts of the identified climate risks were considered across a range of factors, including occupant safety, plant and equipment selection and location, design, and the building's operations, efficiency and ongoing management.

To mitigate the effect of these risks, the heating, ventilation and cooling (HVAC) system was enhanced to provide spare capacity in the event of extreme heat events. The switch room was positioned above the ground floor to avoid flood impacts, with overland flood paths incorporated into the design to facilitate run off in the event of major storms.

These considerations enhance the resilience of Queen & Collins and will provide occupants with a comfortable place to work, shop and dine for many years to come. Addressing climate risks and opportunities as part of the development process ensures that our buildings are efficient, resilient, and attractive to tenants and investors into the future.

Physical risks addressed



Melbourne CBD is exposed to intense rainfall and flooding which forecast to become more severe



Heatwave conditions in the region are forecast to become more extreme and frequent

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.

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 are working towards our goal of achieving carbon neutral operations for GPT-managed assets by the end of 2024. Key milestones achieved this year include:

- » Operating GWOF assets were certified carbon neutral in 2020, which achieved the target set in 2018
- » Increased our onsite renewable energy generation capacity to 4.6 MW
- » Advanced our plans to develop climate adaptation plans and asset-level climate assessments

Investment Portfolio – Measuring our buildings’ emissions

GPT monitors our direct climate change impacts and reports on emissions, energy, water and waste for each property annually. Our Environment Data Pack 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 change metrics:

- » Energy consumption and energy production in base building and tenancies (gigajoules)
- » Scope 1 greenhouse gas (GHG) emissions in tonnes of carbon dioxide equivalent (tCO₂-e)
- » Scope 2 greenhouse gas (GHG) emissions in tonnes of carbon dioxide equivalent (tCO₂-e) disclosing both a location-based and market-based result
- » Water consumption (kilolitres)
- » 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)

GPT operates an Environmental Management System independently reviewed against ISO14001:2015 standards. In accordance with the Australia Government Climate Active approach, GPT focuses on Scope 3 emissions, which are those material impacts within our operational control, including emissions from waste, water and energy transmission losses.

These emissions are considered within GPT’s operational control as we procure the services and/or manage the utilities which generate the emissions. GPT’s material Scope 3 emissions are derived from waste, gas, and water metrics. GPT eliminates Scope 3 transmission losses from electricity by procuring 100% 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 outlined in our Climate Change and Energy Policy, GPT is committed to actively engaging with our stakeholders to reduce greenhouse gas emissions and energy use. These stakeholders include tenants, building occupants and visitors to GPT’s properties. 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.

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. 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 back up electricity and occasional refrigerant gases from air conditioning systems.



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. 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.



Cockle Bay Park, Sydney (artist's impression)

Measuring embodied carbon

The majority of GPT's properties were built more than 10 years ago, when metrics on embodied carbon in new construction were not available. Consequently, a baseline of the embodied carbon in our properties has not been determined.

For future development projects, we have begun forecasting the embodied carbon that would occur in construction and considering ways to reduce it. These new developments will enable GPT to establish embodied carbon metrics and understand where opportunities are to set targets in the future.

Measuring our organisation's emissions

The operations of GPT's business premises and corporate activities, including travel and consumables, have been on a carbon neutral basis since 2011. GPT obtains external validation of its carbon neutral status through the Australian Government's Climate Active certification. This certification covers material Scope 1, 2 and 3 emissions. GPT aims to reduce emissions through initiatives such as improving the energy efficiency of our offices and using technology to reduce the frequency of business-related flights. Emissions that can't be avoided in these areas are offset to ensure GPT's net emissions from our operations are zero.

Chart 4: GPT Group Energy Intensity

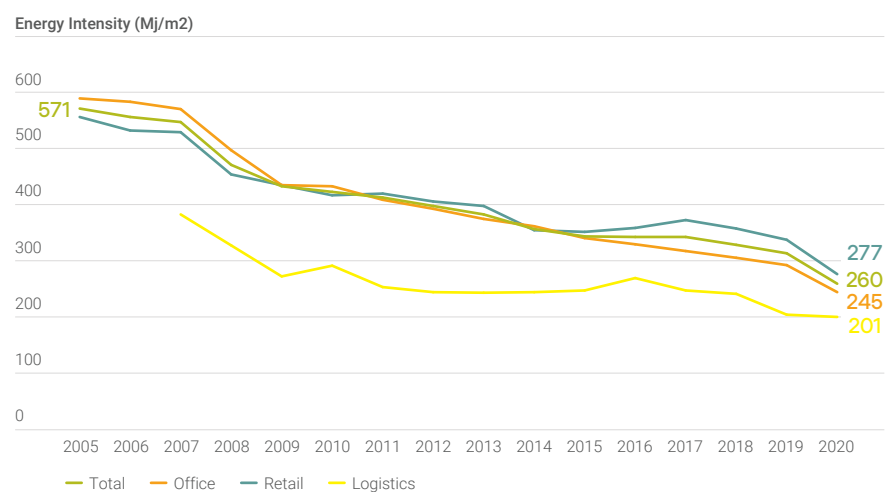
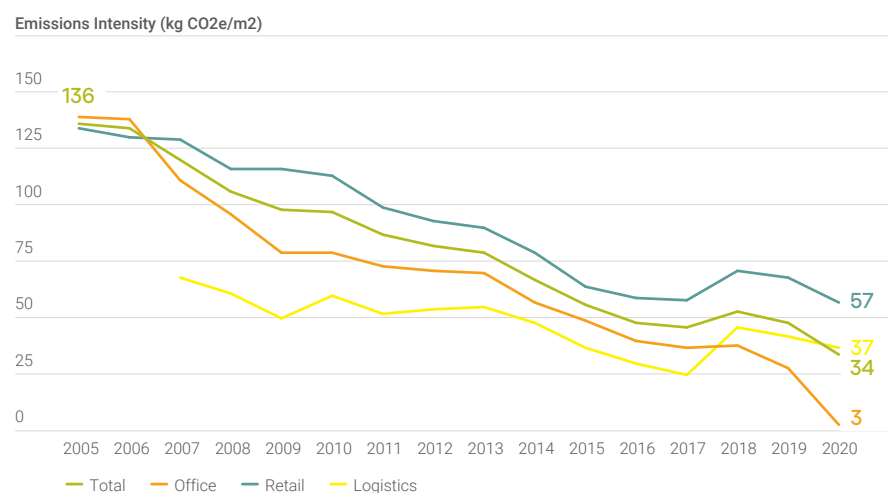


Chart 5: GPT Group Emissions Intensity



Metrics and Targets (continued)

Targets

GPT sets annual operational targets for energy, water and waste at an asset level, driven by operational optimisation programs and capital upgrades. Medium to long-term operational emissions targets are also set at a portfolio level to inform energy procurement and offsets.

Our performance against these targets is monitored through our management reporting systems to assess our progress towards carbon neutral operations, prioritising energy efficiency and renewable energy to reduce emissions and using carbon offsets against any remaining emissions. Environmental metrics including energy intensity, water intensity, landfill tonnage and emissions intensity are key performance indicators (KPIs) on the GPT Group Scorecard, which is outlined in the Remuneration Report within the GPT 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.

Table 1: Metrics and targets for our climate impacts

The metrics below gauge GPT's principal sources of Scope 1, 2 and 3 emissions and address climate-related risks. Changes to building utilisation during the COVID-19 pandemic contributed to greater improvements in environmental performance results than were otherwise expected during 2020. Further details are provided in Appendix B. These metrics are reported to the Sustainability and Risk Committee and Leadership Team quarterly.

[FIND OUT MORE IN THE GOVERNANCE SECTION.](#)

Metric Key Performance Indicator	Current performance	2021-2024 target	Medium to long term target
Base building carbon emissions intensity in kgCO ₂ e/m ² (Scope 1 and 2).	35 kgCO ₂ e/m ² at end 2020 (Exceeded target of 49 kgCO ₂ e/m ²)	32 kgCO ₂ e/m ² at end 2021	Carbon neutral – 0 kgCO ₂ e/m ² by 2030 for jointly owned and non-managed assets
GPT Wholesale Office Fund base building carbon emissions certified carbon neutral (Scope 1, 2 and 3) by NABERS and Climate Active in alignment with GHG Protocols by end 2020.	GWOF portfolio of operating buildings were certified carbon neutral	All GPT managed buildings certified carbon neutral by end of 2024	Maintain
Base building energy intensity in MJ/m ² .	260 MJ/m ² at end 2020 (Exceeded target of 308 MJ/m ²)	300 MJ/m ² at end 2021	Targets set annually, based on portfolio size
Maintain organisational carbon neutral certification in line with investor and tenant expectations.	Carbon Neutral Certified organisation since 2011, certified by Climate Active for our corporate operations.	Maintain	Maintain
Reduction in waste sent to landfill through closed-loop recycling, measured as a recycling rate.	33% closed-loop recycling achieved in 2020	34.5% closed-loop recycling by end 2021	
Reduction in water consumption, measured as base building water intensity in L/m ² .	600 L/m ² at end 2020 (Exceeded target of 839L/m ²)	Maintain water intensity while occupancy density increases	Targets set annually, based on portfolio size

Table 2: Metrics and targets for our response to climate change risks and opportunities

The following climate-related commitments are reported to the SRC and Leadership Team quarterly.

 [FIND OUT MORE IN THE GOVERNANCE SECTION.](#)

Metric Key Performance Indicator	Current performance	2021-2022 target	Medium to long term target
Improve NABERS Star ratings (without Green Power) for office buildings	Achieved average office portfolio rating of 5.1 Stars at end 2020	Achieve portfolio rating of 5 stars or better by end 2021	Maintain
Install solar PV arrays on assets where feasible to mitigate risks of rising energy costs	4.6 MW of solar PV installed across the portfolio at end 2020 (Exceeded target of 4 MW installed)	Update solar business approach to deliver a medium to long term plan by end 2021	Install 10 MW of solar PV across the portfolio
Develop an option for logistics tenants to have access to a rooftop solar PV supply to reduce their energy costs and meet growing stakeholder expectations	A pilot rooftop array has been installed at one asset with business model for roll out approved	100% of logistics portfolio reviewed and a rooftop solar PV offer provided where feasible to tenants by end 2021	Maintain
Minimum 5 Star Design and As-Built ratings for office and retail developments as an indicator of broad building resilience	5 Star Green Star or above certification achieved	Achieve 5 Stars or above on all developments (office and retail)	Maintain
Climate adaptation planning developed to identify and manage asset-specific climate risks and opportunities across the portfolio	Completed climate hazard identification for all assets by end 2020 (Meeting target commitment) Incorporated climate adaptation planning into the design phase of major developments from 2020 onwards (Meeting target commitment)	Climate adaptation plans to be completed for key assets by end 2022	Maintain
Lifecycle assessments (LCA) to include consideration of climate-related impacts on plant and equipment	Lifecycle assessments with consideration of climate change risks have been undertaken across the portfolio	Include LCA findings in all asset climate adaptation plans by end 2022	Maintain
Due Diligence Review to include climate risk consideration in investment recommendations.	Major development projects and acquisition include climate-related risk review.	All major investments (>\$5M) to formally consider climate risk in Due Diligence Reviews from 2021.	Maintain



CASE STUDY 3: USING SCENARIO MODELLING TO INFORM THE EXPANSION OF ROUSE HILL TOWN CENTRE

Development projects provide GPT with the opportunity to consider how smart building design today can meet the future needs of tenants, customers, local communities, and investors. We consider emerging trends and customer behaviours, as well as environmental trends, risks and opportunities to ensure that each completed development thrives, delivers financial returns, operates efficiently and remains resilient to the effects of climate change throughout its lifetime.

The planned expansion of Rouse Hill Town Centre in north-west Sydney has assessed and incorporated climate resilience into its design. The 69,700 square metre regional shopping centre combines indoor and outdoor retail in a contemporary town centre format close to the Rouse Hill metro Train Station. In planning the centre’s expansion, we conducted scenario modelling for the high emissions climate scenario (RCP 8.5) to assess the potential future impacts of climate change on the centre and inform its design.

Weather impact analysis examined the likely future impact of extreme weather events on visitor behaviour and the building’s operational performance. The two physical climate risks most relevant to the Rouse Hill area are the increased intensity of rainfall events and the increased maximum temperatures, with more frequent days with temperatures above 30°C during summer.

We modelled the effect of these risks on customer visitation numbers, tenants’ sales, vehicle traffic to the centre, and customer traffic patterns within the centre as shown below.

The findings of this scenario modelling informed the development’s design, with additional shading features incorporated to protect visitors against rain, wind and heat, and enhance comfort levels for those visiting the centre.

We also assessed the climate adaptation risks that may affect Rouse Hill Town Centre under the high emissions scenario (RCP 8.5), in which no action is taken to mitigate climate change and significant physical risks are realised, across the short, medium and long term.

We applied the scenario analysis process to examine the likelihood of climate hazards and their consequences for Rouse Hill Town Centre using the GPT Risk Consequence and Likelihood Matrix and prioritised climate adaption actions to address the highest likelihood and impacts on the centre.

Two physical risks under the high emissions scenario are particularly pertinent to Rouse Hill – increased extreme heat events and increased average temperatures. Extreme heat events are highly likely to lead to reduced comfort for tenants and visitors in outdoor areas and result in fewer customers visiting the centre on those

days. Increased average temperatures would likely increase cooling cost for tenants during summer and affect people visiting and working in the outdoor sections of the centre and in parking areas. We have identified actions we can take to address these effects in the short term to 2030, including increased shade features and tree canopy cover and greater use of on-site generated and purchased Green Power. We have also identified long term adaptation actions to consider for future capital works and developments, including the potential future use of green roofs (a roof covered with vegetation) to mitigate the urban heat island effect.

The modelling of future weather impacts and the high emissions climate scenario has shaped the design of our development. As a result, the development of Rouse Hill Town Centre will:

- » Include tree planting to provide greater shade in outdoor areas
- » Extend the basement car park rather than create a new open-air (on grade) car park with no shade, and
- » Install an estimated 500kW of additional solar photovoltaic system to generate on-site green power for the centre.

Addressing climate risks and opportunities in the development process ensures that our buildings are efficient, resilient, and attractive to tenants and customers into the future.

Potential future effects of physical climate risks to the centre



Rainfall

- » Heavy rainfall negatively affects customer visitation on business days and their movement around the centre, which may impact sales.
- » Light rainfall positively affects sales on non-business days and increases customer traffic to the centre.



Extreme temperatures

When outdoor temperatures exceed 30°C:

- » Customer visitation declines
- » Dwell time decreases
- » Customers visit fewer parts of the centre, which may have a negative impact on sales
- » Customer traffic decreases significantly

Next Steps

In our February 2020 Climate Disclosure Statement, GPT committed to a number of next steps for each thematic area of the TCFD framework. A number of these commitments have been implemented, with detailed descriptions of the new processes provided throughout this Statement.

There is further work required to enhance capability and embed processes for climate-related risk and opportunity management across the Group, which is now the focus of our next steps.

The table below outlines the key areas of focus to further embed climate-related risk and opportunity considerations in our business activities and enhance our climate disclosures.

Table 3: Next Steps

Governance	Improve alignment of internal reporting on climate change risks and opportunities (including to the Sustainability and Risk Committee) with GPT's Climate Disclosure Statement.
Strategy	<p>Develop internal capacity to ensure meaningful engagement with asset-level climate adaptation plans (see 'Metrics and Targets' for further detail of climate adaptation planning KPIs).</p> <p>All development approvals to consider embodied carbon and opportunities to reduce this impact.</p> <p>Further detailed analysis of climate scenarios and incorporate results into the Group's five year strategic plans.</p>
Risk Management	Enhance the approach to climate resilience by embedding climate change into business procedures including workplace health and safety, Investment Committee approvals and development briefs.
Metrics & Targets	<p>Expand relevant metrics to monitor and measure progress in managing climate change risks and opportunities as industry expectations evolve.</p> <p>Establish embodied carbon metrics and targets for developments.</p>

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. This aligns with the Climate Measurement Standards Initiative (CMSI) recommendation released in September 2020. The two scenarios we have adopted are aligned with the Representative Concentration Pathways (RCP), which describe different climate futures depending on the volume of future greenhouse gas emissions and provide guidance on likelihood of physical and transitional risks as recommended in the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report.



Low emissions scenario

Broadly aligned with the Paris Agreement’s goal to limit global temperature increases to below 2°C.

Considers global surface temperature change likely to be between 0.3° - 1.7° C by the end of the 21st century. (Aligned to RCP 2.6.)



High emissions scenario

Considers a long-term average temperature rise likely between 2.6° - 4.8° C.

More unlikely that temperature will be below 4°C across the 21st century. (Aligned to RCP 8.5.)

Most ambitious global emissions mitigation scenario.

In this scenario, transitional impacts are significant, with associated aggressive policy measures needed to reduce emissions quickly.

High-range scenario with one of the worst-case emissions outcomes.

This scenario assumes there is no additional effort to constrain emissions, marked by significantly increased physical risks, including heat stress, storms and extreme rainfall, flooding, landslides, air pollution, drought, water scarcity, sea level rise and storm surges.

Potential future socio-economic impact is mostly aligned with the Shared Socioeconomic Pathways (SSP)¹ Sustainability scenario, in which a gradual but pervasive shift towards sustainable development occurs that respects environmental boundaries.

Potential future socio-economic 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.

Sources:

IPCC, 2014: Climate Change 2014: Synthesis Report. Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, R.K. Pachauri and L.A. Meyer (eds.)]. IPCC, Geneva, Switzerland, 151 pp.). Also known as IPCC Fifth Assessment Report.

Earth Systems and Climate Change Hub. 2020. Scenario analysis of climate-related physical risk for buildings and infrastructure: climate science guidance.

Appendix B: Risk Analysis and Mitigations

Transitional Risks

A low emissions scenario is most likely to be achieved when there are greater changes in the economy brought on through policy, regulatory and market forces that combine to drive a fast rate of decarbonisation. The low emissions scenario presents a wider range of transitional risks than physical risks.

In our risk analysis and planning, GPT considered a low emissions scenario of RCP 2.6 which broadly aligns with the Paris Agreement commitments. We expect to see the transitional risks manifest in the short to medium term. See Appendix A for details of the emission scenarios used by GPT.

GPT's carbon neutral plans are industry leading with a 2024 Carbon Neutral target for all managed buildings and the GPT Wholesale Office Fund already delivering a Carbon Neutral Certified portfolio of buildings in 2020. Consequently, we are better prepared to mitigate the risks from a low emissions scenario and maximise the opportunities of a low carbon economy.

Considering transitional risks at the portfolio level

As transitional risks are unlikely to limit their impact to an individual asset within GPT's portfolio, our asset-level climate hazard identification focused on the physical risks.

When considering the IPCC Fifth Assessment Report, transformations in economic, social, technological and political decisions and actions are necessary to promote sustainable development and mitigate transitional risks. These can include new technologies or technological process optimisation, social and infrastructure development, integrated natural resources management, the formation of new financial structures, shifts in the location of activities, or information systems to support early warning and proactive planning. These risks are relevant across our broader portfolio and strategy development, rather than at individual asset level.

Table 4: Transitional Risks

POLICY AND REGULATORY CHANGES		
Significant regulatory and policy changes have already occurred in Australia over the past decade with aim to reduce emissions and the trend is expected to continue.		
Risk impacts	GPT's current response and strategy	Medium term approach
Changes to energy tariff structures and potential supply constraints	<ul style="list-style-type: none"> » GPT is reviewing the impacts of a transition to renewables and minimising exposure to regulatory changes which are most likely to see increased focus on demand requirements or energy reliability. » As part of our Energy Master Plan, the Group's activities in on-site electricity production and storage are an important mitigating strategy for potential increased regulation around energy reliability. 	As equipment lifecycle opportunities present, electrify the former gas infrastructure of assets to minimise dependency on fossil fuels.
Increased energy prices result in higher operational expenditure	<ul style="list-style-type: none"> » GPT is addressing the risk of rising energy prices under a low emissions scenario through the GPT Energy Master Plan, which provides a roadmap for the organization to achieve net zero carbon emissions while reducing energy cost exposure. The plan includes continued efficiency 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 GPT's energy strategy. » GPT avoided operation costs of \$35.8 million in 2020, and cumulatively avoided and saved the Group \$249.5 million in energy costs when compared to 2005 operational efficiency 	Explore energy storage options in anticipation that it will provide protection in the future when the majority of Australia's energy supplies are intermittent renewables.

Appendix B (continued)

Transitional Risks (continued)

Risk impacts	GPT's current response and strategy	Medium term approach
More restrictive land planning codes lead to lower supply of land for construction, resulting in higher capital expenditure	<ul style="list-style-type: none"> » Climate change impacts are considered by GPT's Due Diligence Committee as part of the investment decision making process. In cases where potential impacts may reduce our ability to undertake development projects in the future, investment decisions may change. For example, GPT has withdrawn from a land acquisition after identifying potential flood risks that significantly diminished the investment value of the property. 	<p>Engage with industry groups and peers to understand emerging legislation and regulation regarding land uses and planning codes.</p> <p>Detailed asset-level climate modelling will inform our understanding of potential physical risks that may drive land use and planning requirements.</p>
Regulatory changes regarding carbon intensive construction materials result in increased capital expenditure for construction	<ul style="list-style-type: none"> » GPT is working 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. 	As lower embodied carbon markets develop, firmer targets will be set for GPT developments and supply chains and refined over time.
Potential cost impacts from a price on carbon	<ul style="list-style-type: none"> » GPT continues to work to eliminate carbon emissions from our operations and therefore avoid impacts of a price on carbon where possible. GPT's carbon neutral strategy (detailed throughout this Statement) positions it well to limit any 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. During development projects, the majority of carbon emissions are from concrete and steel, which is a growing focus. Detailed operational data is available in our Environment Data Pack which is published on GPT's website: www.gpt.com.au. » With minimal exposure to the carbon intensive businesses tenanted our properties, a low proportion of our tenants' cost of operation are highly exposed to a potential price on carbon. 	Work with industry groups and peers to understand emerging regulation and policy developments and refine GPT's strategies where needed.

MARKET EXPECTATION AND ECONOMIC CHANGES

Risk impacts	GPT's current response and strategy	Medium term approach
Increased expectations from investors and tenants for buildings and portfolios to reduce their carbon impact	<ul style="list-style-type: none"> » In a world where there is to be increasing interest in action on climate change, GPT is well placed to meet the expectations of its investors and tenants. » GPT has completed carbon neutral certification for operating GWOFF assets. » GPT is targeting carbon neutral certification for our managed portfolio by 2024. » GWSCF is targeting carbon neutral certification for the Fund's portfolio by the end of 2024. 	<p>GPT jointly owned and externally managed asset are targeting carbon neutral certification by 2030.</p> <p>Develop strategies to offer solutions to our tenants to assist them in lowering their carbon footprint.</p>
Economic disruption, changes to consumer behaviour and structural changes in regional Australia associated with contraction in carbon-intensive economies and industries	<ul style="list-style-type: none"> » GPT has a diversified property portfolio primarily located in Sydney, Melbourne and Brisbane, and is not invested heavily in regional economies where carbon intensive industry dominates. GPT's strategy is to maintain an investment focus in these cities. 	Collaborate with industry and government to ensure resilient cities are maintained through industry group membership and participation industry consultation.

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 avoiding the eventuation of a high emissions scenario. Our precautionary principle approach to risk management approach nonetheless means that GPT is well prepared for the potential impacts of a high emissions scenario.

In our risk analysis and planning, GPT considered a high emissions scenario of RCP 8.5 which broadly aligns with a potential global warming of 4°C this century. See Appendix A for the emissions scenarios used by GPT.

Asset-level physical hazard identification

GPT conducted a physical hazard identification exercise for all assets in our portfolio during 2020, delivering on a target set in 2019 in response to climate change risks and opportunities.

These individual asset-level physical hazard reviews were guided by the high emissions (RCP 8.5) scenario with a view out to the long and very long term time period (out to 2100) to identify the potential emergence of physical hazards at each asset. To ensure that our assumptions align with an industry view, we have cross referenced our assessment of risks to our industry with the September 2020 Climate Measurement Standards Initiative report, 'Scenario Analysis of Climate Related Physical Risk for Buildings and Infrastructure: Climate Science Guidelines'.¹

A summary of the key potential impacts of each physical risk in the high emissions scenario 8.5 is provided in Table 5.

The impacts of the physical hazards have been grouped into direct and indirect asset impacts as part of these assessments. Direct hazards refers to the direct impact to GPT's assets, while indirect hazards refers to the impact on the surrounding community, infrastructure and business in which GPT's assets are located and upon which our business success depends.

To identify the direct impacts of physical hazards at an asset level, we considered the following attributes:

- » the duration or length of impact
- » approximate size of the common areas impacted
- » potential immediate health and safety impact
- » approximate cost of damage to both operation and capital expenditure
- » length of disruption to operations and tenants
- » implication to new builds.

To identify the indirect impacts of physical hazards at the asset level, we considered the following attributes:

- » the duration or length of impact
- » immediate financial impact to the greater regional economy
- » potential disruption or decrease of population
- » long term community impact.

Unsurprisingly for the high emissions scenario, various climate-related physical hazards were identified at our assets and these potential hazards showed strong alignment with the previous company-wide risk review. The asset-level exercise was used to inform priorities for deeper analysis to understand the potential risks that each hazard may cause for each asset. In turn, this information will be used for climate adaptation planning within each asset's lifecycle strategy.

As part of the asset-level physical hazard identification process, detailed climate risk reviews were piloted on assets. The detailed reviews will assist to better understand the potential likelihood and timing of physical hazards, allowing us to develop asset-level climate adaptation planning pathways. Detailed reviews and adaptation planning are also being incorporated into major development projects, as an input into decisions regarding plant and equipment to optimise building performance and efficiency into the future. Upon review of asset-level climate hazard identification and discussion with the TCFD Reference Group, we selected one asset from each of the Office and Retail portfolios to represent different geographical locations, potential physical impacts and climate adaptation plans accordingly.

The two pilot assets have been selected for detailed climate risk modelling using a tool called XDi. We have engaged XDi to quantify climate change impact under the high emissions scenario for multiple timescales out to 2100. Using the tool, we are modelling how different climate adaptation plans could be implemented and how this impacts the risk profile. For example, we can model the relocation and upgrade of plant and equipment at lifecycle upgrades or the outcome of increasing flood barriers during major redevelopments.

This pilot is underway at the time of writing this Statement. The XDi modelling tool's capacity to provide detailed insights into the potential magnitude and timeline for physical hazards will improve GPT's climate adaptation planning. In the future, we plan to build our internal capacity to use the tool, incorporate building detail into the tool, and to incorporate sophisticated tools like XDi into GPT's business planning. This will be reviewed during 2021.

Appendix B (continued)

Table 5: Physical Risks

HEATWAVES

The Australian climate is virtually certain to get warmer with increased impacts from heat extremes. Heatwaves are predicted to increase roughly in line with the change in higher than average temperatures for southern and central Australia, meaning an increase in the average number of days over 35–40° C that cause notable impacts to infrastructure, health and ecosystems.

Asset-level hazard impact assessment

GPT has reviewed the direct impacts of heatwaves on our assets, as well as indirect impacts on the economic viability of the regions in which they are located.

GPT retail and office assets have significant air-conditioning infrastructure with lifecycle upgrades occurring approximately every 15 years. We will continue to mitigate the impacts of extreme heat on our business through adaptation planning at lifecycle upgrades with the view to maximising the opportunities of the heat refuge value of these assets. Assets impacted by more intense heatwaves are implementing specific adaptation plans (for example, see the Rouse Hill Town Centre case study on page 16).

Logistics assets have varying mechanical and passive cooling qualities and are mostly 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 and access to air-conditioning to meet future expectations of operating conditions in heatwaves.

While the economic viability of the communities where we operate is not expected to be undermined by heatwaves, GPT assets will have a role to play in providing refuge for community members during periods of extreme heat.

Risk impacts	GPT's current response and strategy	Medium term approach	Long term approach
Increased capital expenditure and operational expenditure for cooling upgrades	<ul style="list-style-type: none"> » Managing increased business intensity and occupancy density in GPT buildings is driving the need for increased cooling capacity in our buildings. An infrastructure upgrade program is being implemented as a part of our capital works program, which includes planning to ensure that the cooling infrastructure meets potential future needs during extreme heat. The high-quality cooling infrastructure in GPT's buildings generates comfort conditions during heatwaves that allows for both 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. 	Increase the emphasis on passive design elements as well as demand management capabilities to ensure that peak air-conditioning loads avoid overlapping directly with network peaks during heatwaves to minimize operational costs.	Continue to review updates to climate modelling, technology advances, the detailed asset-level climate risk assessments and adaptation plans for further actions.
Potential damage to infrastructure resulting in utilities service interruptions and access issues for assets	<ul style="list-style-type: none"> » GPT has developed a business continuity plan for major acute events and natural disasters including the management of service interruptions and constrained access to assets. Work is being done on hazard identification and asset-level climate adaptation plans. 	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, relocated equipment to sheltered positions.	Engage with all levels of government to understand the resilience of infrastructure and update our strategies accordingly.

HIGHER THAN AVERAGE TEMPERATURES

In the high emissions scenario, south eastern Australia, where most GPT assets are located, is modelled to experience the higher range of increased average temperatures, meaning that average temperature increases in the long term could exceed 4°C.

Asset-level hazard impact assessment

GPT has reviewed the direct impacts of higher than average temperatures on our assets, as well as their indirect impacts on the viability of the regions in which they are located.

The major impacts at retail and office assets are expected to be increased operational and capital expenditure for cooling. This won't have a material impact on asset returns due to controls in place from the Energy Master Plan and lifecycle planning. In a similar approach to managing impacts from heatwaves, in the medium to long term logistics assets will require a greater focus on managing temperature conditions.

The economic viability of the communities in which we operate is not expected to be undermined by increased average temperatures.

Risk impacts	GPT's current response and strategy	Medium term approach	Long term approach
Increased capital expenditure and operational expenditure for cooling upgrades	<p>» See heatwaves for GPT's response and strategy for managing cooling requirements and the opportunities that arise from higher than average temperatures.</p> <p>Further, to manage ongoing operational expenses, GPT is investing in efficiency programs and air-conditioning optimisation systems that are reducing the energy costs required to operate our buildings. The GPT Energy Master Plan is also designed to manage energy costs through our electricity contracting process and demand management programs. GPT is also investing in on-site solar and battery projects to manage energy costs.</p>	<p>Increase the emphasis on passive design elements to provide maximum comfort conditions without the need for additional mechanical solutions.</p> <p>We anticipate that air-conditioning could become an aspect of logistics property design in the future as increasing temperatures impact working comfort conditions. On-site solar installations at logistics assets should mostly offset these additional energy costs.</p>	<p>Continue to deliver comfortable indoor conditions for those seeking respite from higher than average temperatures, and engage with local government to manage refuge risks and opportunities.</p>

Appendix B (continued)

Physical Risks (continued)

EXTREME WEATHER EVENTS INCLUDING FLOODS, SEVERE CONVECTION STORMS AND CYCLONES

The high emissions scenario predicts that extreme rainfall leading to small-scale flash flooding is very likely to increase. Riverine flooding will quite likely increase for river and surface water flooding, depending on the specific location of assets. There is low-medium confidence that the frequency of Category 4 and 5 tropical cyclones is projected to decrease, however there is the potential of an increase number of more severe tropical cyclones in a warmer world. Cyclone conditions are also forecast to impact further southward. It is projected that rising sea level will contribute to higher storm inundation levels, and an increase in atmospheric water vapor content with warming is expected to increase extreme rainfall intensity from tropical cyclones.

Asset-level hazard impact assessment

GPT has reviewed the direct impacts from extreme weather events including flashing flooding, riverine flooding, severe convection storms and cyclones, at our assets.

The vast majority of GPT assets are not exposed to flooding hazard. For assets with exposure to flooding hazard, we have invested in infrastructure to build resilience to ensure business operations viability. For example, after the 2011 Queensland floods GPT completed flood mitigation and pumps upgrades to build resilience against future riverine flooding for the Brisbane assets managed by GPT. We have also completed storm water pump electrical upgrades and installed upgraded back-up generator cooling systems in case of prolonged blackout from surrounding infrastructure. For more examples of proactive flood hazard management, see the 32 Smith St case study on page 9. Our assets are in regions where flooding is unlikely to cause severe economic disruption for any regular or extended periods.

Cyclone events already impact our Darwin asset, Casuarina Square, which has been designed to withstand major cyclones. Further modelling will be required to better understand the risks of cyclones impacting our southern Queensland assets and their communities in the long term.

Models at the asset-level of the impacts of severe convection storms are currently unavailable and so general trends for broad regions are considered. These events are inherently unpredictable but damage from these events is also restricted to small areas at any one time. The nature of impacts from severe convection storms would be more impactful to retail and logistics assets than office assets.

Risk impacts	GPT's current response and strategy	Medium term approach	Long term approach
Damage to buildings resulting in increased capital expenditure for repairs	<ul style="list-style-type: none"> » GPT works with its 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 now included in major developments to ensure buildings are resilient to extreme weather events in design.
Disruptions to operations resulting from extreme weather events	<ul style="list-style-type: none"> » GPT has detailed business continuity, maintenance and asset replacement plans that are updated on a regular basis. » The major cities of Sydney, Brisbane and Melbourne, where most of our assets are located, also have strong resilience plans and infrastructure that can withstand extreme weather events. 		

TIDAL INUNDATION FROM RISING SEA LEVEL

Based on the rate of sea level rise, tidal inundation is very likely to increase and cause damage to buildings and infrastructure. The global average sea level is projected to rise 61-110 cm in the high emission scenario in the year 2100. Under this scenario, the historical centennial event (HCE, or 1 in 100 year event) is projected to become an annual event for most of the Australian coast by 2050.

Asset-level hazard impact assessment

GPT has reviewed the direct impacts of tidal inundation from sea level rise on our assets, as well as indirect impacts on the regional economic viability.

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	Medium 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 business	<ul style="list-style-type: none"> » GPT has reviewed all assets for the threat of tidal inundation in line with a high emissions scenario for 2100. The portfolio is assessed as having minimal potential risk in the near 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 impacts from tidal inundation have the potential to undermine long term investment returns.

BUSHFIRE

It is projected that there will be an increase in the number of days with very high fire weather conditions in Australia as climate change becomes more extreme.

Asset-level hazard impact assessment

GPT has reviewed the direct impacts from bushfire on our assets, as well as the indirect impacts of bushfire hazards on regional economic viability where our assets are located.

The vast majority of GPT assets are not located in bushfire affected areas as our operations are largely confined to central business districts and industrial precincts, resulting in limited direct threat of physical damage to our assets. A small number of logistics asset are situated near low bush fire risks area and have bushfire management plan in place.

We also recognised, as a result of the extraordinary 2019/2020 summer bushfires, that assets outside of direct fire threats may be impacted by 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	Medium 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	<ul style="list-style-type: none"> » GPT's assets and operations are largely located in central business districts and industrial precincts resulting in limited direct bushfire threat to our assets. Our planning considers indirect threats such as the impact on surrounding infrastructure and air quality. The quality of our assets, in particular their ventilation and filtration systems, positions them well to deal with such events. » As a part of GPT's COVID-19 response, there will be improved filtration installed across our office portfolio. This will have a co-benefit improving indoor air quality during adverse climatic events including bushfires and dust storms. 	As a major property manager, it is expected that GPT will work with local authorities in developing community resilience plans and there is potential for GPT buildings to be a refuge for community during bushfires.	Review technology advances to provide greater bushfire resilience and engage with local government to manage refuge risks and opportunities.

Appendix B (continued)

Physical Risks (continued)

DROUGHT AND WATER SCARCITY

Time in drought is projected to be more prolonged with medium confidence for eastern Australia in the high emissions scenario, while in northern Australia the projected increase is significant only for the extreme drought category.

Asset-level hazard impact assessment

GPT has reviewed the direct impacts of drought and water scarcity on our assets, as well as indirect impacts on the regional economic viability.

GPT assets are situated in resilient Australian cities like Brisbane, Sydney and Melbourne, which have established water management plans and desalination plants as contingency, so extreme water scarcity that impacts the regional economic viability or our own operations is unlikely.

GPT's major water use at an asset level is for cooling towers. Water currently makes up less than 4 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	Medium 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.	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 ~40 per cent reduction in water intensity of its assets over the past 15 years.	Work with tenant to reduce water usage.	
Increased regulatory requirements regarding the allowable uses of water	» We continue to investigate strategies for reducing both our water usage and, in particular, the use of drinking water for operations.	Collaborate with local council and government to build resilient cities and water supply.	

Appendix C: Glossary

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

Table 5: Key Terms

Reference	Description
Australia Paris Agreement	<p>In this Statement, Australia Paris Agreement refers to Australia's 2019 emissions projection and trajectory to minus 26% target, and help determine how Australia is tracking against its emissions reduction targets under the Paris Agreement. The chart uses Australia's total emissions including Land Use, Land-Use Change and Forestry (LULUCF).</p> <p>www.industry.gov.au/policies-and-initiatives/australias-climate-change-strategies</p> <p>GPT's emissions reduction pathway tracks ahead of Australia's commitments to the Paris Agreement, ensuring that we contribute to attempts to keep global warming well below 2 degrees and reduce the risk of dangerous climate change. This also reduces GPT's exposure to transition risks, such as climate-related policy and market expectation shifts, and opens up opportunities for us to benefit from a low carbon future.</p>
Climate Active	<p>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.</p> <p>www.climateactive.org.au</p>
Climate Disclosure Standards Board (CDSB)	<p>The CDSB is an international consortium of business and environmental non-government organisations that offers companies a framework for reporting environmental information with the same rigour as financial information, enabling them to provide investors with decision-useful environmental information via the mainstream corporate report.</p> <p>www.cdsb.net</p>
Climate Measurement Standards Initiative (CMSI)	<p>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.</p> <p>www.cmsi.org.au</p>
Financial Stability Board (FSB)	<p>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.</p> <p>www.fsb.org</p>
Global Reporting Initiative (GRI)	<p>GRI is an independent international organization that provides organisations with the widely used standards for sustainability reporting, the GRI Standards.</p> <p>www.globalreporting.org</p>
Greenhouse Gas (GHG) Protocol	<p>GHG 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.</p> <p>ghgprotocol.org</p>

Appendix C (continued)

Table 5: Key Terms (continued)

Reference	Description
Intergovernmental Panel on Climate Change (IPCC)	<p>The Intergovernmental Panel on Climate Change (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.</p> <p>www.ipcc.ch</p>
NABERS	<p>NABERS stands for the National Australian Built Environment Rating System and 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.</p> <p>www.nabers.gov.au</p>
Paris Agreement	<p>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.</p> <p>unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement</p>
Representative Concentration Pathways (RCPs)	<p>RCPs are different greenhouse gas concentrations and their radiative forcing potential to describe different climate futures that are considered in scenario analysis.</p>
Shared Socioeconomic Pathways (SSPs)	<p>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.</p>
Task Force on Climate-related Financial Disclosure (TCFD)	<p>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.</p> <p>www.fsb-tcfd.org</p>
United Nations Sustainable Development Goals (SDGs)	<p>The UN SDGs are central to the 2030 Agenda for Sustainable Development, which was adopted by all United Nations Member States in 2015 and provides a shared blueprint for peace and prosperity for people and the planet, now and into the future.</p> <p>sdgs.un.org</p>

