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Strengthen action

A responsible organisation needs to be future focused, authentic and agile. At Goodman, the ability to evolve in an ever-changing world is essential in delivering our long-term strategy.

That's why we're building a highly responsible and sustainable business. One that makes a tangible difference to the planet and the people on it.

We think innovatively about the key issues that matter to all of us – supporting more sustainable supply chains, improving workplaces for people, and developing cleaner, greener, more compact cities.

We all have a role to play. That's why we've integrated ambitious and tangible ESG targets into our business – to help us live up to our purpose of making space for greatness.



FY22 performance highlights

Financial	OPERATIONAL	SUSTAINABILITY	
\$1.5bn Operating profit ¹	\$73bn Total AUM	SBT Science-based target	Targets for reducing carbon emissions validated by SBTi ⁷
81.3c Operating EPS ²	\$13.6bn Development work in progress	Carbon Carbon neutral operations	Addressing embodied carbon and on track for carbon neutral operations
\$3.4bn Statutory profit ³	98.7% Occupancy ⁶	US\$500m Sustainability-linked bond (SLB)	Establishment of Sustainable Financing Framework and issue of SLB
8.5% Gearing ⁴	3.9% NPI growth ⁶	203MW Solar installations and commitments	More than halfway to 400MW target of solar PV globally
\$20.9bn Available liquidity ⁵	\$8.5bn Revaluation gains	\$11.6m Charity contributions	Contributions from the Goodman Foundation and Goodman team

1 Operating profit comprises profit attributable to Securityholders adjusted for property valuations, derivative and foreign currency mark to market and other non-cash or non-recurring items.

2 Operating EPS is calculated using operating profit and weighted average diluted securities of 1,879.0 million which includes 15.3 million LTIP securities which have achieved the required performance hurdles and vest in September 2022 and September 2023.

3 Statutory profit includes the Group's share of valuation gains, non-cash items and derivative and mark to market improvements.

4 Gearing is calculated as total interest bearing liabilities over total assets, both net of cash and the fair values of certain derivative financial instruments included in other financial assets of \$133.3 million (30 June 2021: \$134.1 million). Total interest bearing liabilities are grossed up for the fair values of certain derivative financial instruments included in other financial liabilities of \$79.6 million (30 June 2021: \$62.3 million).

5 Includes available liquidity across the Group and Partnerships. Partnership investments are subject to Investment Committee approval.

6 Partnership industrial and warehouse assets (excludes office properties which have been earmarked for redevelopment) and represents 97% of Partnership assets.

7 Science Based Targets initiative.



Artist's impression of Green Dock Logistics Centre, Paris, France

CHAIRMAN'S LETTER



Stephen Johns

Independent Chairman

This year we've continued to prove our capabilities in all areas of Goodman's business.

We have a robust strategy to deliver essential infrastructure for the digital economy with an experienced and passionate team. We seek to realise our vision of making positive change to the environment and communities we operate in.

Throughout the year, we have progressed our sustainability initiatives across all aspects of the Environmental, Social and Governance areas. You will see throughout this report that our focus is on both short-term programs that we can implement and measure today, while establishing long-term strategies that will have an enduring impact on our business – and that of our customers – and stakeholders into the future. This includes the Group's Long Term Incentive Plan which provides alignment with securityholders and incorporates environmental and sustainability targets in assessing performance for all employees.

Investing in sustainable innovation

Over several years, the Group has been working to expand its innovation strategy. We aim to facilitate and invest in products that provide sustainable solutions to customers across property technology, supply chain, transport, construction and manufacturing. Examples include smart metering, carbon neutral building products, on-site safety management and the use of robotics and electric vehicles to assist with logistics and transportation.

Our investment strategy across these technologies provides the Group with greater access, visibility and insight into the technological trends affecting real estate. Our focus is on evaluating how these can be applied to our own portfolio to improve sustainable outcomes for all.



Sustainability governance

From 1 October, we will be establishing a new Sustainability and Innovation Committee to support the management team, and to enhance the Board's visibility and efficacy on our ESG initiatives. This Committee will be Chaired by Chris Green with Phil Pryke and newly appointed Directors Hilary Spann and Vanessa Liu as members. Chris, Hilary and Vanessa are all New York-based, actively work in the sustainability and innovation space in their day-to-day businesses, and therefore are expertly positioned for these roles. Phil has experience in the green energy field, is the Chair of the Remuneration Committee and plays an important role in setting and reviewing the aforementioned LTIP targets.

In summary, the Committee will have responsibility in relation to overseeing the Group's:

- + Sustainability strategy – including reviewing and monitoring performance, assessing material drivers and risks, making recommendations, and reporting on performance
- + Innovation strategy – including reviewing innovation and developments that may impact the Group's strategy and assets, and monitoring the performance of investments or potential collaborations.

[Sustainability and Innovation Committee Charter](#)


Board progression

This year we have made significant progress to deliver on our strategy to maintain a diverse Board with the appropriate mix of skills, gender and geographic representation. To this effect we have appointed two US-based Directors.

In April we appointed Hilary Spann, a highly experienced global real estate executive with an extensive background in public and private equity markets, both in the US and globally, with a particular focus on real estate. She is currently a senior executive at NYSE-listed Boston Properties, Inc.

Vanessa Liu was appointed in May. She's an experienced technology innovator, business leader and digital media entrepreneur. Vanessa is currently Co-Founder and CEO of SaaS technology company Sugarwork, and an Independent Director of ASX-listed artificial intelligence company, Appen Ltd.

Both Hilary's and Vanessa's experience and insights are well aligned to our long-term strategy and values, while bringing greater diversity to the Board and helping continue to shape Goodman as a forward-thinking company.



OUR SUSTAINABILITY INITIATIVES ARE
ENTRENCHED INTO THE GROUP'S
STRATEGY AND WILL CONTINUE TO
REMAIN A KEY PRIORITY FOR THE
BOARD AND MANAGEMENT.

Demonstrating action

This report demonstrates Goodman's continued determination to deliver tangible outcomes that will have a measurable and meaningful impact on the business and the wider community. Our Sustainability initiatives are entrenched into the Group's strategy and will continue to remain a key priority for the Board and management.

Sincerely,

Stephen Johns
Independent Chairman



Goodman Commerce Center Eastvale, Los Angeles, USA.

GROUP CEO'S LETTER

[Greg Goodman](#)

Group CEO

Goodman Group takes a long-term view. As providers of essential infrastructure for the digital economy, we recognise the impact that our business has on the planet and communities that we operate in.

Through our location choices, sustainable building approach, and focus on relationships, we work to make a tangible difference today, and long into the future. We integrate sustainability throughout our business. It's embedded in our values, our investment strategy and our key performance indicators for executive remuneration.

With \$73 billion of assets under management and \$13.6 billion of developments in progress around the world, we are one of the largest developers of industrial property globally. This scale comes with enormous responsibility. We acknowledge that our actions today can have significant implications in the future, so we lead by example.

Our properties add value to local communities and the wider economy and we know it's important that we continue to operate in a responsible and sustainable way. We continue to assess the most material issues for our business and have refined our 2030 sustainability strategy as the roadmap for our wide range of ESG activities.

Our strategy creates a framework to deliver on our sustainability targets that minimise our adverse impacts and maximise positive outcomes for people and planet. It shapes the operation of our core business, and we focus on the areas where we have the greatest control and influence, including the development and management of a global portfolio of sustainable industrial properties.

Through our strategy, Goodman is proactively responding to the global challenges of climate change. We're taking action now by reducing carbon emissions, using renewable energy and developing greener buildings. We're also adopting circularity, regenerating infill sites, building more equitable supply chains, and partnering with community groups. You'll read more about these activities and more throughout this report.

We believe that allocating financial resources and human capital to reduce potential impacts now makes commercial sense over the long term. By integrating sustainability throughout our business, we also achieve our financial goals as our properties and services will be more attractive to customers and investors well into the future.



Setting science-based targets

Reducing our carbon emissions is vital on the path to Net Zero.

Goodman is on track to maintain its carbon neutral status for its global operations for the second consecutive year. We continue to work on decarbonising our development projects, taking into account upfront embodied emissions and designing for efficiency throughout the whole building's lifecycle.

We are ready to go further. This year we developed science-based targets that will see us significantly reduce our global greenhouse gas (GHG) emissions by 2030. We are aiming to reduce absolute Scope 1 and 2 GHG emissions by 42% and relative Scope 3 emissions by 50% from an FY21 base year. These targets are approved by the Science Based Targets initiative and are aligned to the Paris Agreement's objective to keep global warming below 1.5 degrees. Meeting these goals, particularly Scope 3 goals, will require collaboration with our stakeholders including both suppliers and customers.

Increasing our investment in sustainability

Achieving these targets won't be easy. It will require genuine commitment, and significant investment in time, money and resources. However, we see both a moral and a financial business case for sustainability.

While we've been investing in the sustainability space for a number of years, our future commitment has increased to approximately \$820 million from \$700 million across the Group and Partnerships. This investment will fund our sustainability initiatives to 2025.

While it includes standard programs such as solar installations, LED lighting upgrades, water saving features, carbon reduction and renewable energy, we're also pushing well beyond these programs. We are investing in technology and innovation that will drive significant long-term change.

Goodman Business Park, Greater Tokyo, Japan.



Generating our own carbon offsets

Our first priority is to reduce our carbon emissions. Where we're unable to reduce our operational and embodied emissions, we purchase carbon offsets. As part of our approach, Goodman has recently made a strategic investment in an integrated carbon credit and regeneration platform – Wyuna Regenerative Agriculture.

Investing alongside Australia's Clean Energy Finance Corporation, this innovative project responds to multiple UN Sustainable Development Goals (UNSDGs), operating at the intersection of land regeneration, sustainable food production and carbon markets. It's focused on regenerating large areas of land driving biodiversity value and sustainable red meat production, together with the creation of carbon credits.

WE BELIEVE BUILDINGS THAT
AREN'T SUSTAINABLE AND ADAPTABLE,
WILL BECOME OBSOLETE OVER TIME.

Collaborating to reduce carbon in building products

Achieving carbon neutral buildings that require little to no offsets requires low-carbon, innovative building products and close collaboration. That's why we're working with material suppliers, industry groups and experts in the field to support the development of materials with lower embodied carbon.



Maximising property efficiency

We're also investing in innovative ways to get more productivity and operational efficiencies out of our buildings for customers. One solution is to invest in PropTech or other specialist technology companies to help them develop and grow. In return, we learn more about the future of these technologies and what they mean for our customers and industry. Examples include drone delivery technology and infrastructure through Skyports, parking management and traffic management systems and smart meters for energy and water.

Another way we help improve the efficiency of buildings is by optimising land use. Goodman's focus is on infill locations, close to consumers, where we can regenerate existing sites and optimise space by building multi-storey facilities.

Artist's impression, multi-storey development, Sydney, Australia.



Aligning with our customers' goals

A growing number of our customers are now on their own sustainability journeys. By providing the sustainable infrastructure they need, we're helping them achieve their own sustainability goals.

Although our sustainability investments are significant, they're prudent. Our customers increasingly require a minimum standard of sustainability features. For many, we help them go beyond that.

The benefits are twofold. While our actions drive positive customer relationships they make financial sense too – we believe buildings that aren't sustainable and adaptable, will become obsolete over time.

Highbrook Business Park, Auckland, New Zealand.



Generating financial sustainability

For a business to be truly sustainable, it needs to be financially sustainable. Goodman's consistent and prudent financial management provides the resources we need to carry out our sustainability vision. Capital markets endorsed this approach, so we created a Sustainable Finance Framework which provides us with financial flexibility to issue sustainability-linked bonds and loans.

This year, the Group issued a \$US500 million sustainability-linked bond. Additionally, several of our Partnerships have entered into sustainability-linked finance instruments. This is just one element of a capital management strategy which sees Goodman with available liquidity of \$20.9 billion across the Group and our Partnerships.

WE HAVE THE STRATEGY IN PLACE
TO MAKE A DIFFERENCE AND THE
COMMITTED CAPITAL, PEOPLE AND
RESOURCES TO EXECUTE IT.

Progressing our Reconciliation Action Plan

Goodman recognises the importance of Aboriginal and Torres Strait Islander communities in Australia. We also recognise the need for reconciliation and this year we've moved through the Reflect stage of our Reconciliation Action Plan (RAP).

We have created economic empowerment through charitable and business opportunities, as well as created cultural learning occasions for our people. We move forward through our RAP process with a strong determination to take action and make a difference.

Smoking Ceremony and Welcome to Country, The Hayesbery, Sydney, Australia.



Supporting workforce wellbeing

This year we continued to play close attention to the health and safety of our own people as well as the workforces of our customers and contractors. Goodman has embraced a flexible work environment that helps retain and attract the best staff globally. This flexibility supports our diverse and inclusive team by improving wellbeing, morale and productivity.

For our customers, we continue to evolve our designs to provide spaces that encourage wellbeing across their own workforce, such as providing more natural light, outdoor fitness equipment, stylish staff amenities and creating more breakout areas. This focus has led to Goodman being the first logistics real estate company in Hong Kong to achieve the WELL Health-Safety Rating from the International WELL Building Institute.

Stepping up the impact of our Foundation

In another challenging year, the Goodman Foundation made a tangible and sustainable difference to the communities we operate in, facilitating \$11.6 million in donations. We also extended beyond our established pillars, responding to emergencies including the humanitarian crisis in the Ukraine and the floods in Europe and Eastern Australia.

In addition to the worthy programs we support around the world, we also increased our support of the Australian Indigenous community.

UNICEF Blue Dot Hub.



Looking forward

Goodman has taken meaningful action and is making significant progress in achieving our sustainability targets. I'd like to thank our people, customers, investors and all other stakeholders for their continued support and contribution to Goodman's sustainable growth.

We have the strategy in place to make a difference and the committed capital, people and resources to execute it.

Sincerely,

Greg Goodman
Group Chief Executive Officer



About Goodman

Goodman is a global industrial property specialist group. We own, develop and manage high-quality sustainable properties that are close to consumers and provide essential infrastructure for the digital economy.

We have 410 properties located in key consumer markets in 14 countries across the Asia Pacific, Europe, the UK and the Americas. With \$73 billion of assets under management, we are the largest property group listed on the Australian Securities Exchange and invest significantly alongside our capital partners in our investment Partnerships.

But we're more than our properties. We're a collaborative team who work together to make a tangible difference for our customers, our people and communities we operate in. We believe in innovation, determination, integrity and sustainability – and we strive to make space for greatness in everything we do.

\$73BN

ASSETS UNDER MANAGEMENT

29

OFFICE LOCATIONS ACROSS ASIA PACIFIC,
EUROPE, THE UK AND THE AMERICAS

410

PROPERTIES

OUR BUSINESS

INTEGRATED MODEL



Goodman's Own Develop Manage model focuses our business on our customers' current and future needs.

We own and maintain high-quality properties close to consumers, we develop sustainable properties, and we manage our global investment portfolio to the highest standards. We work alongside our capital partners, which include sovereign wealth, pension and large multi-manager funds. In each market, our dedicated local teams take care of all aspects of property asset and investment management, ensuring a high level of customer service.

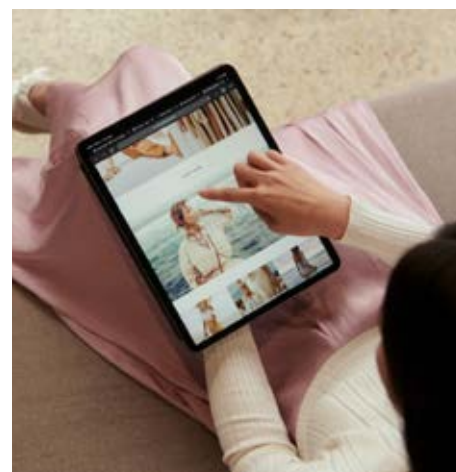
OUR

STRATEGY

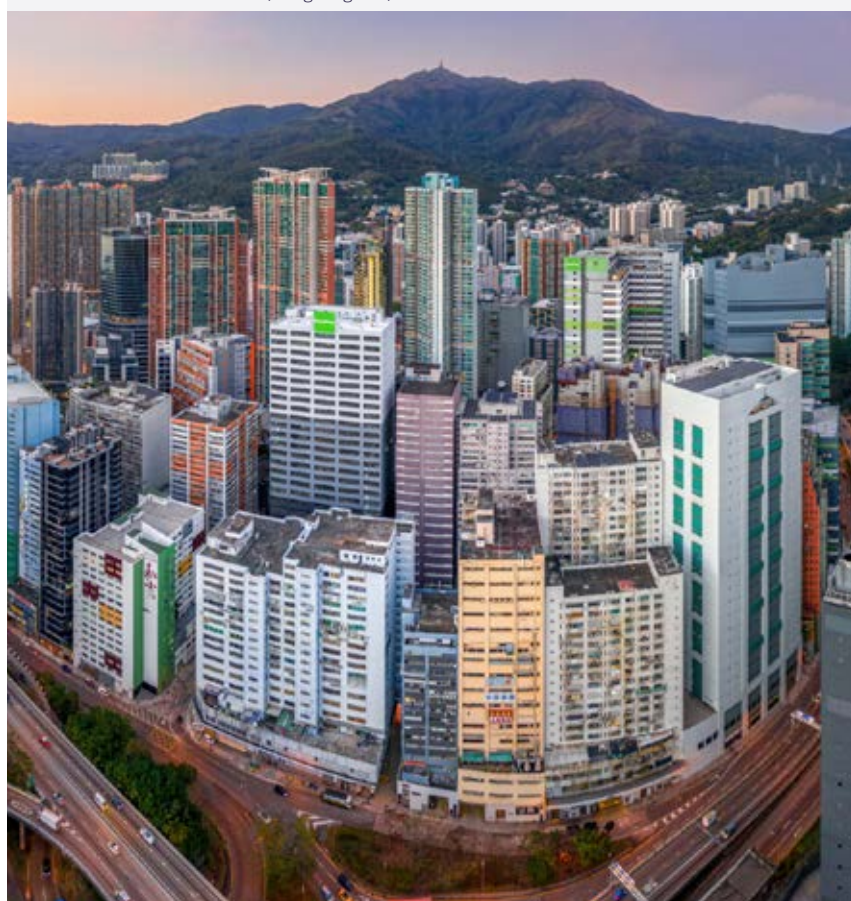
Providing essential infrastructure for the digital economy

Urbanisation, globalisation, demographics, digitisation, sustainability and an increased focus on health and wellbeing have all changed the way people live, work and consume. These structural shifts have increased the importance of industrial properties in the global supply chain.

Globally, the logistics and warehousing sectors are now considered essential infrastructure for digital economies, and key to the efficient distribution of products to consumers. As industrial property specialists, Goodman's long-term strategy is built on supporting our customers to operate in the most productive, sustainable and efficient way possible. We focus on key markets and concentrate our portfolio where we can create the most value for customers and investors.



Goodman Tsuen Wan West Centre, Hong Kong SAR, China.



Proximity to people

Our properties are located close to consumers, in urban infill locations where barriers to entry are high and supply is limited. Choosing locations close to large consumer populations helps our customers meet rising delivery and service expectations. It also provides greater resilience for customers' supply chains.

Accessibility

Properties located close to major transport infrastructure, like motorways, ports and airports, enable efficient deliveries and reduce supply chain costs and transport-related emissions for our customers. They also make commuting to work easier for our customers' workforce.

By positioning our portfolio in these key locations we are fulfilling our customers' needs for sustainable properties that provide efficiency and faster speed to market. In doing so, we are building a sustainable business for our investors.

STRATEGIC LOCATIONS

OUR NETWORK

\$73.0BN

AUM

410

PROPERTIES

14

COUNTRIES

1,000+

PEOPLE

EUROPE/UK

\$11.9bn

AUM

132

PROPERTIES

100%

OCCUPANCY

130+

PEOPLE

CITIES

Amsterdam
Birmingham
Brussels
Düsseldorf
Hamburg
London
Luxembourg
Madrid
Milan
Munich
Paris

ASIA

\$22.8bn

AUM

71

PROPERTIES

98%

OCCUPANCY

300

PEOPLE

CITIES

Beijing
Chengdu
Chongqing
Guangzhou
Hong Kong
Osaka
Shanghai
Shenzhen
Tokyo

AUS/NZ

\$29.8bn

AUM

179

PROPERTIES

99%

OCCUPANCY

370+

PEOPLE

CITIES

Auckland
Brisbane
Melbourne
Sydney

THE AMERICAS

\$8.5bn

AUM

28

PROPERTIES

96%

OCCUPANCY

100+

PEOPLE

CITIES

Los Angeles
New Jersey
Pennsylvania
San Francisco
São Paulo



As a global industrial property specialist, We aim to be the best at what we do, rather than the biggest. Our properties are strategically located in major consumer markets, providing our customers with faster speed to market and the opportunity to reduce transport costs and related carbon emissions. When considering new locations, our focus is on acquiring urban infill assets or brownfields sites that can be redeveloped into sustainable properties, allowing us to minimise our carbon footprint. With higher density of land use in these locations, our customers are looking to maximise their supply chain efficiency with greater utilisation of automation and increased sustainability features.

OUR

VALUES



Goodman's values reflect who we are today
and who we want to be long into the future.

OUR

PURPOSE

Oakdale West Industrial Estate, Sydney, Australia.



Goodman's purpose of making space for greatness recognises our stakeholders' needs and drives us to help them reach their full potential. Here's how we make space for greatness for each of our stakeholders.

Customers

Our customers come from a wide range of industries including e-commerce, logistics, retail, consumer goods, automotive, pharmaceutical and technology. Regardless of their sector, they all need the right properties in the right locations. Proximity to their end consumer is key: increasing speed to market, and reducing transport costs and related emissions. Our customers are increasingly taking a strategic approach to their infrastructure decisions. They're boosting their investment in our buildings to maximise both supply chain efficiency and overall capacity as the digital economy grows.

To help our customers make space for greatness, we create sustainable logistics spaces in high-quality locations. Here, the greatest ambitions of our customers can flourish as we give them the space and services they need to reach their goals.

Securityholders and investment partners

At Goodman, we manage the investment portfolio alongside our investment partners – some of the world's largest pension and sovereign wealth funds. We have a patient and long-term approach to managing capital and focus on growing a sustainable business over time.

This long-term approach guides our decision making. By owning, developing and managing high-quality sustainable properties in key locations, we provide both short-term and long-term benefits for our customers while simultaneously delivering sustainable returns for our Securityholders and investors.

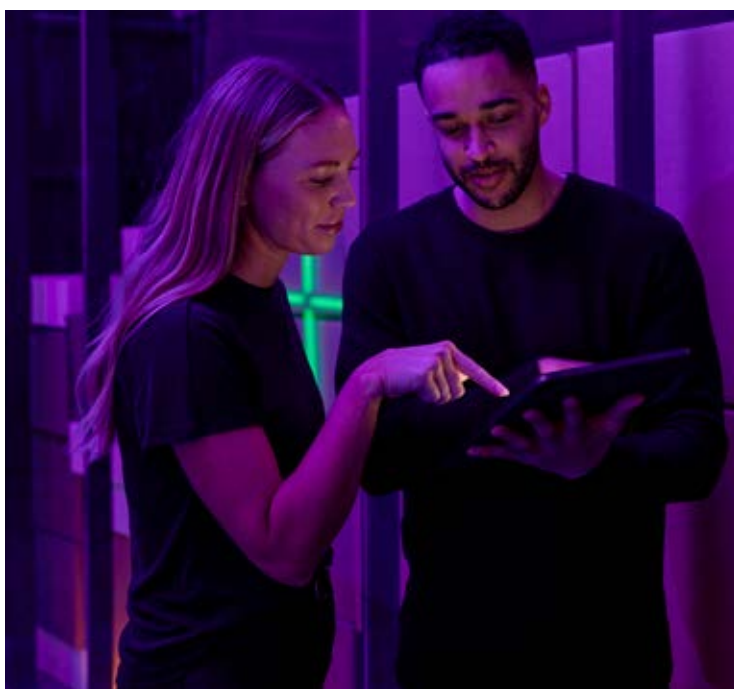
Community partners

We work with local charities and community partners in all our markets to make a positive difference. Whether it's working with organisations on emergency response, community and community health, children and youth, or food rescue and the environment, the Goodman Foundation provides tangible assistance that translates to real support where it's needed most.

We make space for greatness in the communities we operate in by taking a multi-year partnership approach with the organisations the Foundation supports. We share our resources, knowledge and experience to make a tangible difference and improve the quality of life, standard of living and health of people in our communities.



OUR TEAM OF 1000+ IN 29 OFFICES AROUND THE WORLD ARE KEY TO OUR LONG-TERM SUCCESS.



Our people

Our team of around 1,000 people in 29 offices around the world are key to our long-term success. Skilled and diverse, team members use their expertise across the range of cultures and locations we operate in to deliver strong results. There are many opportunities for our people to get involved, to learn and to build rewarding careers with us. Our sustainability strategy and actions help with attracting new talent and retaining our people.

Goodman encourages innovation. We look for people who want to realise their ambitions, challenge our thinking, drive change and develop new ideas that deliver a sustainable business, making a tangible difference today – and long into the future. Through Goodman's long-term incentive program, our team have a stake in our business, which motivates them to work hard and take a long-term strategic approach to decision making.

Supply chains

We acknowledge that providing a high-quality sustainable offering to our customers is a team effort, requiring relationships built on integrity. Our network of suppliers extends from our general building contractors who we work with closely to build facilities for our customers, to the providers of our office supplies.

In each case, we respect the needs of our suppliers. This ranges from implementing strategies against modern slavery to treating our suppliers as part of our team, keeping them safe and paying them fairly and on time. In return, we expect our suppliers to abide by our high standards and communicate these requirements within their own supply chains.



HOW WE'RE STRUCTURED

Goodman works as one integrated team, executing our global strategy on a local level.

Our specialist property management, development and investment management teams within countries work alongside our corporate services. By everyone focusing their skills we can provide a quality industrial property offering that best serves our customers and investors alike.

Our corporate governance statement provides more information on our corporate governance framework.

The Boards and Committees

Goodman Group is a triple stapled entity comprised of: the Australian company, Goodman Limited (GL); the Australian trust, Goodman Industrial Trust (GIT); and the Hong Kong company, Goodman Logistics (HK) Limited (GLHK). The Boards of GL and Goodman Funds Management Limited, as the responsible entity of GIT, comprise the same Directors while GLHK has a distinct Board with some overlap. Together they are referred to as the Boards.

The Goodman Boards and management team are committed to the highest standards of governance and recognise that an effective corporate governance culture is critical to the long-term performance of the business.

Goodman's corporate governance framework underpins our commitment to maximise long-term sustainable value for Securityholders through:

- + Effective controls, risk management, transparency and corporate responsibility
- + Strategic planning and alignment of the interests of employees with those of securityholders and other stakeholders
- + Meeting stakeholder expectations of a global ASX-listed entity through acting lawfully and responsibly while prudently managing both financial and non-financial risk.

Reflecting the increasing importance of sustainability issues and the continuing rate of change through technology and innovation, the Board has also agreed to establish a new Sustainability and Innovation Committee drawing on the skills and experience of Chris Green (Committee Chair), Vanessa Liu, Phil Pryke and Hilary Spann. The new Committee will commence from 1 October 2022.



Goodman's corporate governance framework



[View Goodman's 2022 Corporate Governance statement online](#)

[View Goodman's corporate governance framework documents \(including Charters and Policies\) online](#)

LIVE. SHOP. BUILD. RENEW.



As our climate changes, every action we take to mitigate its effects can have an impact on the future. Green buildings are only part of the solution.

Sustainability needs to be woven through every aspect of our lives, and sustainability thinking is vital. It's a perspective we need to apply to how we design, build and live in our cities, how we shop and even where we source our food.

We spoke to global industry thought-leaders to learn more about the big picture. Their take? The key to a cleaner, greener world is developing the ability to do more without requiring more. Here are their tips on where our attention needs to go.

[Watch the highlights video](#)

LIVE.



City living is on the rise. But what we think of as a successful city today – a place with high density office jobs in the centre, housing on the outside, and tourist attractions, amenities, services, and public space throughout – is fast becoming a thing of the past. Those attributes are still important, but there's something else making way for us to live more sustainably in these environments.

"Digitisation," says Professor Greg Clark, Group Adviser, Future Cities and New Industries for HSBC, "is revolutionising the way our cities work. Firstly, digitisation is making the systems of our cities more efficient. Transport, buildings, commerce, entertainment – so much more happens in an omni-channel way using digital platforms".



"
**DIGITISATION IS
REVOLUTIONISING
THE WAY OUR
CITIES WORK**
"

Greg says that the abundance of jobs in technology-led sectors is a development that allows city dwellers to work in ways that are connected to other parts of the planet. But digitisation is also shaping these individuals' lives every day. "It's giving our citizens a new set of choices about how they work, where they live, when they travel and how they consume."

During the industrial period land use in our cities was highly separated. But one of the effects of new, clean energy and buildings is that we're able to remix cities in ways we couldn't 100, 200 and 300 years ago.

"We now see it's perfectly possible," Greg says, "for clean industries to exist side-by-side with residential areas, schools, hospitals and more."

Creating efficiency with our land and building use means we're able to accommodate more people in our cities without the effects of overcrowding. One way to optimise the limited space we do have is to reclaim and re-utilise brownfield locations, or urban sites that have already been developed, and to move them from single static use, to mixed use, plus flexible formats. "Agile land use," says Greg, "is a very important new ingredient for cities."



The switch to digital cities

According to Clark, the digital city will be a place “that optimises its space, and also the time of its citizens, by making access and connectivity instant, predictable and seamless.” It will shape cities that, over time, will become cleaner, greener and more compact.

Cities are attracting more people than ever before. Today, 57% of us – a total of 4.4 billion people – live in cities. This percentage is trending upwards. By 2050, the World Bank says almost 70% of us will be city dwellers.

“The shapes and sizes of our cities have actually been changing for some time,” says Clark. “Because we can now do so many things these days online, cities have to switch focus and specialise on things that are best done face-to-face, or, face-to-place.”



It’s true our cities are already starting to feel different. There are more delivery vans in the city during the day, buses and trains are less full than pre-pandemic but are getting fuller, and office buildings can be busy some days but not others. “Cities are in a great adjustment process,” says Clark, “trying to manage the road and the transport system to be able to accommodate the changes in patterns of travel, delivery and distribution.”

Offices too are reinventing themselves as places of creativity and connection, and employees have new expectations of what a safe, healthy and flexible working environment is.

As our cities change around us, if we want to achieve Net Zero, we need to change the behaviours of those living in them. As Clark points out, given our burgeoning urban populations, cities are an essential part of a sustainable future for all. “Without cities and the people in them, and the ability of cities to trigger behaviour changes, and spur new innovations,” Clark says, “we can’t decarbonise the planet.”



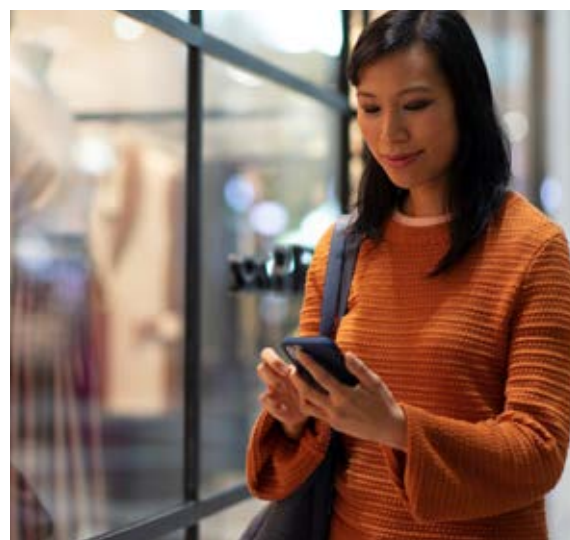
SHOP.

Consumers know what they want and today, they want more than ever before. As the retail industry scrambles to reconfigure its offering for the digital era, consumers are raising their expectations. One of the fastest growing expectations is that their next purchase will be a sustainable one.

“The retail sector has undergone seismic structural shifts,” says Natalie Berg, retail analyst, trend forecaster, and founder of retail consultancy, NBK Retail.

Those personal shopping devices (aka: phones) we each have in our pockets, Natalie explains, do more than allow us to be digitally connected when we walk into a physical store. They empower us to shop on our own terms.

“We’re seeing an acceleration in the demise of mediocre retail,” says Natalie. “COVID has exacerbated the many challenges the industry was facing, and retailers are finding that if they weren’t relevant before the pandemic, they’re certainly not relevant now.”



“

**WHEN WE THINK
ABOUT THE STORE
OF THE FUTURE
IT HAS TO BE
FRICTIONLESS**

”

Natalie predicts that in the future, retail will consist of fewer but better-quality stores, and that investing in e-commerce and digital experiences will be crucial to meet customers wherever they are.

More than ever before, retailers will need to be agile. The path to purchase is no longer linear and there is a plethora of choice when it comes to how shoppers access retail brands. We’re experiencing a convergence of our online and offline worlds and, according to Natalie, it will soon be hard to know where one world ends and the other begins.

“When we think about the store of the future it has to be frictionless,” says Natalie.

Ironically, delivering that level of experience in a physical store in the 21st century relies heavily on technology. According to Natalie, the challenge for retailers is working out how to do it so they offer customers an experience that is seamless, integrated and holistic.

“Retailers have to give shoppers a compelling reason to ditch their screens and offer a sensory-filled, memorable experience,” she says.



Supporting conscious consumers

Today's consumers want more from retailers than ever before. But environmentally speaking, they want their impact to be low. The shift to conscious consumerism becoming mainstream means retailers need to consider sustainability in every aspect of their businesses to remain competitive.

Transparency is also part of the picture. There's significant pressure on retailers to become transparent around their sustainability initiatives. Why? Consumers want assurances that the products and services they're buying are not damaging to people or the planet. Even one bad experience can be detrimental to a retail brand.

"We're entering an era where our own values will trump monetary value," says Natalie. In other words, consumers are looking for more than just a financial exchange for goods or services. Physical stores are quickly becoming representative of an experience; one of community, discovery, curation, human touch and emotional connection.



Behind the scenes, the increased focus on decarbonising distribution chains to support the boom in online purchases means price wars are being replaced by delivery wars. But with more and more delivery vans on our roads, there's a growing need for delivery that is sustainable as well as fast and reliable.

"Big retailers are recognising that they have a duty to improve the way that they do business," says Natalie. "And this is only going to continue with pressure coming directly from consumers."

Overall, consumers might be calling the shots, but innovative retailers are rising to the challenge. Whatever form our future purchases take, it will certainly be a richer experience.

BUILD.



37% of energy-related carbon emissions come from the built environment. It's a term that, doesn't just refer to buildings, it's also the infrastructure that sits around them.

Catriona Brady, Director of Strategy and Development at the World Green Building Council, says there are some estimates that the equivalent of a city the size of Paris is being built every single week. "The raw materials and the energy being used for that is absolutely monumental," she says.

In contrast, we could have an equally significant impact – this time positive – by rethinking the global approach to building policies and procedures. Large-scale actions like this are vital, Catriona points out, as she emphasises the urgency to both sustainably retrofit existing buildings and to ensure new buildings are not locking in emissions for decades to come.

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37% OF ENERGY-RELATED CARBON EMISSIONS COME FROM THE BUILT ENVIRONMENT

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Goodman Huiyang Industrial Park, Huiyang, China.



Currently the way we use our building materials is fairly linear. "We take, we make, we use, and we dispose," says Catriona. We need to shift to a circular economy to keep value in materials for as long as possible. "Individuals want to have a long life," she says. "We want our materials to have a long life too."

Circularity within the built environment means creating a closed loop so that whatever we design, and build can essentially be dismantled – without being contaminated with chemicals. It's then reused or adapted for use in the future.

There are challenges with implementing a circular economy in any industry, but the scale of our built environment creates additional complexity for the sector.

"We're calling for new design methods, new construction practices and different materials," says Catriona. While these added levels of complexity can bring higher upfront financial costs, the biggest challenge is probably the commitment required from stakeholders across every stage of the value chain.



The ongoing life cycle of circular

A building that's designed to be circular and then gets demolished or sent to landfill is not a circular building. "It has to be about how it's treated throughout its whole life cycle," says Catriona. "And that's a real challenge because it requires engagement from every single person or stakeholder organisation that's participating in the lifespan of the building."

We also need to take into account the whole life carbon emissions of an asset, not just the emissions when it's operational. "We need to change our thinking," says Catriona. "How can we make sure that the building will have as sustainable an impact as it can on the planet, from beginning to end?"

As complex an endeavour as this might sound, there are changes we can make right now by retrofitting existing buildings. There's a real business case to be made for creating a lean, clean and green building, and the key ingredient is people. "I think it's important for us to frame the business case for today in the context of society as it exists right now," says Catriona. "The business case for a sustainable building now is influenced by the fact that people want to work in a healthy space. They want to know their health is being protected, and that the building has net positive environmental benefits."



Once the case is made, the concepts of lean, clean and green can be rolled out. "Lean is all about being efficient in your energy use," she says. "Clean is all about the systems that are being used – making sure they're as energy efficient as possible, clean in their power requirements and use." And lastly, "Green is all about the production and consumption of renewable energy. How can we use green technologies as far as possible? How can we innovate and use green renewable energy requirements to generate clean power onsite?"

The good news for the sector is that this type of change is not just good for the planet. Compared to the standard alternative, sustainable buildings represent a more resilient investment too.



RENEW.

If we're going to meet the targets set out in the Paris Agreement, we need to rethink the way we use and decarbonise the buildings, assets and spaces we already have.

As our cities evolve, our buildings are increasingly becoming multi-purpose, performing different functions at different times of day, or different days of the week. We are also starting to see buildings service dual industries side-by-side.

Urban farming, the practise of cultivating, processing and distributing food in urban areas, is one welcome trend that's solving multiple sustainability issues in the heart of our cities. It offers extensive partnership opportunities for the industrial property sector.

Sarah Msika, cofounder of Plantation Paris, one of Europe's largest urban rooftop ecosystems, is passionate about bringing agriculture into the city and reducing the carbon impact of our end produce.



There are many different types of urban agriculture, but Sarah's approach is to try and use vacant rooftop spaces.

Utilising a 7,000 sqm logistics rooftop, Plantation Paris is a greenhouse and garden project located high above the city of Paris in the 18th arrondissement. It offers a myriad of benefits, including that it creates opportunities to build large-scale farms close to the people who will consume the produce. By partnering with industrial and logistics property developers, the project provides opportunities to access sustainable heat sources. In the case of Plantation Paris, this heat comes from a data centre located directly beneath its greenhouse.

"It's very important to have the lowest carbon footprint on all the aspects of what we are doing," says Sarah. "For example, if we want to grow tropical varieties, we need to do it with a secured sustainable source of heat, like our project does with a data centre."



Plantation Paris produces microgreens and herbs in its greenhouse and 70 different varieties of vegetables and herbs in its permaculture garden. There are also edible flowers, which otherwise travel from the Netherlands. In a few short years the site has been completely transformed. “Urban farming has a very big role to play in biodiversity,” says Msika, who reports seeing many kinds of bees, birds and wildlife in the area. “Which is huge,” she says. “There was no wildlife when we arrived and now, we have a whole wildlife ecosystem, including falcons.”

Today, Plantation Paris supplies tonnes of fresh food all over the city but for Sarah the social impact is more important than the volumes produced. People want to know where their food is coming from and being so close to the city means it can be delivered environmentally. “We won’t be able to sustain the whole city,” says Sarah. “But people can see it’s possible to buy their produce the same day it was harvested.”

A number of Michelin hatted restaurants regularly collaborate with Sarah’s team. They discuss growing options and menu ideas. Some even harvest ingredients themselves on a weekly basis. “Urban agriculture,” says Sarah, “is giving chefs the chance to work directly with farmers, and for the farmers to see the produce grown a few Metro stations away from their kitchens.”

“
**THERE WAS NO
WILDLIFE WHEN WE
ARRIVED AND NOW,
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INCLUDING FALCONS.**
”



As well as the greenhouse and garden, Plantation Paris has a communal event space with a full view of the sky, an unusual feature for Paris. “It’s important to have a place where you can just go and feel well and our garden is a good place for that,” says Sarah. “This space is where yoga courses, meditation sessions, plant-based cuisine workshops and private events are held: a place where the urban farm becomes a place for daily inspiration.

Urban agriculture is a positive example of the community-led greening of the built environment Catriona says our cities desperately need. “We need whole communities to be green,” she says. “We want them to be physically green, we want to see nature, we want to be able to encourage rewilding the return of biodiversity and ecosystem services.”

To hear more from these global thought leaders, watch the [Goodman Thought starters series](#)



Sustainability approach

A responsible and sustainable strategy

ESG is an integral part of Goodman's business strategy. We make investment decisions based on strategic long-term thinking and operate with sustainability goals front of mind.

As Goodman has grown to become Australia's largest listed-property company, our commitment to ESG principles continues to shape our operations.

Our role in providing essential infrastructure for supply chains means we are uniquely positioned to identify and adapt to global trends. As the world begins to work more actively on climate mitigation, Goodman continues to seek and embrace opportunities to become a truly sustainable business. In doing so we're not only aiming to meet the expectations of our stakeholders, but we're acting in alignment with our own company values.

Chifley Business Park South, Melbourne, Australia.



Material and ambitious targets

Under our 2030 Sustainability Strategy, Goodman has committed to making change across a range of ESG activities. This includes working towards measurable and ambitious sustainability targets, to help make a tangible and positive difference in the world.

The breadth of our targets means we're able to embrace the strategic opportunities currently available to those willing to make real change in their organisations and supply chains. It also mitigates against key ESG risks which come with inaction.

Our strategy includes actions that will reduce carbon emissions and increase the use of renewable energy across our portfolio. We're also very active in our development of greener buildings, an action which not only helps the planet, but leads to healthier work environments with greater amenity for our customers.

People are integral to our strategy too. We're creating diverse leadership teams, building more equitable supply chains, and partnering with community groups who deliver life changing support in our communities.

We don't consider this activity 'additional' to our day-to-day. Instead, it's embedded within our core business. We also firmly believe our approach will help deliver sustainable returns and positive outcomes for our stakeholders.

Local teams, global network

Operating across a global network presents both challenges and opportunities for our people. While we've set ourselves global sustainability targets, achieving these requires contribution from local teams in each of our markets.

While we have a relatively small global workforce of around 1,000 people, a large number of people have been with the business for many years. Our team is motivated and incentivised to demonstrate our corporate values of determination, innovation, integrity and sustainability. The people at the top of our business aim to lead by example as they demonstrate these values in their behaviours and decision making. Our values are also part of how we assess the performance of our people.



Goodman Interlink, Hong Kong SAR, China.



Although our global business allows us to share knowledge and best practice across jurisdictions, it also highlights the disparity between the policies and opportunities across the markets where Goodman operates. Our ambition to use 100% renewable energy is one example of how great this challenge is. In some markets, this commitment is in line with customer expectations and market trends; while in others, availability of renewable energy options makes the transition more difficult.

Regardless of the location however, we're determined to find pathways to achieve the sustainability targets we've set for ourselves. The challenge requires our team to think strategically, collaborate with market leaders and create opportunities to overcome hurdles.



The material issues which shape our sustainability strategy

In 2019, Goodman set its 2030 Sustainability Strategy based on six material ESG priorities. We believed each was not only critical to our business and ESG performance but would also be an area where we could make a tangible and positive impact.

It's important that these material priorities are dynamic and are reviewed regularly. We start by considering them alongside global sustainability trends to gain an understanding of where and how they interconnect. Next, they're influenced by our stakeholders, customers and investment partners. Lastly, we factor in the broader economic and social context.

This approach aligns our sustainability strategy with our operational drivers to address shared global challenges.

With the above in mind, we reviewed our material ESG priorities in 2022.

We partnered with leading sustainability advisors BWD Strategic for the review. The process was rigorous and involved a series of interviews with external stakeholders as well as an assessment of the effectiveness and suitability of our strategy. The review also considered how our measurable targets respond to a suite of current and emerging global ESG trends.

The result saw us keep our original six material issues and add two more. The updated list of material ESG issues for Goodman includes:

- + Actively contributing to the Net Zero transition
- + Owning strategically located properties close to consumers in key global markets
- + Developing and adapting innovative, efficient and flexible properties with a future focus
- + Demonstrating Goodman's values and promoting diversity, inclusiveness and social equity
- + Investing responsibly with defined governance and sustainable capital structures
- + Promoting workplace safety and wellbeing for all
- + Delivering resilient assets that support human health and value natural capital
- + Influencing the sustainability practices of our value chain.

We consider these priorities to be essential to Goodman's continued success and have shaped our sustainability strategy accordingly.





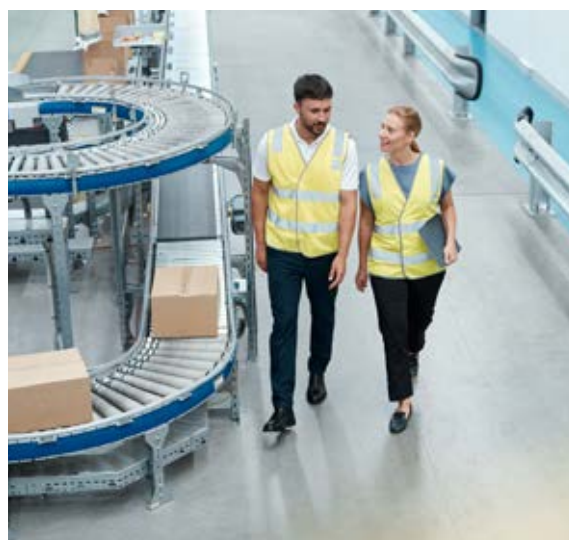
Sustainable assets

Our buildings are fundamental to Goodman's business strategy.

Goodman's developments increasingly include a range of sustainable design features and innovations that improve energy efficiency, water efficiency and the wellbeing of our customers.

Sustainability also plays a role in our choice of locations. Our strategy of prioritising properties in urban infill markets that are close to large consumer populations is gaining momentum.

These properties (often re-purposed existing buildings in older industrial precincts) are in high demand. Not only do they present opportunities for our customers to improve efficiency and reduce transport-related emissions and costs, but they can also unlock positive social outcomes. We've found that revitalising underused and outdated precincts quickly provides new opportunities for employment and other community benefits.



While sustainable building design is prioritised on every Goodman property, we look well beyond the design itself. We find opportunities to innovate with materials and onsite energy generation, taking a building lifecycle approach. This is helping us transition to carbon neutral developments, and to meet growing market demand for reducing carbon emissions.

As our properties have emerged as essential infrastructure for the storage and movement of goods around the world, we've seen automation become a priority for many supply chains. This global trend is impacting the design of our buildings. We are developing buildings that enable our customers to incorporate automation and technology.

Partnerships like this shift the value proposition for well-located and well-designed logistics properties. Often, they result in longer lease periods, which aligns with Goodman's long-term strategy.

Responding to climate risk

Climate risk presents a real and unfolding challenge to Goodman's business and properties.

Goodman's Boards and leadership teams are fully committed to taking pragmatic action to identify, mitigate and respond to this risk, including designing and building properties which are resilient in the face of climate-related disruptions.

This year, Goodman reinforced its support of the Paris Agreement by developing an emissions reduction target, which aligns with the Science Based Targets initiative, to limit global warming to 1.5 degrees. The process was an extension of our 2021 carbon neutral operations achievement and involved an in-depth review of our global carbon emissions and the opportunities to reduce them.



Our targets consider our Scope 1, Scope 2 and Scope 3 emissions. We look at our design and construction processes and actively engage with our supply chain to encourage the supply of low carbon materials.

For the time being, carbon offsets are part of our transition to a lower carbon business. However, based on conversations we're having with investors and our supply chain, new technologies will play a greater role in enabling us to achieve our sustainability goals and rely less on offsets.

Our commitments to solar and renewable energy targets remain resolute. They're an essential piece of our low carbon future and a vital element to reduce global emissions.

Our commitments to solar power are also a very tangible way to make a positive difference. This aligns well with the ambitions of many of our large global customers, who are increasingly setting their own carbon reduction targets.

Engaging our stakeholders

Meeting the needs of our stakeholders is paramount to Goodman's ongoing success. Regular engagement with our stakeholders and nurturing of long-term relationships helps us understand their priorities and anticipate their needs. This way we can better support their ambitions and deliver sustainable returns for our investors.

We prioritise to the effective disclosure of our ESG performance to our stakeholders. These include our customers, investors and securityholders, our employees, suppliers and local communities.

We disclose through multiple channels and provide regular updates via Goodman's website, our Sustainability and Annual Reports, and the ESG reporting benchmarks we work towards.



Our customers

Goodman has a diverse range of global and local customers within the ecommerce, logistics, retail, consumer goods, automotive, pharmaceutical and technology industries. Our business is focused on their current and future needs.

We work with our customers to gain a deep understanding of their real estate needs. We also look for where our sustainability goals align. This provides new and ongoing opportunities to collaborate.

Most of our top 10 global customers have set significant carbon emissions reduction targets and renewable energy commitments. As a result, they're increasingly looking for partners who can help them take action and make significant progress towards their targets.

We're gaining momentum too, when it comes to the quality and number of conversations we're having with our customers about aligned sustainability goals. These discussions usually centre around the future of green buildings and focus on opportunities, such as onsite power generation, where we can innovate to fast-track our shared and individual goals.

Top 20 customers by rent

Amazon	8.1%
Deutsche Post (DHL)	2.5%
Equinix	2.0%
BMW Group	1.8%
JD.com	1.5%
SF Express	1.3%
DB Schenker	1.2%
Coles Group	1.2%
A.P. Moller – Maersk	1.1%
Iron Mountain	1.0%
Kuehne + Nagel	1.0%
Global Express	0.9%
DSV	0.9%
Relativity Space, Inc.	0.8%
Australia Post	0.7%
Linfox	0.7%
Omlog	0.7%
New Zealand Post	0.6%
Woolworths	0.6%
Metro AG	0.6%
Total	29.2%



Long-term investment partners

Through our managed Partnerships, Goodman has developed longstanding relationships with several of the world's largest and leading pension and sovereign wealth groups.

Engagement with our investment partners about our ESG strategy has increased this year, as well as become broader and more detailed. Many of our equity partners are increasingly intent on working with companies with clearly articulated ESG strategies. Goodman's strong ESG approach is integral to their decision to do business with us.

Many of our investment partners operate according to their own dynamic ESG policies. This in turn has an influence on Goodman's development and management activities. We regularly seek feedback from our investment partners during our investor updates and customer meetings. This feedback helps us to review our material sustainability priorities and impacts of our business.

In the last few years, we've increased our use of video conferencing and online communication tools to communicate with a wide group of investors, without the need to travel. We see this as a long-term trend that aligns well with our own sustainability goals.

Finally, we participate in several ESG benchmarks and ratings, including GRESB, MSCI and Sustainalytics. These platforms review the non-financial ESG performance aspects of our operations and provide value to the investment sector.

Goodman's global team

With a global workforce of more than 1,000 employees and a relatively flat organisational structure, constant engagement and communication across our global teams is vital. It is one of the many ways we remain focused on our strategy, performance, and the direction of our business.

The health and wellbeing of our people remains a significant priority for Goodman. Programs such as the (good) life aim to support our people to find a productive work life balance. We survey our employees periodically. Throughout the COVID period we increased communication as well as online team engagement.

We induct new employees using e-learning modules and one-on-one sessions during their early months at Goodman. Ongoing training is generally delivered online and is available to all Goodman employees.

Half yearly and annual performance reviews help us understand which people are suitable for role progression and a training plan. This allows us to identify succession opportunities, career aspirations and boost diverse leadership.

We prioritise the rewarding and advancing of our people's careers, on skills development and the provision of challenging work opportunities. We believe our high retention rate is partly due to programs like our long-term employee equity plan which gives our people a stake in the business.



Communities

The Goodman Foundation utilises our people, properties and resources to address disadvantage in the world. Together, they make a tangible and sustainable difference to people's lives. By partnering with likeminded charities and funding projects with clearly defined timelines and outcomes, we're able to provide real support where it is needed most.

For the broader community, Goodman provides a comprehensive overview and regular updates on its ESG performance. We do this through our website, media releases and social media platforms including LinkedIn, Twitter and Instagram.

We also respond to enquiries through our website and emails to our investor relations team.

The global supply chain

Our supply chain consists of small, medium and large-scale suppliers who we partner with to help deliver our global property development, property management and funds management activities.

We've established, extensive supply chain relationships across each of our operating regions. We engage with these partners at every stage, from initial development through to operation and management.

We also actively engage with suppliers and organisations who can help us make progress on our sustainability targets. This work includes engineering organisations and associations such as the Materials and Embodied Carbon Leaders Alliance (MECLA), whose members are driven to reduce embodied carbon in the building and construction industry.





2030 Sustainability Strategy

Goodman's 2030 Sustainability Strategy shapes all aspects of our business and is one important way we measure our success. Our strategy builds on our work to date, aligns with our purpose and approaches the future proactively. It's helping transition our business into a truly resilient and low-carbon company.

Our pillars

The three pillars of our strategy capture the sustainability commitments and goals for our global business. They set the context for our specific long-term and short-term targets based on material ESG issues which we track, measure and report against annually.

SUSTAINABLE PROPERTIES

Our sustainably designed, energy-efficient and professionally managed properties are strategically located and designed to meet our customers' business needs and to remain resilient to tomorrow's global challenges.

[Read more on page 45](#)



PEOPLE AND CULTURE

Our workplaces promote the health, safety and wellbeing of our people, our contractors and our customers. Our people are recruited and rewarded based on their commitment to our values, long-term strategic thinking, expertise and performance.

[Read more on page 70](#)



CORPORATE PERFORMANCE

Our capital structure is sustainable, and we have a positive impact in our global communities through the Goodman Foundation. We promote strong leadership and governance, engage regularly with our stakeholders, and measure and disclose our financial and community impact.

[Read more on page 87](#)





Supporting the United Nations Sustainable Development Goals

The UN Sustainable Development Goals (UNSDGs) are a call to action to address the world's most significant challenges including climate change, poverty, gender equality and good health and wellbeing for all.

Goodman's 2030 Sustainability Strategy and ESG targets are in alignment with 9 of the 17 SDGs which are most relevant to our operations. Our progress towards these targets helps towards solving some of the world's biggest challenges.



GOOD HEALTH AND WELLBEING



GENDER EQUALITY



AFFORDABLE AND CLEAN ENERGY



DECENT WORK AND ECONOMIC GROWTH



INDUSTRY, INNOVATION AND INFRASTRUCTURE



SUSTAINABLE CITIES AND COMMUNITIES



RESPONSIBLE CONSUMPTION AND PRODUCTION



CLIMATE ACTION



LIFE ON LAND

Chifley Business Park, Melbourne, Australia.



Sustainable properties

As a leading owner, developer and manager of industrial real estate globally, we recognise the role our properties play in our customer's value chain. Our preference for strategic infill development sites provides not only opportunities for our customers to be close to transport hubs and consumers, but is also a chance to rejuvenate and reposition existing brownfield sites into modern business precincts.

Our sustainably designed, energy-efficient and well managed properties are strategically located to meet the business, health and wellbeing needs of our customers. We collaborate to provide the properties they need today, and the resilience to withstand the global challenges of tomorrow. Sustainability shapes our commitment to reduce carbon emissions from our developments and create buildings that are energy efficient and help generate their power.

We measure the embodied carbon emissions of our developments and continue to collaborate with our supply chain partners to support developments in lower-carbon materials and designs.





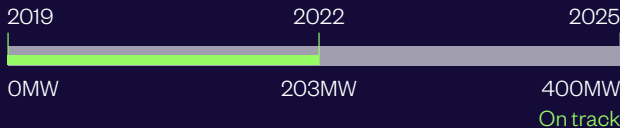









Goodman Huiyang Industrial Park, Huiyang, China.



Material drivers

- + Actively contributing to the Net Zero transition
- + Owning strategically located properties close to consumers in key global markets
- + Developing or adapting properties to be innovative, energy-efficient, and flexible
- + Delivering resilient assets that support human health and value natural capital

Progress against targets

TARGET	FY22 ACTIVITY	PROGRESS
400MW of solar PV capacity in operation by 2025  	A further 78 MW of solar PV installed or committed to during FY22. Taking Goodman's global installations to approximately 203MW.	
100% renewable energy use within our operations by 2025  	Achieved 100% renewable energy use Australia in FY22 and increased to approximately 65% globally. Continued investing in solar to increase energy use across our portfolio.	
Carbon neutral operations by 2025  	Maintaining carbon neutrality for our global operations in FY22. This includes emissions within our operational control and excludes embodied emissions from our developments and our customers' emissions. We will continue to lower our operational emissions and increase our use of renewable energy.	
Maintain >95% overall occupancy rate  	Achieved 98% occupancy rate.	

These targets are incorporated into Goodman's performance review process from financial year 2022.

SUSTAINABLE DESIGN AND DEVELOPMENT

Sustainable design approach

Goodman's properties are designed to be efficient and highly functional both today and into the future. We achieve this by combining sustainable design fundamentals with the use of innovative materials and building automation.

Our experience plays a key role too. Goodman's designs have been shaped by our many years developing cutting-edge logistics properties. Our designs also incorporate wellbeing initiatives that positively impact our customers and their workforce.

Goodman Business Park, Greater Tokyo, Japan.



Chifley Business Park South, Melbourne, Australia.



Strategic assets

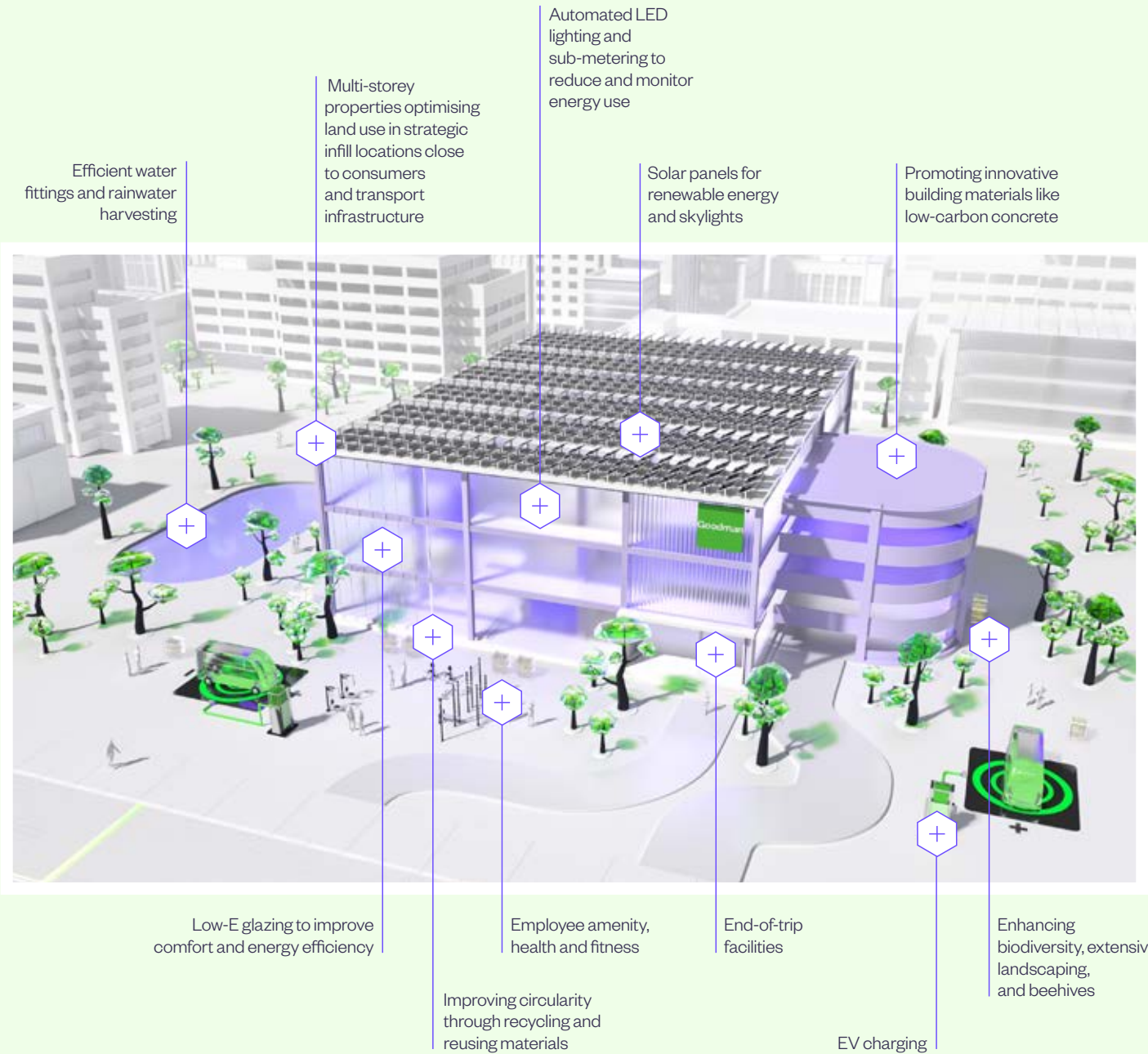
Extensive engagement with our customers is at the core of our design approach. We look to include emerging technologies so we can better support design priorities.

We view our properties as a strategic part of our customer's supply chain. Using this lens we take a lifecycle approach with our designs, developing flexible and adaptable properties we know will be in demand in the years to come.

Although we incorporate many sustainable design features as part of our standard designs, we also work closely with customers to see where, together, we can push boundaries.

The long-term relationships we build with our customers are reflected in our high occupancy levels, sustained rental growth and strong level of development activity.

Sustainability property design features

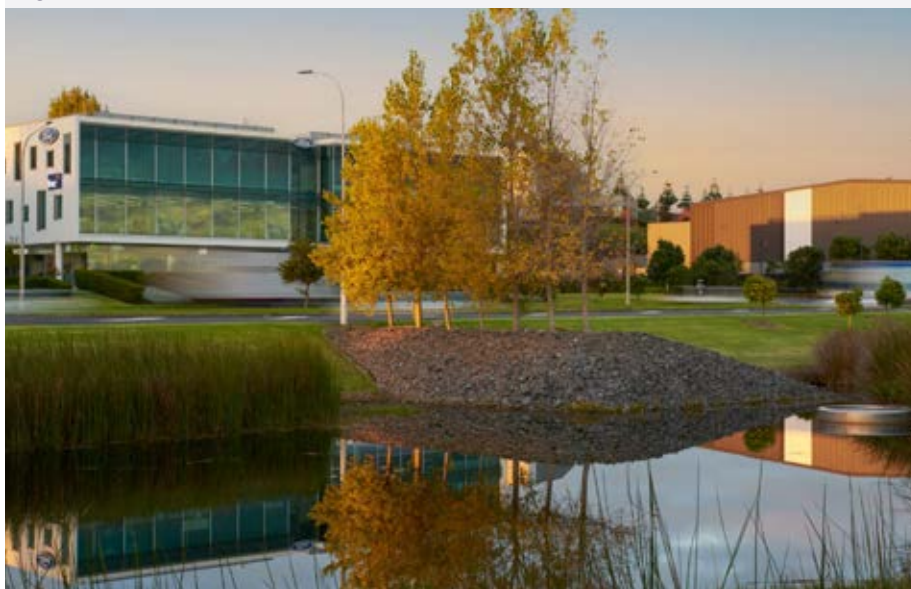


Actively adapting

Our efforts to improve resilience across Goodman's portfolio are an important part of our strategy. We aim to develop properties that are flexible with greater resilience to intensifying climate-related events. They also need to adapt to shifting customer and market dynamics.

The locations of our properties and accessibility for customers remain integral to Goodman. We understand the value of strategically-located properties and our preference for sites in these locations supports our long-term approach to real estate.

Highbrook Business Park, Auckland, New Zealand.



Our commitment to reduce carbon in the development process and provide buildings that generate energy has greatly influenced our design process. The priorities support the broader commitments that Goodman, as well as many of our customers and investment partners, have made towards reducing emissions.

Our environmental targets will be achieved through collaboration and alignment across the entire value chain. We're pleased that the conversations we're increasingly having with our stakeholders show that we're moving in the right direction.

We're also continuing our transition to carbon neutral buildings. We've established processes for calculating embodied emissions consistently across our global operations, and this is now a standard part of our development approach.

Our work to decarbonise our developments by supporting the take up of lower carbon materials is progressing. As part of this commitment, our participation in industry movements such as the Materials and Embodied Carbon Leaders Alliance (MECLA) provides a channel for organisations to work together to reduce embodied carbon emissions in the building and construction industry.

DESIGN IN

ACTION

MULTI-STOREY DEVELOPMENT IN SPAIN

As land is becoming scarce in Barcelona the answer for logistics companies is increasingly: 'go up'. Making use of limited land is vital when the vacancy rate in the Catalan logistics market is very low – less than 2%.



Multi-storey warehouses like the Goodman Castellbisbal Logistics Centre provide a sustainable solution for our Spanish customers. Featuring two units of 13,200 sqm, the multi-storey facility lies at an intersection of the two most important highways in Spain, just 28 km from the centre of Barcelona. This strategic location allows our customers to be close to Barcelona's 5.5 million consumers and maximise last mile operations.

Goodman first introduced multi-storey logistics centres to Spain in 2021. Now Goodman Castellbisbal Logistics Centre is Goodman's second multi-storey real estate logistics project in the country. Multi-storey facilities are a sophisticated solution to land scarcity and urbanisation challenges. They streamline delivery processes and reduce traffic – benefiting cities and communities. They reduce the distance of the last mile and provide flexibility for our customers.

Goodman has been developing multi-storey facilities globally since 2012. We have now worked on 46 of these properties around the world.

SUSTAINABILITY EXCELLENCE IN ACTION IN MILAN

In East Milan, Goodman's new Pioltello Logistics Centre has achieved one of the highest BREEAM rating scores for a logistics asset in Italy. The property achieved BREEAM New Construction Excellent certification with an outstanding score of 79.5%.



The 10,000 sqm property is a great example of sustainability applied to logistics real estate. A Life Cycle Analysis provided insight into the overall carbon impact of the building over the long term, and it was designed and developed adhering to the highest sustainability standards.

Achieving the excellence rating from BREEAM required the Pioltello Logistics Centre to rank strongly across nine categories: management, energy, pollution, health and wellbeing, land use and ecology, transport, materials, waste and water.

Water management was the top performer, with a 100/100 score. This is in large part due to its design that minimises flood risks and reuses rainfall.

BREEAM wasn't the only certification achieved for this property. The building's energy efficiency features including high performing HVAC also earned the building an A4 energy performance certification – the highest available in Italy.

Features include:

- + High-performance insulation
- + LED lighting with motion and daylight sensors
- + 470kWp of rooftop solar providing 52MWh per year
- + 54 EV charging stations with another 200 ready to be installed when needed.

As with all our developments, strategic location is key. Pioltello Logistics Centre provides easy access to a large consumer market with 2.5 million people accessible in a 30-minute drive time.¹

STRATEGIC LOCATION AND SUSTAINABILITY MEET AT FULLERTON

In a former paper factory just 20 miles from the Port of Los Angeles/Long Beach, Goodman Logistics Center Fullerton has both strategic location and environmental credentials in its favour.



This LEED registered, modern facility feels worlds apart from its origins. Today, 13.5 million people live within a one-hour drive of the four-building industrial campus, which reduces delivery times and transport emissions for our customers servicing the local market. There's another benefit too: Fullerton's connectivity to the greater Los Angeles areas and direct access to I-91 and other major motorways means 20 million customers fall into its same-day delivery zone.¹

The brownfield development was built with 95% of recycled materials already on site and incorporates a number of sustainability features such as electric vehicle charging stations, motion detected lighting and a solar ready roofing system.

When it comes to wellbeing, Goodman Logistics Center Fullerton offers various employee amenities encouraging a healthy and active workforce including breakout areas outside with enabled Wi-Fi, and a greenscaped walking trail for midday walks. The site is also close to world-class restaurants, shopping, Disneyland Resort, Downtown Fullerton, Honda Center, Anaheim Convention Center, Angel Stadium and California State University, Fullerton – making it an attractive destination for people to work.

To see more examples of sustainable design in action, go to www.goodman.com/sustainability/casestudies

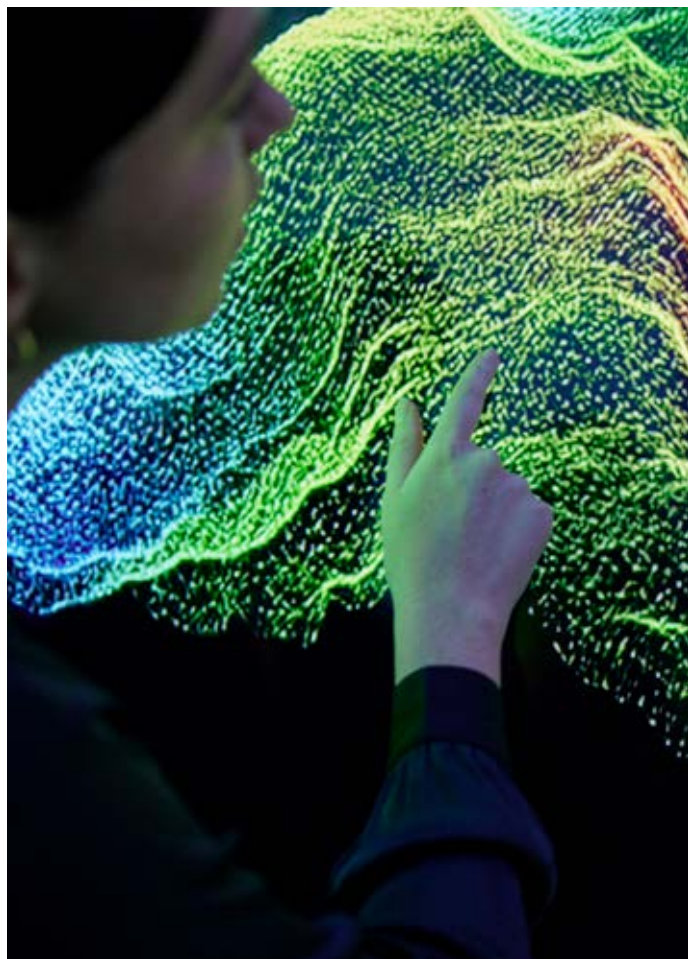
¹. Source: Michael Bauer Research

RESPONDING TO CLIMATE RISK

Goodman's Boards have committed to addressing climate risk at the highest level of the organisation. We work to maintain our understanding of current potential exposure to risks, gauge their impact on the business and identify meaningful mitigation responses.

Our view of risk goes beyond the direct physical risks to our assets posed by climate change. It also includes transitional risks to our business that relate to shifts in policy, regulatory and disclosure obligations, insurance impacts, and the market broadly.

Redbank Motorway Estate, Brisbane, Australia



This year, we finalised our 2030 science-based emission reduction targets, which are considered ambitious and aligned with a 1.5°C pathway.

Our first scenario-based climate-risk assessment aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) guidelines was completed in 2020 and is reviewed annually. This assessment examined the key physical and transitional risks in our major regions and determined the following to be the most material:

- + Increasing temperatures and heatwaves
- + Extreme precipitation events
- + Windstorms (tropical and extra tropical)
- + Severity of hailstorms
- + Sea level rise.

The 2020 assessment process provided Goodman with an effective method of communicating risks and opportunities to our investors. It also led to us setting ambitious targets around reducing emissions, increasing renewable energy, and achieving carbon neutrality.

We continue to evaluate the risks posed by extreme weather events and update our due diligence, design guidelines and property management operations to help mitigate our risks.

[View our TCFD Statement](#)

CARBON

EMISSIONS

Goodman recognises the risk changing climate presents to our business. How we respond to these risks influences how we operate, develop and manage our properties now and in the future. Managing climate risk is incorporated into Goodman's broader risk management framework and our responses are strategic and based on long-term outcomes.

Science-based approach

During the year, we finalised our science-based emission reduction targets. Using 2021 as our baseline year, our 2030 targets have been validated by the SBTi as being aligned with the UN Paris Agreement's goal of 1.5°C.

Our science-based target commitments include:

- + 42% reduction in absolute Scope 1 and Scope 2 GHG emissions. These include Goodman's electricity, fuel and refrigerant emissions
- + 50% sqm intensity reduction of Scope 3 GHG emissions, including indirect emissions generated during the use of our stabilised and sold assets.

Our targets were derived in collaboration with greenhouse gas accounting specialists using the SBTi methodology. As our ability to control our Scope 3 emissions is limited, collaboration with suppliers and customers will be important. We will also need to remain focused on factors like efficient design and the location of our properties, supply of onsite renewable energy, EV infrastructure and our ability to influence our customers' own emission reduction commitments.



GoodNature, vegetable garden at Interchange Park, Sydney, Australia.



Sustainability-linked finance

This year Goodman created a Sustainability-Linked Bond Framework (Framework) to outline how Goodman Group will link our financing strategy with our sustainability strategy. The Framework uses Goodman's science-based targets for our Scope 1 and Scope 2 reduction as performance criteria.

After developing the framework, we issued our first US\$500 million of Sustainability-Linked Bonds (SLB) into the Rule 144A / Reg S market with a scheduled maturity of 2032. They reflect the Group's focus on operating sustainably as well as our commitment to reducing emissions aligned with 1.5°C science-based targets. Failure to meet our targets has a financial consequence under the terms of the SLB.

Maintaining carbon neutral certification

We're on track to maintain our carbon neutral certification for our global corporate operations under the Climate Active Carbon Neutral Standard. We remain focused on reducing our operational emissions through efficiencies and increasing our use of renewable energy.

Our carbon inventory includes Goodman Scope 1 and 2 emissions. It also encompasses Scope 3 emissions from operational activities.

Importantly, the boundary of our carbon neutral certification excludes the embodied emissions from our developments and the emissions of our customers from the spaces they lease from Goodman. However, our solar PV and efficient building designs help support our customers' Scope 1 and 2 emissions reductions targets.

Carbon neutral developments

Embodied carbon is a key issue for Goodman as building materials and construction account for approximately 11% of global energy-related carbon emissions.

Through our design approach, we reduce our customers' emissions by including features like solar PV, EV charging stations, energy-efficient LED motion-sensor lights, passive lighting and electric heat pumps.

To tackle the challenge of reducing embodied emissions, we are collaborating with our supply chain partners to encourage lower carbon materials in our building designs.

As part of this work, we recently introduced a process to measure and offset the embodied emissions of our new developments. Our approach uses Life Cycle Assessments (LCA) and helps us create carbon baselines for our developments across each of our regions. These can be used to forecast emissions.

This process to measure embodied emissions enables us to place a value on carbon. It also provides a framework for investing in carbon reductions, including offsets. Over time, we anticipate that the availability of low carbon materials which we can use will increase, further reducing our embodied emissions.

Goodman Logistics Center Fontana II, Los Angeles, USA.



Investing in carbon offsetting

We realise investing in carbon offsets is necessary to support the world transition to Net Zero. We invest in carbon offsets both to meet Goodman's Climate Active Carbon Neutral certification, and as part of our transition to carbon neutral developments.

This year we refined our process and criteria for purchasing carbon offsets. This will help mitigate risks and help us procure quality offsets.

We prefer nature-based projects and if feasible, projects occurring in the regions where Goodman operates. We partner with leading carbon offset suppliers to procure offsets which meet our high standards. These suppliers provide additional due diligence on carbon offset projects and guidance on the additional social and biodiversity benefits of different projects.

ORIGINATING CARBON OFFSETS

As part of our procurement of quality carbon offsets, Goodman has made a strategic investment in an integrated carbon credit and regenerative platform in Australia – Wyuna Regenerative Agriculture.



Investing alongside Australia's Clean Energy Finance Corporation, this project assists land regeneration, sustainable food production and land-based solutions to climate change.

Carbon credits for the scheme will be produced using the Clean Energy Regulator's 'Human Induced Regeneration' methodology. It deploys technology and improved land management practices that result in the growth of vegetation to deliver carbon sequestration.

RENEWABLE ENERGY



We are reducing emissions across our business by decreasing energy demand in our buildings and transitioning towards renewable energy sources. This includes energy which we generate ourselves through our solar PV installations and electricity we purchase.

At Goodman it's now standard practice to incorporate sustainability into our developments at the design stage. We continue to increase our knowledge and awareness of new products and technologies so that we can develop cutting edge energy efficient buildings.

Some examples of our approach include the use of carbon neutral cladding and insulation in the UK, efficient heat pumps for heating in Continental Europe, and deploying building management systems in our properties around the world (see Sustainable design section above for more information).

We also enhance the operational energy efficiency of our stabilised assets and invest in upgrades to keep improving. These opportunities include energy-efficient LED motion-sensor lights, and electric heat pumps and energy monitoring systems.



Generating clean energy

To help our customers reduce their emissions and to reduce the demand on electricity grids, we continue to build our own capacity to generate clean energy. This year, in collaboration with our customers, we installed and committed to 78MW of new solar PV capacity on both our developments and stabilised assets. This takes us up to 203MW of solar PV installed globally; on track to meet our 400MW target by 2025.

Shifting to renewable energy

Where our properties cannot generate enough energy to cover their consumption, we are increasingly looking to source 100% renewable electricity from accredited suppliers. Around 65% of Goodman's global electricity consumption (in Goodman's controlled areas) is generated from renewable energy sources and we remain on track to meet our 100% renewable energy target by 2025.

LARGE SCALE SOLAR – ROTTERDAM I LOGISTICS CENTRE

At the Rotterdam I Logistics Centre in the Netherlands, connection to the future is obvious. The 65,926 sqm of first-generation warehouse space is equipped with smart meters, efficient lighting and EV charging stations.



But it's the rooftop that really shows Goodman's commitment to a sustainable future. This year, we installed 7MW of solar panels on the roof. This complex project required over 17,000 panels to be spread across a space roughly the size of five football fields.

Rotterdam I Logistics Centre has the largest solar installation on one building in our global network. It's also currently the largest solar roof in South Holland – providing enough green energy to support the electricity needs of the equivalent of 1,934 Dutch households per annum.

Key statistics

7MW of solar capacity

17,000+ solar panels

1,934 Dutch households' equivalent average electricity use p.a.

LATEST SOLAR AT GOODMAN BUSINESS PARK WEST BUILDING

At Goodman Business Park, Greater Tokyo, our 500,000 sqm master planned business and technology precinct now hosts another of Goodman's largest solar installations globally.



The latest installation is a 3MW solar array on the recently completed Goodman Business Park West Building. For this installation, building and customer energy needs are prioritised with remaining power sold to the grid.

While the solar array at Goodman Business Park, Chiba, is impressive, it's only one of the sustainability features on a site renowned for its design and customer amenities. This multi-level, carbon-neutral development features EV chargers, LED sensor lighting, rooftop urban gardens and break-out spaces. Customers and the local community can also take advantage of the amenities in the Park, including a child care facility, a gym, restaurants, and a coffee shop – all in a strategic location with excellent access to downtown Tokyo.

Our next major development in Japan will also feature a large solar array with Joso 1 planning 4.52MW of solar in addition to plans for battery storage.

Key statistics

3MW of energy capacity

9,940 solar panels

14.9MW across the entire estate

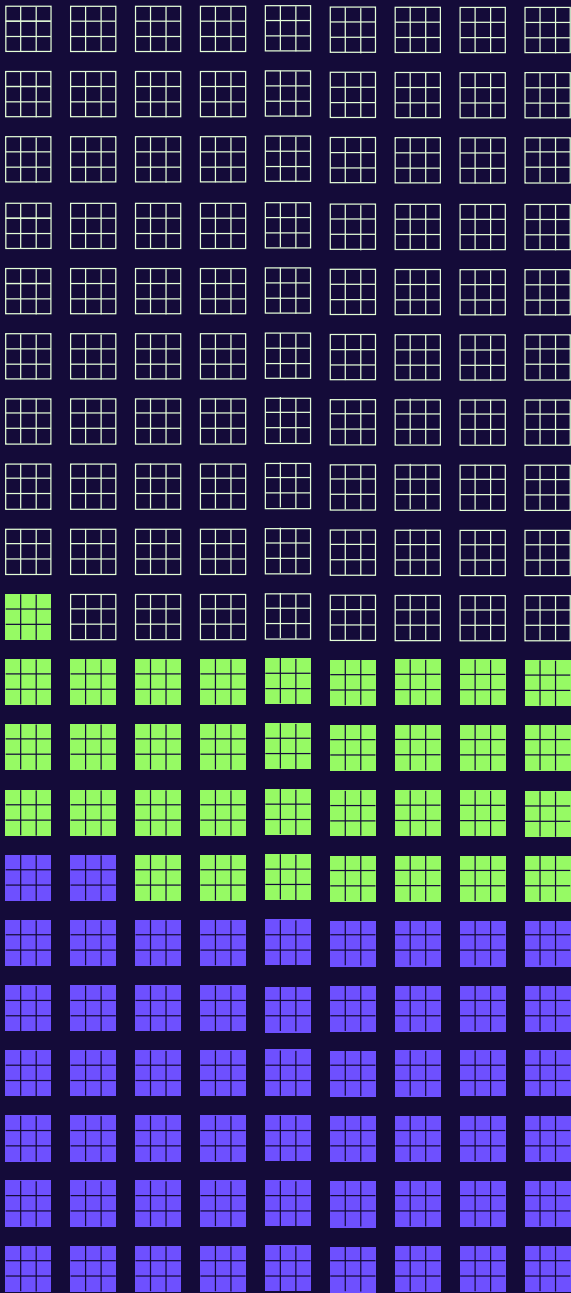
Solar progress

400MW

TARGET BY 2025

203MW

REACHED IN 2022



78MW

THIS YEAR

GASLESS HVAC IN EUROPE

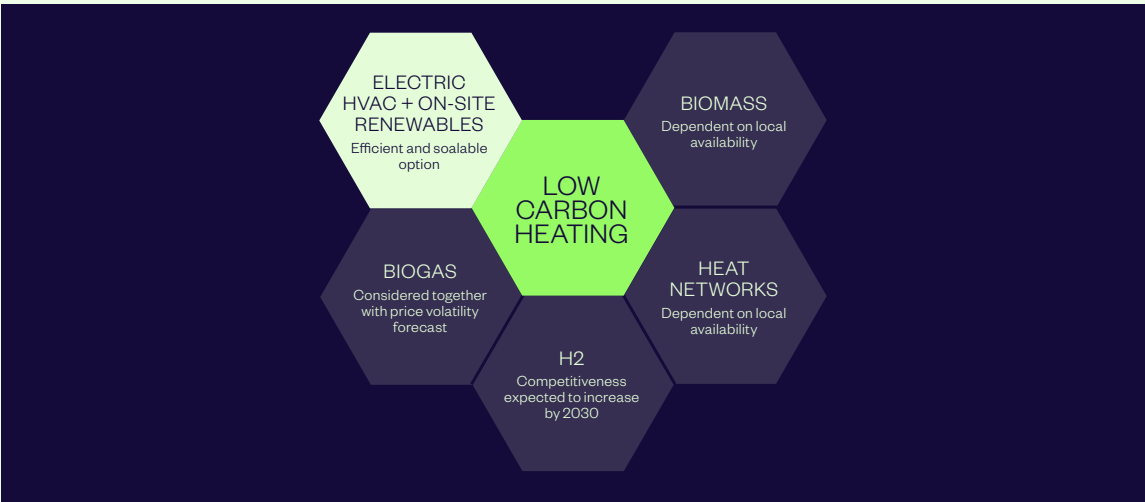
Goodman has mandated that from FY22 all new developments and renovations in Europe will no longer use gas as a heating or cooling source. Transitioning from gas to gasless heating sources is an important climate-driven decision. However, it has gained momentum with the geopolitical issues in the region impacting oil and gas prices and availability.



There are several heating, ventilation and air conditioning (HVAC) technologies in the market, but not all are technically and economically viable. The diagram below shows some of the gasless heating technologies currently commercially available.

Goodman will use the right system for each individual property and operational requirement.

The preferred gasless heating technology uses electric HVAC systems coupled with onsite renewable energy production. In our recently completed Halle VI Logistics Centre development in Germany, the warehouse and office space are 100% heated and cooled by electric heat pumps.



Goodman Europe’s gasless strategy

- + New developments and renovations will solely consider electric HVAC systems and on-site renewables.
- + For stabilised assets, a roadmap for HVAC replacements is being developed.

BROWNFIELD DEVELOPMENTS

Repurposing adaptive properties

More than 50% of our global development program occurs on brownfield sites. These are previously developed properties that are no longer in use or out of date and require regeneration or remediation by specialists like Goodman.

Brownfield sites are integral to Goodman's sustainability strategy and support Goodman's commitment to circularity by reducing, recycling and reusing existing resources for as long as possible.

Brownfield developments offer Goodman opportunities to use our expertise to regenerate existing sites, reuse finite materials and reduce waste, improve natural habitats and enhance biodiversity, and reduce our construction emissions while providing logistics facilities in strategic locations.

By replacing or repurposing outdated buildings found on brownfield sites, we can improve the quality and performance of existing building stock without requiring additional land. In a world with a growing population, urbanisation and land scarcity, this is particularly important.

Brownfield sites are close to transport infrastructure and large populations, providing our customers with opportunities to find efficiencies within their logistics operations. Transforming these industrial areas into modern, efficient and sustainable commercial precincts also unlocks additional labour benefits for our customers, as brownfield sites are often close to a large workforce.

The social value we add serves local communities too. Our new industrial precincts often include cafes and fitness and recreation facilities. Goodman developments such as Goodman Business Park Chiba, in Greater Tokyo Japan, and Highbrook Business Park in Auckland, New Zealand are recent examples.

(Before) Goodman Commerce Center Santa Fe Springs, Los Angeles, USA.



(After) Goodman Commerce Center Santa Fe Springs, Los Angeles, USA.



REGENERATION AT AUCKLAND'S ROMA ROAD

Regeneration is underway at the former Foodstuffs distribution centre on Roma Road in Auckland.

Artist's impression of Roma Road Estate, Auckland, New Zealand.



As we target a 5 Green Star Built rating, our company-wide commitment to circularity is paying off. Around 90% of demolition material from Roma Road was diverted from landfill. We recycled steel framing and roofing, large volumes of concrete and masonry were crushed onsite and retained for construction base, and local stone masons used the volcanic rock we uncovered.

All four new warehouses will use sustainably sourced materials where possible and energy-efficiency will feature prominently. Customers will have LED lighting, EV charging systems, and low emission refrigerants for HVAC.

Roofs have a role too. They'll generate solar energy and harvest 80,000 litres of rainwater. An urban ngahere (forest) will be planted where native plants will replace exotics, attracting birds and enriching the environment for the workforce.

NZ Post will anchor the new development. The last mile location will mean fewer trucks and lower transport emissions for its increasing number of deliveries as e-commerce grows in New Zealand.

DESIGNING CIRCULARITY INTO DECONSTRUCTION – REUSING MATERIALS AT TREMBLAY-EN-FRANCE

At Tremblay-en-France, 30km from the centre of Paris, Goodman was able to reuse, recover or recycle 99.1% of waste from the old buildings on this brownfield site.



Approximately 44 tons of materials, including partition walls, fire doors and raised floors were re-used locally – within an average of 60km from the site. We also recycled 7,900 tons of materials like glass, carpet, ceramics, plaster and steel.

In the extensive pre-deconstruction stage, which included cleaning, sorting and on-site repairs, specialist local SMEs and circular economy start-ups helped identify the right channel for each resource. At one stage, 16 types of waste were stored across the Tremblay-en-France property.

The deconstruction process required specific methods, tools and machinery. It also required more people on site – a 20% increase over the standard demolition workforce. We worked closely with our contractors to train their people in the new techniques.

Learnings from Tremblay-en-France will be employed across future Goodman projects.

REVITALISING OUR PORTFOLIO

Not all brownfield developments are newly acquired. Our practice of buying strategically located sites means we already own some older sites ripe for redevelopment. This is particularly the case in Australia, where we've operated for almost 30 years.



One example is in the Sydney suburb of Smithfield, just 24 km from the CBD. Easy access to Sydney's motorway network meant customers had long coveted the strategic location of the old Smithfield Distribution Centre, but the property had reached the end of its economic life.

This year we completed the transformation of this outdated warehouse into a flexible, modern multi-unit estate. Now, Gateway@Smithfield houses eight customer units across two buildings, providing 46,455 sqm GLA.

As part of our sustainability commitment, we installed 1.14MW of solar for the new development. We also included provisions for EV charging on 10% of the car spaces and LED lighting with daylight harvesting capabilities in all warehouse spaces, 10% translucent roof sheeting and 5kL rainwater collection tanks.

Brownfield redevelopments are complex, and Smithfield was no exception. The timing of the regeneration project meant that strict lockdowns were in place during some of the process, while the team also had to contend with sustainably managing contaminated materials during the demolition and building process.

The site is now fully leased to a range of customers who appreciate the easy access and proximity to 4.5 million consumers within a 60-minute drive time¹.

BIODIVERSITY

Beehives on rooftop, Senlis Logistics Centre, Paris, France.



GoodNature – vegetable garden at Interchange Park, Sydney, Australia.



Using circularity to support biodiversity

Nature provides many of the essential resources we rely on to survive. Yet, global biodiversity and the health of ecosystems are under threat. Scarcity of resources and demand for more materials are creating the need for businesses to challenge themselves to respond to these threats. We can design for circularity by identifying new strategies to operate more efficiently, design out waste through reuse and recycling, and where possible use fewer resources. In this light, circularity can help reduce biodiversity loss.

Circularity, or the circular economy approach, is a blueprint for action, and it's gaining traction. Consumers, investors, companies and governments are recognising the importance of circularity and how it can be used to respond to global challenges like climate change, reducing pollution and declining biodiversity.

Goodman has a responsibility to do what it can to preserve and improve biodiversity across its global operations. Our ambition is to deliver resilient assets that support human health and value natural capital, and our customers and investment partners are looking to us to lead on these efforts. We are certain that disclosure of natural capital and biodiversity management will increase, highlighted by the global launch of the Taskforce for Nature-Related Financial Disclosures (TNFD) framework.

Our preference for re-developing brownfield sites, and when needed, rehabilitating contaminated industrial environments, supports the circularity approach. It offers Goodman the opportunity to enhance the local environment and improve biodiversity as well as make other positive improvements. This work is underway. We've already begun establishing urban forests, linking wildlife corridors, installing gardens with beehives and expanding conservation areas at our sites.

BIODIVERSITY KEY TO BEDFORD COMMERCIAL PARK

Set in a landscaped park environment, Bedford Commercial Park will offer green open spaces and attractive surroundings for our customers and their employees to enjoy.



The Park includes a network of landscaped ponds, designed to support local wildlife and protect natural habitats. The Park is complemented by a community orchard, extensive woodland planting, and a series of pedestrian footpaths and cycle routes which link the Park with its natural surroundings. It will also be the home to a future canal link between Bedford and Milton Keynes.

Since we completed Phase 1 in 2019, we've worked with the local charitable trust, the Forest of Marston Vale, to increase tree canopy cover in the area by 30%. More than 950 native trees have been planted across the Park, with Goodman people also volunteering their time to help.

Once complete, Bedford Commercial Park will include four acres of ponds and close to seven acres of new and existing woodland.

IMPROVING BIODIVERSITY BY SUPPORTING BEES

Bees help support biodiversity across the globe. Without them, many ecosystems would cease to exist. But today's global bee populations face a multitude of threats, including habitat destruction, disease and the use of agricultural chemicals.



To help, Goodman is colonising wild bees by planting wildflower meadows with nesting sites on the grounds at some of our German properties in Pforzheim, Nuremberg, Stuttgart and Hamburg. The project, supported by bee experts and beekeepers at Pforzheim III Logistics Centre in Germany, will help these threatened species as we improve biodiversity in the area. It will also provide wellbeing benefits to the local workforce, as they will be able to enjoy the improved natural surroundings.

Another way we support biodiversity is through the 100-plus beehives now installed across our European sites. In Germany, our honeybees produced almost 600 kilograms of honey this year. Some of it came from the beehives located at our logistics sites in Nuremberg, Eppertshausen, Leipzig and Pforzheim, where our customers are partnering with us to support the bees.

INNOVATIONS AND SUSTAINABILITY IN OUR LANDSCAPING

Preserving and maintaining our natural assets is important to Goodman. Innovation – both in technology and in our thinking – has helped us make big leaps in sustainable landscaping practices in Australia.



Through pilot projects, collaboration with suppliers and trials of new technologies, we have been able to reorient our landscaping operations with sustainability front of mind.

Technology-led solutions to reduce water waste

Last year we installed 384 potable water meter devices – at least one on each Australian property. These meters track the 1,468 megalitres of water used across our portfolio every year. Their real time data helps customers understand their water usage and identify leaks or wastage so that they can be repaired well before a bill arrives.

We also deployed smart irrigation across Goodman's Australian portfolio. This technology-led solution is so smart that individual garden beds can be remotely controlled, reducing water use at some properties by 54%.

Making our landscaping practices more sustainable

We used new technology to reduce the chemicals used to tackle weeds. After comparing various low-toxic weed control options, we trialled new equipment combining saturated steam and boiling water. This solution helps nurture soil and use less of the chemical Glyphosate. We are working closely with the manufacturer to make it more portable so we can use it more widely.

From December 2022 all our landscaping contractors will need to use lithium battery-powered blowers, hedge trimmers and other handheld landscaping equipment. These are lighter, quieter and easier to handle than combustion options – and don't rely on fossil fuels for power.

A sustainable approach to trees

There are 21,000 trees across the Australian portfolio. We have a maintenance plan in place which helps maintain optimum health and longevity. Soon, when our trees are trimmed, the branches will be broken down into mulch, soil or compost and then reused. A green waste recycling pilot project on several Goodman properties in Sydney processed an estimated 500 cubic metres of green waste in just six months. This project will soon roll out nationally.

1. Source: Esri and Michael Bauer Research



People and culture

Our people are our greatest asset. Their determination and innovation combined with the strong relationships they build with our customers and partners, push our business forward. That's why we work hard to create a culture that enables our people to realise their ambitions. It's integral to who we are and what we stand for. We encourage innovation and we offer skills development and challenging work opportunities that advance people's careers.



Team approach

Goodman people work as a collaborative and engaged team. We strongly believe that using a team-based approach, where our people, customers, partners and contractors work together, is the way we can all perform at our best.

To support and retain our people and attract new talent, we foster a diverse and inclusive culture. Our people participate in the Group's long term incentive scheme, in part to build collective responsibility, and to align with the interests of our stakeholders.

Goodman actively supports a strong culture in many ways. To keep our people healthy, connected and motivated, we provide regionally specific online and interactive health and wellbeing initiatives. These initiatives have become even more important during the pandemic. Incorporating health and wellbeing features into our properties for our customers is also a focus. These include facilities like recreational and fitness facilities, break-out spaces and garden areas.

We focus on our safety standards and monitoring to prioritise the safety of each team member and contractor. And we are seeking to protect human rights by mitigating the risk of modern slavery in our global supply chains, and continuously improving our business ethics and processes.

We operate a hybrid working model globally. Our commitment to flexibility allowed us to adapt and successfully work through lockdowns, travel restrictions and home schooling, while continuing to meet our customers' needs during the pandemic.

Our remuneration strategy is designed to attract the best talent and retain our people. We invest in retaining our people through our unique long-term employee equity plan. This gives all our people a material stake in the business.

We value and welcome diversity. We recognise the need to increase our female senior management representation and to reach our target of 40% by 2030. We are actively working towards this target through succession planning, promotions, recruitment and employee development. We are also providing this cohort with increased direct involvement with large customers and investors, and additional talent management opportunities.




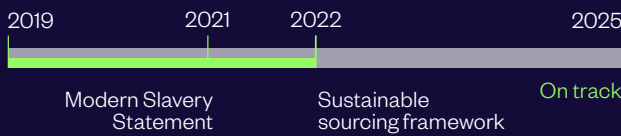

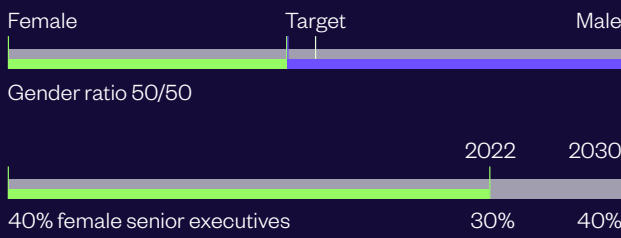



Material drivers

- + Promoting workplace safety and wellbeing for all
- + Demonstrating Goodman's values and promoting diversity, inclusiveness, and social equity
- + Group and regional leadership
- + Influencing the sustainability practices of our value chain.



Progress against targets

TARGET	FY22 ACTIVITY	PROGRESS
<p>Safe working environment</p> 	<p>In FY22, zero fatalities occurred on construction projects under the control of our Principal Contractors.</p> <p>This achievement was supported through the launch of a Return to Zero program for our contractors which increased operational monitoring of safety standards.</p> <p>We also developed specifications for minimum contractual safety standards on construction projects for Principal Contractors.</p>	 <p>On track</p>
<p>Improve supply chain business ethics</p> 	<p>Development of our Sustainable Sourcing Framework, including updates to our Supplier Code of Conduct. These commitments will assist us in protecting human rights within our supply chain and to mitigate the risk of modern slavery.</p> <p>A comprehensive modern slavery training module was launched in FY22.</p>	 <p>On track</p>
<p>Gender ratio of 50/50, with 40% female senior executives by 2030</p> 	<p>We reached a gender ratio of 44% female and 56% male.</p> <p>Goodman maintained 30% female senior executives.</p>	 <p>Gender ratio 50/50</p> <p>40% female senior executives</p> <p>30% 40%</p>
<p>100% of employees assessed as demonstrating Goodman's values</p>	<p>As of September 2022, 98% of employees had been rated as at least 'demonstrate' or above of the Group's values.</p>	 <p>Achieved 98%</p>

LIVING

OUR VALUES



Sustainability, innovation, determination and integrity – Goodman's values are integral to the success of the business. They shape our culture and focus our teams on delivering high-quality service, and innovative property and investment solutions over the long term. As part of the annual performance review process, our people are assessed on their demonstration of the Goodman values.

SUPPORTING OUR PEOPLE

Our wellbeing offering evolved during the year to respond to the ongoing nature of the pandemic. Our people in some regions took part in anonymous mental health surveys with the results helping our managers better understand the indicators of mental health in our people, and how to support their team members across the globe.

We encouraged our managers to have more regular check-ins with their team members to better support them throughout the pandemic and beyond. We continued to provide counselling for our people and their families, as well as tailored online educational support on a range of health and wellbeing issues. In some regions these programs were run by an expert external provider.

Goodman continues to offer flexibility and remote working. We are strong supporters of flexible work and the benefits it brings. Plus, our people like the flexibility and we want to support them in this. Now, our people typically work in a hybrid arrangement depending on their commitments. Both options have benefits for our people, customers, relationships and our culture.



Goodman's office at The Hayesbery, Sydney, Australia.



People first design

Our offices are designed for collaboration, health, wellbeing, connectivity and sustainability. We provide a mix of quiet spaces and areas to connect and collaborate – all in contemporary and sustainable surroundings.

Where possible, we design our workspaces to maximise natural light and fresh air. We use natural non-toxic materials and incorporate plants and trees to lower stress and improve mental clarity. Several of our offices have yoga rooms, gyms, multi-faith rooms and end-of-trip facilities.

Our workplaces also allow for limited physical contact, which helps prevent the spread of illness. We have touchless entry to our buildings, and our people use their own technology equipment. There is also plenty Connected wellbeing of physical space between people in the office.

Connected wellbeing

Flexibility allowed Goodman to adapt and successfully work through lockdowns, travel restrictions and home schooling, while continuing to be productive and meet our customers' changing needs in a time of global disruption.

Where the pandemic impacted our people's work and home lives, we offered region-specific online and interactive health and wellbeing initiatives to keep them physically and mentally healthy, connected to their colleagues and motivated. These included virtual fitness sessions, karaoke competitions, walking groups, cooking competitions, book clubs, guided meditations, wellness talks, and other initiatives.

In Greater China, we provided additional support for our people during the extended lockdowns through tutoring services for children who were unable to attend school, and other opportunities for regular communication with management and colleagues across their region.



HUMAN CAPITAL MANAGEMENT



The value of diversity

At Goodman, we are committed to enhancing diversity and encouraging inclusion. We each bring unique perspectives, experiences, knowledge, backgrounds and thinking. Diverse teams foster a rich mix of differing views and ideas, all of which challenge our thinking and result in better decision making and business performance.

Diversity allows our people to know they genuinely belong and feel included. Diversity of thought is greatly valued at Goodman. Our success depends on it.

Our diversity policy supports:

- + Workplaces free of harassment or unlawful discrimination
- + Recruitment and promotion based on merit
- + Equal access to personal development, management skills and career opportunities
- + Cultural differences
- + The needs of individuals with family and carer responsibilities
- + Customers' diversity and their expectations
- + An inclusive work environment where ideas and opinions are shared
- + A range of philanthropic channels for community contributions
- + Increased career advancement opportunities for women.

In FY22, Goodman undertook several diversity and inclusion initiatives to enhance our workplaces. These included:

- + Conducted training and other initiatives in various regions on inclusion and diversity, as well as specific inclusive leadership training
- + As part of the Group's support of Our Watch, Goodman worked closely with the organisation to establish the Our Watch Institute ([for more information see page 94](#)). Starting in FY23, gender equality training will be rolled out to all Goodman employees, commencing in Australia. This training is designed to reinforce the message within Goodman about the importance of gender equality in the wider community, recognising it as the primary cause of violence against women. Participant feedback will help assist Our Watch refine training content in preparation for rollout across other workplaces. As part of the support from Goodman, valuable communication and marketing advice will help to implement the program with other corporates, and ultimately the wider community
- + Important corporate messages translated into local languages when needed to improve understanding and demonstrate to our people that the Group is cognisant of language differences
- + Parental leave entitlements were reviewed and increased in the UK, New Zealand and Australia. We also introduced online tools, such as Circle In and Enboarder in Australia and NZ, to assist in the transition to and from parental leave and improve communication with our people on parental leave
- + A flexible work policy was introduced in Japan, an employment market that traditionally has not embraced flexible work to the same extent as some others
- + In Continental Europe and New Zealand, we implemented an improved (voluntary) approach to capture workplace demographics, in order to assist with planning and target setting
- + In support of FY22 International Women's Day (IWD), various offices around the world participated in activities to enhance gender equality
- The Goodman Hong Kong business undertook the Women Build 2022 project in conjunction with Habitat for Humanity Hong Kong ([for more information see page 94](#))
- Goodman NZ recognised IWD by launching an updated parental leave policy. The enhancements support the Group's commitment to reduce bias and improve representation across genders through providing practical and financial support to parents and caregivers. Also, employees attended an IWD "Break The Bias" webinar hosted by the Property Council NZ
- Also in NZ, a refreshed diversity and inclusion survey was launched which for the first time included a question on identifying as part of the LGBTQI+ community. The section of the Circle In platform was also utilised by an employee (who is part of the LGBTQI+ community) who shared their parenting story with the Goodman and wider Circle In community
- In Australia, Patty Kinnerseely, CEO of Our Watch, presented at a Goodman staff web conference to outline the importance of gender equality and addressed the key features of the training program
- + A steering group was established in Australia to support the development of a comprehensive and meaningful Diversity and Inclusion strategy
- + Also in Australia, the development of a Reconciliation Action Plan is underway to drive awareness and reconciliation with First Nations peoples. (See Advancing reconciliation with Australia's First Nations people section below for more detail)
- + We continue to support the Property Council of Australia's 500 Women in Property Mentoring Program. Goodman's Australian business also sponsors the Women in Industrial Program, which promotes female participation in the industrial property sector
- + Within the Australian business, internal group mentoring is available to some of our people by senior leaders.

WE EACH BRING UNIQUE
PERSPECTIVES, EXPERIENCES,
KNOWLEDGE, BACKGROUNDS
AND THINKING.

Developing leadership

Building an inclusive workplace at Goodman starts with our leaders. They lead by example when creating the culture of our business.

In Continental Europe, our management and reporting structure continue to evolve to strongly encourage teamwork. In Australia, we facilitated leadership workshops that focused on the value of inclusion.

This is important long-term work. We know by leveraging diverse thinking and enriching our capabilities, we can create a positive work and team culture, improve collaboration and positively impact the performance of our global business. The result of this work creates a culture where our people realise their potential and are empowered to pursue leadership.

We have a global workforce of approximately 1,000 people and a relatively flat organisational structure. So when evaluating if an employee should be categorised as a senior executive, we consider:

- + Proximity of the employee on the Group's organisational chart to the Group CEO or regional CEOs
- + Scope of the role
- + Potential commercial impact
- + Accountability for risk factors
- + Total remuneration level.

Encouraging leadership styles that recognise the importance of inclusion, supports our aim of creating a more diverse workplace by lifting the representation of females in leadership roles. We are committed to 40% of females in the senior executive category by 2030. In FY22, this was maintained at 30% through targeted recruitment, talent reviews and promotions. We also continued to upskill senior female employees, where opportunities become available, by giving them more responsibility and exposure to major customers, investors or corporate activity.



The (good) life

To foster engagement, promote a greater work-life balance and enhance productivity, Goodman provides a range of activities for our people around the world.

In Australia, Goodman's health and wellbeing program, the (good) life, supports our people through six pillars:

- + the (social) life
- + the (healthy) life
- + the (balanced) life
- + the (energetic) life
- + the (informed) life
- + the (beneficial) life

In the last few years we have expanded this program so that our people can take part while working from home with a focus on exercise and education.



People resources and skills

Goodman is proactive about identifying and managing human capital risks. As our business evolves, this risk management approach includes identifying potential gaps in available human resources. A recent example includes the recruitment of specialist personnel with experience managing Life Cycle Carbon Assessments.

Goodman operates with global mandates to provide technical expertise and alignment across the Group. For example, the Group Technical Director, Group Insurance Manager and Group Safety Manager engage with our regional teams. Goodman's Group Head of HR reports to the Remuneration Committee on any material employee relations and HR issues, along with gender equity and related matters. The Nominations Committee oversees the Group's succession plan at senior levels.

Building capacity

Online learning provides an effective platform for learning and training for Goodman's global teams. However, we also consider it a positive sign that there was a return to more face-to-face learning for key technical requirements in FY22.

Goodman's Continental Europe business ran the Goodman Academy again this year, where internal subject matter experts present to peers on technical aspects of their roles. These sessions provide employees the opportunity to present and engage within the business.

These types of peer-to-peer training sessions are highly valued by Goodman, and we run similar programs in other regions, such as the 'In Focus' program in Australia.

This year we also launched a global communications training program, facilitated by an external writing expert. The program has been rolled out in Australia, New Zealand, Continental Europe and North America – with remaining regions to be trained in FY23.

Goodman's people can also access a comprehensive catalogue of LinkedIn Learning content via the Group's global learning system, Aspire. Aspire is the gateway to a range of professional development and skills training relating to compliance, technical and management skills. It's the backbone of Goodman's human capital skills offerings. All content is kept current and it remains a popular method of self-paced learning among our employees.

During FY22, 69% of Goodman's global workforce accessed LinkedIn learning to view 9,565 hours of training across both internal and external courses. The most popular online modules were communication and negotiation, personal coaching, and leadership.

Goodman's Greater China team has developed its own competency framework designed to assist employees identify what skills and experiences they require to progress their development and learning pathways.



Managing our team

Goodman's human resources team manages our human capital including the global performance management process in place for our workforce.

We do background checks on new employees where relevant and ongoing checks on employees where required by regulatory bodies. Our Code of Conduct covers all employees and regular governance compliance training takes place to boost awareness, among employees, of their obligations.

We look at human capital metrics including gender representation, gender pay equity, remuneration, diversity, learning, turnover and absenteeism. Voluntary turnover across Goodman Group is around 6.4% per annum.

Across the Group, we prioritise equal fixed remuneration for employees who do similar work within the same region. Differences in total remuneration, including incentives, are based on performance.

These performance-based incentives are a large portion of our remuneration. All employees globally participate in our LTIP and it is a critical element of the Group's remuneration philosophy. The structure and long-term nature of the LTIP is fundamental in generating the type of culture that we want for long-term success. It creates significant long-term alignment between the sustained financial and operational outcomes of the business delivered and the returns to securityholders.



Career direction

It is important to Goodman that we recruit, engage, develop and retain the best people in the market.

We focus on providing development opportunities for our people throughout their career with Goodman. This includes setting clear performance expectations from the outset. We induct new employees with face-to-face and e-learning modules during their early months at Goodman.

Crucial to the development of our people is monitoring performance and providing competitive remuneration and benefits. To develop careers, we offer learning and development opportunities that help build new and existing skills. We prioritise talent and use succession planning to make sure we build a strong workforce and leadership team for the future.

Employee development plans are reviewed each year with managers. These focus on career aspirations, goals, and potential training. Our people are offered incentives to study during their career at Goodman. This includes study support schemes, which in some regions includes an allowance of up to AU\$8,000.

The annual performance review and development process helps identify and plan for role progression and identify what specialised management training is required. This training includes peer-to-peer engagement with Goodman's senior leadership team and management committees, which helps identify succession opportunities and creates a diverse leadership team for the longer term.



Sustainable movement

Our holistic approach to sustainability not only focuses on Goodman's business but also supports sustainability actions for our people.

To help our people access more sustainable transport we continued offering electric vehicle (EV) incentives. Our people who purchase an EV are offered a financial subsidy by the Group, with the popularity of this scheme gaining momentum each year.

We are also transitioning Goodman's global vehicle fleet to electric, with programs in place in Australia, Continental Europe and New Zealand to upgrade their fleets. In addition, Goodman's developments globally increasingly feature EV bays with battery charging stations.

ADVANCING RECONCILIATION WITH FIRST AUSTRALIA'S NATION'S PEOPLE

Reflect: Our Reconciliation Action Plan

Goodman sees it as our responsibility to listen to, learn from and amplify First Nations voices where we work and live in Australia.

We are at the beginning of realising our ambitions in this space. Our focus this year has been on moving through the Reflect stage of our Reconciliation Action Plan (RAP). A RAP is designed to provide tangible and substantive benefits for Aboriginal and Torres Strait Islander peoples around the core pillars of relationships, respect and opportunities. Like anything we do, it's important that our first RAP is authentic and ambitious – we're determined to make a difference.

Relationships

We are actively engaging with Indigenous organisations to assist us with our Reflect RAP, including cultural immersion and building relationships with Local Land Councils in the areas where we operate.

To understand the right training and immersion opportunities to offer, we surveyed our people and offered senior leadership briefings on reconciliation and the RAP process. Both will enable our people to be a part of our engagement with First Nations peoples.

Respect

Acknowledging Country at Goodman's official investor events such as the AGM and results presentations is an important mark of respect. For new developments, we conduct a Welcome to Country and smoking ceremony officiated by Local Land Councils.

During NAIDOC Week and National Reconciliation Week we worked to further facilitate greater understanding and respect through cultural immersions, communication, Indigenous movie screenings and food workshops.



Smoking Ceremony to mark the start of construction at Proximity@Botany, Sydney, Australia.



Opportunities

Goodman is engaging with Indigenous suppliers where possible and seeking opportunities to employ indigenous people within our Australian team.

Through the Goodman Foundation we are committed to education support programs like the Clontarf Foundation and other culturally safe initiatives as with the Stepping Stone House Bawaga program.

More information about our broad indigenous support can be found in the Goodman Foundation section ([see page 94](#)).

NAIDOC WEEK

NAIDOC Week is a time to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander peoples. It seemed the right moment to conduct a Welcome to Country and smoking ceremony at Goodman's flagship workspace, The Hayesbery in Sydney's Rosebery.

Uncle Allen Madden from the Metro Local Aboriginal Land Council conducted the Welcome on behalf of the Gadigal people.

Smoking Ceremony and Welcome to Country, The Hayesbery, Sydney, Australia.



“ABORIGINAL CULTURE IS EASY TO UNDERSTAND. IT’S ALL ABOUT SHARING AND CARING, AND RESPECT. THAT’S SOMETHING THAT’S ALWAYS IN YOUR HEART AND MIND.”

Uncle Allen Madden

SYSTEMS FOR SAFETY

Goodman is a global business and our commitment to safety is consistent across regions. Our global safety framework helps us implement our approach to safety management for construction and maintenance activities in our portfolio.

The major risks for life safety, and a key area of our focus, are in the development and construction of our properties on sites under control and supervision of Principal Contractors.

Goodman is committed to positively influencing high safety standards in our contracted workforce. We also actively monitor safety standards to minimise incidents and achieve our objective of zero fatal accidents in our supply chain.

Crossways Commercial Park, London, United Kingdom.



Major safety initiatives

During FY22 our priority was achieving zero fatal accidents on construction projects controlled by Principal Contractors. We launched a 'Return to Zero' program to directly influence contractors and increase operational monitoring of safety standards.

We developed specifications for minimum contractual safety standards on construction projects for Principal Contractors. The standards outline our expectations for contractors as they provide control measures for high-risk activities. During FY22 we proactively monitored the implementation of these contractual safety standards during construction.

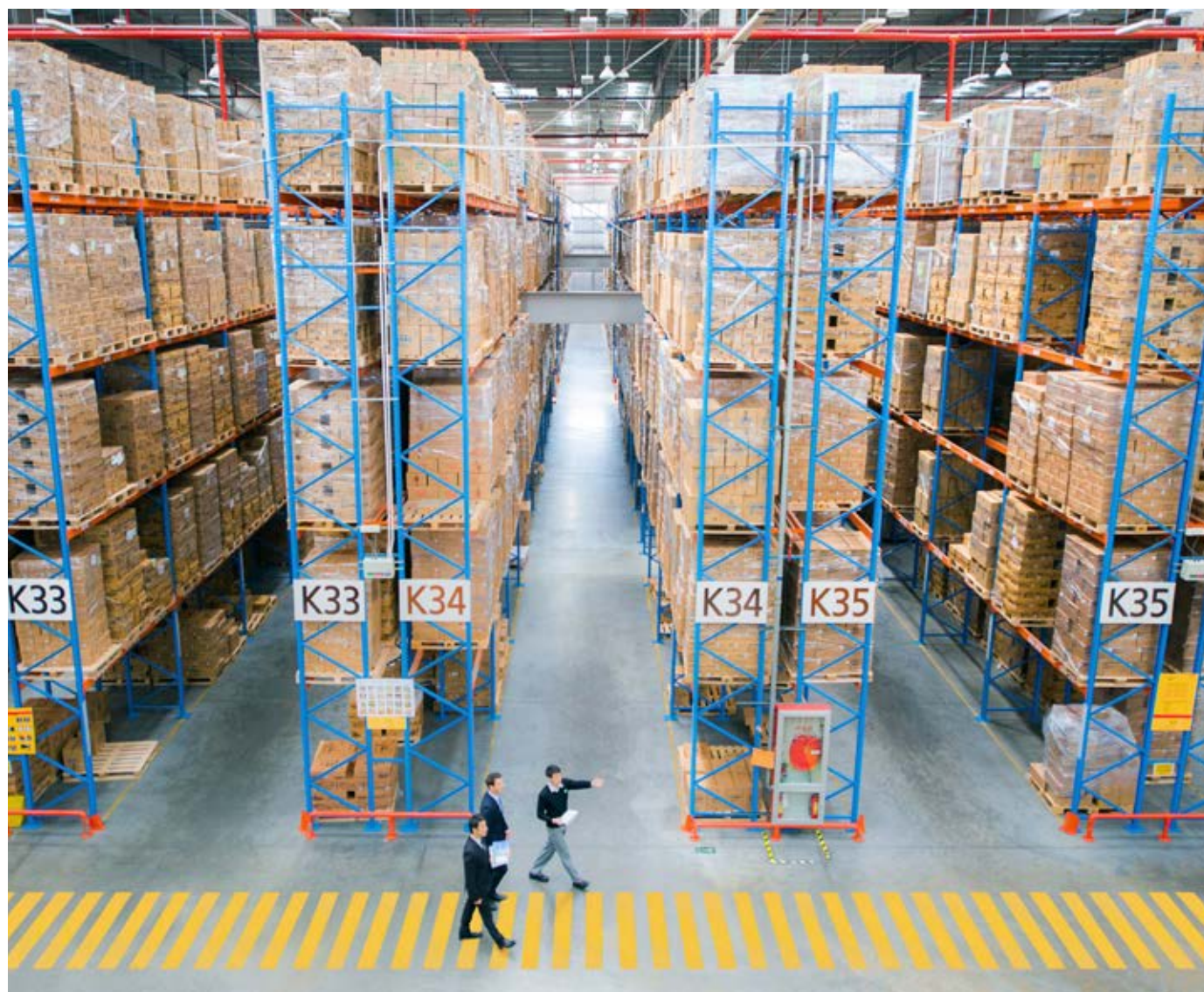
During our 'Return to Zero' program, we conducted frequent safety inspections and issued non-conformance reports and stop work orders to Principal Contractors. This not only enforced our standards but also served to influence contractor safety standards overall.

We also developed a program to provide increased powers for our site safety representatives and initiated penalties for contractors deemed to be non-compliant with Goodman expectations. Our combined approach helped us achieve zero fatal accidents on contractor-controlled projects this year.

CUSTOMER WELLBEING

Our commitment to sustainable properties means we develop and own buildings that are great places to work in and support the health and wellbeing needs of our customers.

We believe that our commitment to providing healthy, sustainable buildings makes it easier for our customers to attract their own workforce to our properties. In turn, our business benefits from high occupancy levels and sustained rental growth.



WELL HEALTH-SAFETY RATING FOR 10 HONG KONG PROPERTIES

In Hong Kong, urban density means our properties are central hubs and home to bigger workforces than many other locations.

The globally-recognised WELL Health-Safety Rating, from the International WELL Building Institute (IWBI), guides, validates and recognises the efforts of building owners and operators on critical health and safety issues. This year Goodman submitted 10 of our Hong Kong properties for the rating. We became Hong Kong's first logistics developer in our asset class to achieve it.

The WELL rating assesses more than 20 features across five core areas:

- + Cleaning and sanitisation procedures
- + Emergency preparedness programs
- + Health service resources
- + Air and water quality management
- + Stakeholder engagement and communication.

Health, safety and wellbeing is a priority at Goodman. Now, when customers, suppliers or our team walk into our Hong Kong properties and see the WELL certification logo, they can be reassured this remains a key commitment.

Goodman Yuen Long Logistics Centre, Hong Kong SAR, China.





Corporate performance

We are proactive about ESG at Goodman. It is a people-focused approach that achieves positive outcomes for our business, people, stakeholders and the communities where we operate, in the long term.

Goodman's Boards are committed to managing ESG matters with the highest priority. The Boards monitor progress towards our 2030 Sustainability Strategy and targets. They recently established a Sustainability and Innovation Committee to support the management team. The new Committee, along with Goodman's Risk and Compliance Committee, will enhance the Board's visibility and oversight of our ESG initiatives.

ESG has been further embedded into our business recently through our remuneration structure. Meeting environmental and sustainability targets is now a further performance assessment for vesting of our LTIs linked to operational outcomes, and is measurable and disclosed as part of our remuneration structure. It means our people have a long-term financial interest in the environmental and sustainability performance of our business.

Maintaining sustainable sources of capital requires demonstratable governance of ESG priorities. During the year, Goodman established a Sustainability Linked Bond Framework. This provides a structure to link financing with our sustainability strategy and the achievement of our sustainability goals.

Our reputation is important so we act in line with our Code of Conduct (the Code) and comprehensive suite of governance policies, and with integrity wherever we do business. Together, these documents set the standard of professional and ethical behaviour expected from all of those who represent us. They are available on Goodman's global website. The Code was updated during the year to better align with our revised values.



Crossways Commercial Park, Greater London, UK.



Effective and regular disclosure of our ESG performance with stakeholders helps maintain trust in Goodman's governance and leadership teams. We participate in several ESG ratings and benchmarks that our investment partners value, and we use these as tools to identify where we can improve. The benchmarks/ratings we participate in are set to grow in FY23. The list currently includes:

- + Global Real Estate Sustainability Benchmark (GRESB)
- + MSCI ESG Index
- + Sustainalytics benchmark.

In 2022, 10 Goodman entities participated in the GRESB, with positive results announced in October 2022. Our results across the Group in 2022 were our strongest to date.



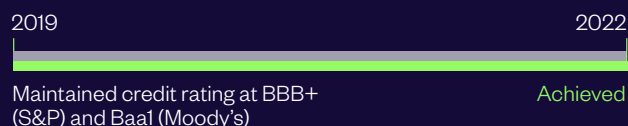
- + Sustainable operations and results
- + Effective disclosures of ESG performance
- + Investing responsibly with defined governance and sustainable capital structures
- + Protecting human rights and sourcing sustainably
- + Supporting the community through the Goodman Foundation

TARGET

PROGRESS

Retain investment
grade credit rating

Continued to meet financial targets to underpin capital sources and retain credit rating. Maintained credit rating at BBB+ (S&P) and Baa1 (Moody's).



Adopt the TCFD guidelines for climate risk assessment and disclosure by 2022

Adopted Task Force on Climate-related Financial Disclosures (TCFD) guidelines in 2020 and updated in 2022.



\$50 million in social investment by the Goodman Foundation by 2030

The Goodman Foundation contributed more than \$10.6 million in cash, plus another \$1 million in staff fundraising and in-kind contributions. This takes our total investment to \$37.3 million since our 2030 sustainability strategy came into effect in 2019.

302 Goodman people contributed 2,196 volunteering hours to our community efforts.



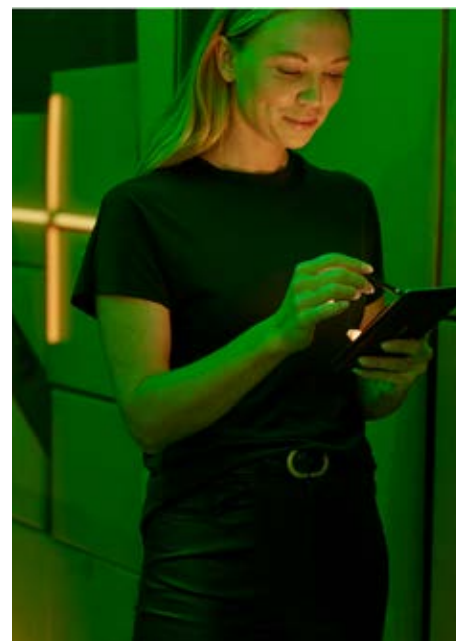
Governance of ESG issues

At Goodman, we are committed to the highest standards of corporate governance and recognise that an effective corporate governance framework is critical to the long-term performance of the business. This extends to governance relating to ESG matters, which we believe is essential to maximise long-term sustainable value for securityholders.

The Sustainability and Innovation Committee will focus on Goodman's sustainability strategy, responding to material drivers such as climate risk, as well as our performance on our ESG targets. The Committee will also oversee and monitor Goodman's investment in innovation and review the impact of innovation and technological developments on the business.

Goodman's team will provide quarterly updates to the Sustainability and Innovation Committee as it does for the Risk and Compliance Committee. These committees provide strategic insights to Goodman's Boards.

We believe the overall long-term sustainability of our business requires long-term strategic operational objectives. These must sit alongside a remuneration system which builds a culture of ownership for our employees as we focus performance on long-term success rather than short-term gains.



Goodman's remuneration structure is integrated into the business to encourage sustainable financial results alongside improvement in all areas of ESG over time. This includes sustainability targets which are incorporated into the performance reviews and remuneration structure for Goodman's management teams.

In particular, for LTI awards made since 2021 the Board has discretion to apply a reduction to the number of performance rights that vest where it considers that management's performance is not sufficient against sustainability targets. For the awards made in September 2022, these targets will include:

- + Renewable energy
 - Increasing our global renewable energy usage to include 70% of electricity generated from renewable sources (including the allocation of renewable energy certificates) as we progress to our long-term target of 100% renewable energy use by 2025
- + Solar Power
 - 65MW of new solar PV installations or commitments (on-site and off-site sources) as we progress to our 2025 400MW target*
- + Carbon
 - Maintaining carbon-neutral operations (within our direct operational control) by reducing emissions and using verified carbon offsets
 - Embodied carbon emissions of new developments are calculated and considered in investment papers. This will be done on a globally consistent basis for carbon neutral developments
 - A reduction in the Group's Scope 1 and 2 GHG emissions by 2030, against 2021 baseline, in line with 1.5°C Paris Agreement pathway as validated by SBTi (this is a new target for FY22)
- + TCFD
 - Maintaining and updating our climate disclosures in line with the TCFD guidelines
- + Occupancy
 - Maintaining a >95% occupancy rate.

Inclusion of these assessments provides real financial impact to our people if they materially underperform on these long-term objectives.

*Subject to government, local authority and network operator approvals, and meeting community or social issues.



Code of conduct

At Goodman we believe in conducting ourselves and our business with integrity. Maintaining our reputation is critical.

These beliefs underly our Code of Conduct (the Code), which clearly sets out the standards of professional and ethical behaviour expected from those who represent us.

Goodman updated its Code during the year to better align with our values. The updated Code is more comprehensive and links directly to our corporate governance policies. Our corporate governance policies were also reviewed during the year.

The Code is endorsed by Goodman's Boards and extends to anyone who works for Goodman, including non-executive directors (Directors) as well as employees and contractors (team members). It also informs how we interact with everyone we encounter at work, including customers, suppliers, partners, regulators and securityholders.

At Goodman, we have zero tolerance for any improper or unethical conduct, including bribery and corruption. All team members complete ethical behaviour training, which includes bullying, harassment, anti-bribery and corruption.

The Code has nine guiding principles to preserve Goodman's reputation of doing the right thing by our customers and team members. The principles are:

- + Act in a professional manner
- + Work as a team and respect others
- + Treat stakeholders fairly
- + Value honesty and integrity
- + Follow the law and our policies
- + Respect confidentiality and do not misuse information
- + Support our sustainability strategy and targets
- + Manage conflicts of interest
- + Strive to be a great team member.

These principles operate alongside Goodman's values, policies and procedures and everyone is expected to follow them when representing Goodman.

[View our full Code of Conduct](#)

[View our Governance Policies and Charters](#)

[View Goodman's Corporate Governance Statement](#)



Human rights and modern slavery

Goodman supports the protection of human rights, and equity and fairness within our supply chains. We acknowledge that modern slavery is a global risk and that managing this risk is an ongoing responsibility. Modern Slavery is a serious form of exploitation present in global supply chains, that can take place through labour rights abuses including forced labour, debt bondage and child labour. It can come about through the use of coercion, threats or deception to exploit and deprive people of their freedoms, rights and access to safe and fairly compensated employment.

Modern slavery spans industries, but an estimated 18% of modern slavery victims are in the property and construction industry. Additionally, 22% of forced labour occurs in the manufacture and production of raw materials – key suppliers to the property and construction industry.

Goodman is not immune to the risk of modern slavery. The risk of modern slavery is most likely to be present within our supply chain which includes over 8,000 suppliers (as opposed to our direct employees where we have strong controls in place).

Our Sustainable Sourcing Framework and our robust, risk-based approach to modern slavery both enable us to respond better to these risks, and work with suppliers to mitigate them. We have also committed to developing and implementing global operational and supplier standards and guidance on modern slavery to assist our teams involved in procurement in FY23. Together, these actions represent a strong signal about business ethics that will spread along our operations and through our supply chain.

[View our Modern Slavery Statement](#)

Sustainable sourcing

This year Goodman developed its Sustainable Sourcing Framework. The Framework provides direction to achieve Goodman’s overarching sourcing and supply chain objectives globally. We recognise we have an opportunity to influence the sustainability outcomes of a value chain that consists of over 8,000 suppliers. The Framework will help us to protect human rights within our supply chain and to mitigate the risk of modern slavery, as well as respond to the social, environment and governance targets in our 2030 sustainability strategy.

We have developed a roadmap to successfully implement the Framework from FY23.

The first step of the roadmap is engaging with our internal and external stakeholders to build awareness of our sourcing and supply chain objectives and expectations. Internal working groups have been established to support this task, and to help with implementation of the Framework in each of the regions where we operate.



Goodman recognises the impact of procured products and services on the environment and people. As a result, this year we expanded our procurement policies to support the new Framework – they now prioritise environmental, social and governance objectives.

We aim to adopt procurement strategies which avoid unnecessary consumption and, where possible, benefit society, while considering environmental impact and lifecycle.

We anticipate our new Framework and procurement decision making will see us increase the number of our suppliers that prioritise social, environmental and governance factors. We look forward to working with like-minded suppliers.

We recognise that our suppliers operate in a variety of legal frameworks and cultural environments around the world. However, we believe that engaging consistently with our supply chain on our Framework will lead to broader positive change in our sector.

ESG benchmarking

ESG performance and rating benchmarks allow Goodman to measure and communicate our ESG efforts to our stakeholders. They also allow us to assess opportunities for improvement. We participate in several global benchmarking programs, including the Global Real Estate Sustainability Benchmark (GRESB), the MSCI ESG Index, and the Sustainalytics benchmark.

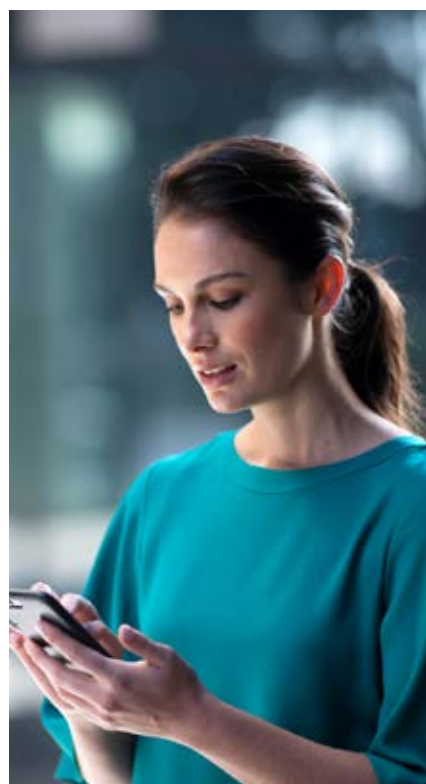
One of the leaders in sustainability assessments in real estate is GRESB, which helps our stakeholders contextualise our sustainability performance. Over the decade Goodman has been a participant in GRESB, we have continually improved our scores and increased our number of participating entities. This year, 10 Goodman entities made submissions, with the results released in October 2022. Highlights from the 2022 results include:

- + Goodman Group maintained its 'A' rating for its public ESG disclosure
- + Goodman Japan Core Partnership was ranked #1 in its peer group in the GRESB Standing Investments benchmark
- + Goodman European Partnership, Goodman UK Partnership, and Goodman Brazil Logistics Partnership were ranked #1 in their respective peer groups in the GRESB Development benchmark
- + Goodman Japan Core Partnership, Goodman Hong Kong Logistics Partnership, Goodman European Partnership, and Goodman UK Partnership all achieved the maximum 5 Stars for ESG performance
- + Goodman Australia Partnership received Regional Sector Leader status (Oceania, Diversified – Office/Industrial).

We were also active in other benchmarks this year. In March 2022, Goodman received an ESG Risk Rating of 9.5 from Sustainalytics, where we were assessed as being at 'Negligible' risk of experiencing material financial impacts from ESG factors – a strong result.

The Group was also upgraded by MSCI to 'AA' from 'A', reflecting our robust corporate governance and anti-corruption controls.

Crossways Commercial Park, Greater London, UK.



Investment grade credit rating

Maintaining a sustainable and strong balance sheet with available liquidity and ongoing access to capital is important to our business. Increasingly, our finance partners are valuing ESG performance and using their investments to influence sustainable outcomes like those which Goodman supports.

Goodman Group has longstanding relationships with some of the world's largest pension and sovereign wealth groups through our managed Partnerships. Our approach to sustainability, and the targets we set ourselves, are one way we can build trust with our stakeholders, including our investment partners.

Many of our investment partners operate with their own dynamic ESG policies. As a result, these relationships have supported Goodman's investment teams to adopt sustainability principles in our own development and management activities. This has contributed to the sustained improvement in Goodman's external ESG benchmarks.

We measure our financial sustainability and strength through our credit ratings of BBB+ (S&P) and Baa1 (Moody's). These ratings reflect our sustainable operations and results, capital stability and approach to responsible investments.

During the year, Goodman developed its Sustainability Linked Bond Framework (framework). The framework outlines how Goodman Group can link our financing strategy with our sustainability strategy, helping to deliver on our sustainability goals. Following the development of the framework, Goodman closed its first US\$500 million Sustainability Linked Bond into the US144A/Reg S market.



The Goodman Foundation brings together our people, properties and resources to address disadvantage in the world and make a tangible and sustainable difference to people's lives. We partner with like-minded charities and fund projects with clearly defined timelines and outcomes, to provide real support where it's needed most. We are proud that across the world, our people are increasingly engaged with the Foundation and living our values through these efforts.

The Clontarf Foundation, Tennant Creek Primary Academy in Northern Territory.



A changing world

With another year of global challenges, the Goodman Foundation continued to support our charity partners as the world changed around them yet again. While demand for charitable services soared, capacity to deliver or implement crucial fundraising activities remained compromised. Working in partnership with local charities who know best what their communities need, the Goodman Foundation helped them respond strategically and scale their impact as required.

We stayed generous and flexible, our doors open, whether we were responding to disasters like floods or helping those impacted by the war in the Ukraine. We also remained acutely aware of the new and pressing challenges COVID was creating for our communities.

This year, our support for the Indigenous community in Australia increased and we expect will continue to increase in coming years. We worked closely with existing partners to find ways to contribute to their Indigenous programs, such as Meals for the Mob through FareShare. Plus, we sought new partnerships to help us work towards the objectives of our Reconciliation Action Plan.

Across the year our support totalled \$10.6 million in cash, plus another \$1 million in staff fundraising and in-kind contributions. This takes our total investment to \$37.3 million since our 2030 sustainability strategy came into effect in 2019.

Thread Together, Sydney, Australia.



How we help

The Goodman Foundation partners with charities in three key areas: children and youth, community and community health, and food/product rescue and the environment.

Our focus is on providing real support where it's needed most, so emergency response became a significant part of our program this year. By integrating our support into an organisation's strategy, we enable growth and help them make a bigger impact.

Our support is offered as:

Cash grants

Funding for projects with defined outcomes (usually over one to three years) that enable charities to scale or make a bigger, tangible impact.

Do good

Goodman people volunteering or fundraising for charities.

Give back

Workplace giving schemes that equally match contributions from Goodman people.

In-kind

Donations of our expertise, space, office furniture, computers and other critical items.

THE GOODMAN FOUNDATION
PARTNERS WITH CHARITIES IN
THREE KEY AREAS: CHILDREN AND
YOUTH, COMMUNITY AND COMMUNITY
HEALTH, AND FOOD/PRODUCT RESCUE
AND THE ENVIRONMENT.

EMERGENCY RESPONSE

Disasters like floods, fires or droughts now happen on a size and frequency not seen in our lifetime. When they affect the work of our charity partners or the communities we operate in, we step up to help them respond at speed or at scale.

In emergency situations, like the humanitarian crisis in Ukraine, providing support is just the right thing to do, despite us not having a presence in that market. Here, we turn to local experts to find ways to assist.

In either situation, our people play an important role – mainly by raising funds.

Ukraine humanitarian crisis

Responding to the humanitarian crisis in Ukraine and surrounding countries, the Foundation committed €1 million to support emergency response and ongoing aid.

Nearly two-thirds of Ukraine's children are now displaced. For those crossing the border to safety, many find sanctuary within a [Blue Dot Hub](#) – safe spaces along migration routes for children and families.

Blue Dot Hubs provide critical information, emergency supplies, medical and psychological first aid, logistics and supplies for the onward journey, child-friendly spaces and activities, and more. Part of Goodman's larger donation to UNICEF has been used to support the initial set-up and running costs of a Blue Dot Hub.

This year the Goodman team also wanted to support the people of Ukraine. Our fundraising efforts boosted Goodman's total contribution towards the Blue Dot Hub initiative to more than \$400,000.

As it became obvious that rapid medical relief was required on the ground, the Goodman team began discussions with one of our European Foundation partners, Universitair Ziekenhuis Brussel (UZ Brussel). We worked together to send medicine and medical equipment to hospitals in Ukraine with the assistance of local non-government organisations (NGOs).



Goodman funded a convoy of minivans loaded with medical supplies, including anaesthesia for surgeries. The vans made the 1,800-kilometre trip from Belgium to the small town of Medyka on the Poland-Ukraine border.

Once supplies were delivered, transport was offered to Ukrainians wishing to depart for safe haven in Brussels. In April, 19 refugees, mostly families of women and children, took up this offer to travel to safety.

The program has adapted as needs have been revealed. For example, when Goodman learned many of the children had no means of communication, we stepped in to provide phones or laptops.

We have also allocated funding to UZ Brussel for future dedicated Ukrainian support, with a focus on settlement needs for the Ukrainian refugees in Belgium.

The impact of this humanitarian crisis will be felt for some time. That's why the Foundation is currently working to identify medium-term projects that will provide tangible and sustainable benefits for the people of Ukraine, now and into the future.

Perinatal Centre in Kharkiv, Ukraine, supported by UNICEF.



RFS Helicopter donated by Goodman, assisting with flood rescue in NSW, Australia.



Flood relief in Europe and Australia

As climate change takes hold around the world, major floods devastated two of our communities in the last year. In Europe and Australia, we saw tens of thousands of people struggle with the after-effects of these events.

In Europe, major floods hit the Netherlands, Belgium and Germany in July 2021, killing hundreds and devastating local communities, households and the environment. The Red Cross stepped in to coordinate a response, and Goodman donated to support its efforts.

The European floods left the region's rivers filled with debris and plastic. After the floods subsided, 32 of Goodman's European team joined Belgian environmental organisation River Cleanup in its fight against plastic pollution. The team spent a day removing rubbish from local rivers, with Goodman covering the cost of all clean-up materials.

The Goodman Foundation also turned its attention to floods in Australia.

A state-of-the-art helicopter, donated to the NSW Rural Fire Service by Goodman in 2021, had its first deployment helping local authorities in the State's west after flooding in Forbes.

The helicopter has done over 190 hours since coming into service in October 2021, participating in over 130 operations.

Goodman took further action when floods in Queensland, New South Wales and Central Australia left thousands without housing, income or clothing. We turned to our partners and their networks, asking how we could best help them provide the emergency response needed on the ground.

One of these partners, Good360 Australia, has been working hard throughout the Australian floods. Good360 connects the right goods to the right people at the right time during all stages of a disaster, supporting affected communities with the essential items they need. Our funding in previous years helped Good360 establish disaster recovery capabilities. Since February 2022, our funding has helped provide over 618,000 items to 194 flood affected communities.

Goodman team assisting in River CleanUp following European floods.



We are also a founding partner of Thread Together, which has been incredibly active after the Australian floods. Thread Together works with 1,000 brands and retailers nationally. It provides new clothing to those experiencing homelessness, escaping domestic violence, or surviving natural disasters.

Increased support from the Goodman Foundation helped Thread Together expand its operations into flood-affected communities. For many impacted community members, the clothes provided by Thread Together are the only outfits they now own.



OZ Harvest food hampers prepared with help from Goodman.



Continued response to COVID

In this second year of the COVID pandemic, Goodman increased support to charity partners in many parts of the world, including Australia, New Zealand, China, Hong Kong and Germany.

Lockdowns impacted livelihoods, education and mental health. When strict lockdowns were in place in Sydney, Australia, Goodman's donation to Good360, Australia helped this matching charity get personal protection equipment into heavily impacted communities in South-west Sydney.

For social enterprise, the Bread and Butter Project café closures meant it lost most of its income from wholesale bread supply, so we made a significant donation to keep its refugee staff in work. We also provided two of our warehouses to OzHarvest, which gave its teams of volunteers space to build more than 300,000 food hampers. And we funded the supply of more than 800,000 meals to families in the most impacted Sydney suburbs before Christmas.

We found extended lockdowns were affecting the mental health of young people. With our support, Raise Foundation helped 280 at-risk youth in 18 schools, receive access to youth mentors – some of them were our own people.

COMMUNITY AND COMMUNITY HEALTH

Charity organisations in the community and community health space support those living with a condition, illness or disability. Or their efforts help to create a more inclusive and equitable community.

Our Watch

Violence against women is a serious problem globally. In Australia, on average one woman a week is murdered by her current or former partner. Our Watch, an Australian organisation that works to prevent violence against women and their children, has undertaken evidence-based research which demonstrates gender inequality is at the heart of the problem for violence against women. Our Watch works to embed gender equality and prevent violence where Australians live, learn, work and socialise.

To expand the reach of its services and effect real change across the country, Our Watch is partnering with the Goodman Foundation to establish the Our Watch Institute. The Institute's mission is to inspire and support Australians to end violence against women by doing their part to promote gender equality. Through training and practical tools, individuals and organisations will be equipped to lead prevention work in their own communities and spheres of influence.

Nationally there's limited workplace training, expertise and evidence-based resources on preventing violence against women. There's also limited understanding of the difference between workplace activities that prevent violence against women and those that respond to experiences of violence. The Institute will address these gaps by providing expert, tailored and trusted advice and support to advance gender equality in workplaces and inspire and support them to end violence against women.

The Goodman Foundation has committed \$1 million towards the establishment and launch of the Institute and will commit a further \$700,000 over the coming years to assist the operations. For the first phase in 2023, the Institute will focus on corporate Australia and workplaces. Over time we plan for the Institute to inspire and support organisations, workplaces, education institutions and sporting clubs to collectively put an end to domestic violence in Australia.

To learn more, watch: [Let's change the story: Violence against women in Australia – YouTube](#)



Habitat for Humanity, Hong Kong

On International Women's Day this year, the Goodman Foundation announced a new partnership with Habitat for Humanity, Hong Kong, to support its Women Build 2022 campaign – supporting disadvantaged women and children's groups in Hong Kong.

Goodman provided funding to renovate three facilities for disadvantaged women and children across two local NGOs on the Women Build project and utilised its team's expertise to provide support in the planning and design.

Mother's Choice provides a Child Care Home for children without families and pregnant teenagers who cannot be adequately cared for by their families. Goodman and Habitat renovated the outside areas at the Child Care Home, creating a safer and more welcoming environment for the people living there.

PathFinders operates a community centre and a shelter for some of Hong Kong's 390,000 migrant domestic workers. Goodman funded an upgrade to the community centre to make space for additional facilities and provide a more functional, welcoming environment for existing counselling, education and healthcare services.

Funding also helped provide new furniture and fittings for the PathFinders shelter, which offers emergency and temporary accommodation for migrant domestic workers and their new-born babies.

Through this project, we hope to make a tangible difference in achieving gender equality and supporting women in need in Hong Kong.

Kris Harvey, Goodman Greater China CEO, at the opening of three renovated facilities provided to Habitat for Humanity.



Sternebrücke Children's Hospice, Germany.



Sternebrücke Children's Hospice, Germany

In the west of Hamburg, the Sternebrücke Children's Hospice cares for terminally ill children and their families. Since it opened in 2003, around 700 families have already been guests.

Families can stay at the children's hospice not only in the final stages of the young people's lives, but also for 28 days a year, allowing them to gain new strength and recuperate during this difficult time. Even after the child dies, the organisation continues to support their family through their grief.

Physical distancing requirements and the increased demand for Sternebrücke's service have led to new space constraints. As part of our participation in the 19th Hamburg Logistics Days in mid-May, Goodman donated funds towards construction of a winter garden. The conservatory will serve as both a dining and recreation room and will visually connect families with the beautiful Klövensteen forest area surrounding the hospice.

Sport dans la Ville, France.



Sport dans la Ville, France

For over 20 years, French charity Sport dans la Ville has built sports facilities in underprivileged urban areas. Sport is used to support change. It's also a precursor to structured experiences like cultural exchanges, academic support and employment mentoring.

Goodman's support this year will allow Sport dans la Ville to build a football pitch in Île Saint Denis and run twice-weekly free classes for at risk youth. In this disadvantaged district within the Parisian community, 26% of 16-to-25 year-olds are out of school and unemployed. Sport offers connection and a chance to build self-confidence and other soft skills.

Sport dans la Ville, France.



Paediatric Intensive Care Unit, UZ Brussel, Belgium



UZ Brussel, Belgium

The staff of the paediatric intensive care unit (PICU) in UZ Brussel in Belgium, have a saying: "We want to care, not scare."

Built in 1984, and treating 400 children a year, the unit is outdated in both size and function. 150 children a year are turned away for lack of space. There are other problems too. The tubes, machines, blank ceilings, tiny rooms and excessive noise aren't child-friendly or welcoming.

That will change with the build of a new paediatric intensive care unit, funded in part by Goodman. By increasing to 10 beds, they will be able to treat up to 550 children a year. The unit will feature leading technology that helps alleviate the wires and beeps that can scare children and cause them distress. It also includes sofa beds for parents to stay with their children and much welcomed space to gather in. Video chat in each room means kids can stay in contact with friends and family while undergoing lifesaving care.

CHILDREN AND YOUTH

Charity organisations in the children and youth space help protect, nurture and support children or young people.

The Goodman Mais Education Program, Brazil

Brazil faces a raft of issues stemming from serious social inequality. As the country faced a huge burden from COVID, unemployment in the world's eighth-largest economy soared. Now, inflation is the highest it's been for 20 years.

Goodman's team in Brazil understand the depth of the country's challenges. They thought long and hard about how their contribution through the Goodman Foundation could make the most impact in their community.

The team decided to focus on education, given its capacity to improve so many aspects of a person's life. In 2019, more than 36.5% of Brazilians under 19 didn't finish high school, while in 2018 almost a third of the country's 15-to 17-year-olds dropped out of school to earn income for their families.

Together with experts from the education sector and other partners, our project team worked through the pandemic to bring the Goodman Mais ('More') Education Program to life.

The bespoke program has been carefully designed to build skills and confidence and support its graduates to find jobs in the challenging Brazilian market.

Over a number of months, our team carefully selected 30 energised, motivated young adults from disadvantaged areas of Sao Paulo. These young people have become the Goodman Mais Education Program's first cohort.

Program organisers remained flexible, providing support as unanticipated challenges arose: some students had no access to laptops – so were provided one. For others, the cost of bus travel to and from school was a barrier – monthly bus passes are now built into the program.



Participants in the Goodman Mais program with the Goodman team, São Paulo, Brazil.



Formal studies in Environment Management, delivered by training provider Senac, will provide participants with an impactful technical qualification. Additionally, regular presentations from employers across the sector will inspire the students, revealing how to apply their upcoming qualification in future employment. Towards the end of the program, the goal is for many of these employers to also provide students with valuable work placements.

The Goodman team will play a crucial role. Each student has been assigned a personal mentor to meet with monthly across the life of the program. It's here that the team's commitment to the success of Goodman Mais speaks volumes with almost 50% of our people in Brazil having already signed up as mentors.

Stepping Stone House, Australia

About 45,000 young people in Australia are homeless. It's a statistic New South Wales organisation Stepping Stone House has spent 33 years working hard to change.

By providing safe places for children and young people at risk or experiencing homelessness, the charity helps them begin to heal, build resilience and become the best they can be.

Many of the young people at Stepping Stone House have a childhood background of trauma. Government funded services in NSW will only support children until they are 18, but they often need help for much longer. That's why the community at Stepping Stone House, which is independently funded, provides long-term accommodation and support until they are 24 years old.

This people-centred approach has already helped over 450 young people become independent adults. The educational outcomes alone are significant. Stepping Stone House graduates have school attendance figures of 87%. They also have 100% employment rates on graduation from the program.

Goodman, a long-term partner of Stepping Stone House, significantly increased its support to the organisation this year. Multi-year funding supported its Bawaga Indigenous program through the employment of Indigenous support workers for the home. It also provided cultural awareness training for staff.

As the charity's programs have grown, activities like career workshops, workplace dressing, cooking and sewing classes have outgrown the spaces available in Stepping Stone's residential houses. The answer is a new Community Hub housed within a Goodman site in Sydney's Alexandria. The Hub will become a home for these important ancillary programs, and a place for the Stepping Stone community to meet.

Goodman provided the fit-out and building works for the new space, and members of our team also designed and sourced items for the Community Hub's welcoming interior.

There's been a lot happening in this partnership – Goodman's cars are used to help Stepping Stone House residents learn to drive, and we're a major partner of its key Sleeping Under the Stars fundraiser.

The charity is currently working on a strategy to integrate and scale its support model, to replicate its success across Australia. Doing so, it says, would halve youth homelessness figures, increase education outcomes, and provide a myriad of short and long-term community benefits.

Stepping Stone House Community Hub, Sydney Corporate Park, Australia.



Hope in a Suitcase, California, USA.



Hope in a Suitcase, USA

Every year in Southern California, 30,000 kids enter the foster care system. Especially in emergency situations, they often enter the system with nothing but the clothes on their backs or with just a few personal belongings that they carry from home to home in a rubbish bag. Throughout the year, Hope in a Suitcase helps change the situation for many of these children by providing suitcases and duffel bags filled with new clothing and other essentials.

At its (free of charge) 'Shopping Events' Hope in a Suitcase provides an opportunity for foster children to stock up on clothes, shoes and other essentials. Volunteers walk with the participants to help them shop as they fill their bag with brand new items. For foster youth who are frequently at the mercy of other people's decisions, the ability to select the items that THEY want and need is particularly empowering.

Over the past two years, the Goodman Foundation has donated funds to help Hope in a Suitcase purchase the new items. The events have also seen growing numbers of Goodman volunteers. Many eagerly await these events, where the excitement of the young attendees is contagious.

Shanghai Sunrise, China

Disadvantaged students were especially affected by COVID lockdowns in Shanghai.

This year Goodman began an annual commitment to support 20 disadvantaged students in secondary and tertiary education through local charity, Shanghai Sunrise. In its 25 years of operation, Shanghai Sunrise has helped educate more than 3,200 students.

Goodman's team was also keen to provide short-term support for each of the 100 students through the Shanghai Sunrise program. Activities included webinars and mental health support, reading camps and annual online book subscriptions. Additionally, 30 technology scholarships helped students buy laptops or printers so they could engage with home education.

Shanghai Sunrise, Shanghai, China.





The Clontarf Foundation, Australia

The Clontarf Foundation, founded in 2000, aims to help close the gap for young Aboriginal and Torres Strait Islander males. Today the organisation partners with 152 schools across Australia, to help improve school attendance and graduation rates for over 10,400 at-risk teenage boys.

Participants in Clontarf's programs experience a wide variety of activities, environments and social settings to help broaden their thinking about life's possibilities and their future.

In partnership with teachers, parents and each community, local staff work as mentors. They also assist graduates to find employment or help them transition into further study or training.

Having supported Clontarf academies in Western Sydney in the past, this year Goodman began working with the Clontarf Foundation to fund a new Academy in the NSW community of Lake Cargelligo. Our annual contribution will directly cover costs for 40+ Indigenous students to participate in the holistic program which focuses on education, leadership, employment, health and wellbeing.

THE CLONTARF FOUNDATION HELPS
IMPROVE SCHOOL ATTENDANCE AND
GRADUATION RATES FOR OVER 10,400
AT-RISK TEENAGE BOYS.

FOOD AND RESCUE ENVIRONMENT

Charity organisations in the food rescue and environment space reduce waste and support those in need by redistributing fresh food or useful items that would otherwise go to landfill.

UKHarvest, United Kingdom

UKHarvest is on a mission to eliminate hunger and reduce food waste. It's work that has become increasingly challenging this year as inflation has jumped to a 40-year high, impacting communities right across the UK.

A combination of factors has led to soaring prices for food, fuel and energy. For many families this new environment can result in impossible choices. Should they turn on the heat or feed their family?

It's against this backdrop that the impact of this charity, which rescues and redistributes 75,000 meals every week, has become increasingly important – supplying fresh food, dry goods hampers and pre-made meals that make a real difference.

About 50% of the food eaten in the UK comes from Europe. A fact that has caused havoc with the UK's food supply this year – the first since it exited the European Union. For many farmers, the new (and largely untested) import procedures that came as a result of Brexit saw some farmers' seeds stuck in limbo for so long that they missed their entire planting season.

Nourish Hub, London, UK.



Her Majesty The Queen Consort and a UK Harvest volunteer, London, UK.



As founding partner of UKHarvest, the Goodman Foundation increased its support by committing to funding for the next three years. The extra funds will help UKHarvest continue to scale up operations and feed more people finding it tough.

Despite the challenges thrown at them, UKHarvest has remained determined and stayed innovative, providing new solutions for communities, such as pop-up pantries.

Eight pop-up pantries were implemented this year, which allow 50 to 100 families to visit each pantry, fill up a bag of fresh produce for £2.50, and access wraparound care from services like a Citizen's Advice Bureau and housing support. At the same time, visitors to the pantries also left with new skills. Education is a big part of UKHarvest's mission and families are offered classes in reducing food waste or cooking well for less, while they are on site.

At the charity's Nourish Hub in London's Shepherd's Bush, an eclectic mix of diners visit for the daily 'pay what you can' lunch. Volunteers also prepare catering for those vulnerable people who are housebound. On-site food education classes run for everyone including refugees, including recent refugees from Afghanistan and Ukraine, while school holidays are used to teach disadvantaged youth how to become food waste warriors and to combat school holiday hunger. In addition, 40 days of sessions ran throughout UKHarvest over the summer holidays in a variety of venues. These reached thousands of young people.

[Watch the Nourish Hub video](#)

Refettorio, Sydney, Australia. Photo credit Nikki To.



OzHarvest, Australia

A founding partner of OzHarvest since it began in 2004, the Goodman Foundation continued its support of Australia's leading food rescue organisation this year.

In addition to the Food Hamper support outlined earlier, another project Goodman contributed to this year was a unique community space, Refettorio OzHarvest Sydney.

This social impact collaboration between OzHarvest and one of the world's leading culinary figures, chef Massimo Bottura, was an Australian first. Since 2015, using his charity Food for Soul, Bottura has dedicated himself to reducing food waste and forming community projects across the globe.

The result includes Refettorios – physical, zero-waste spaces designed as community hubs to inspire and empower human potential. By day, Refettorio OzHarvest Sydney (on Crown Street in Surry Hills) opens its doors to the most vulnerable people in the local community, providing a nourishing meal and a place to connect.

By night OzHarvest uses the space to host Neighbourhood Dinner, open to anyone keen to support the Refettorio and experience its delicious food and warm service. It's a great way to raise awareness and funds, and within three years the restaurant aims to be self-sustaining.

Goodman was one of a handful of partners helping to fund the operational costs of this unique social enterprise initiative.

In addition to our support of special projects that help OzHarvest scale its impact, the Goodman Foundation continues to provide cash grants for the charity's annual operational costs.

Refettorio, Sydney, Australia. Photo credit Nikki To.



Fare Share Community Garden, Moorabbin, Victoria, Australia.



FareShare, Australia

FareShare operates charity kitchens in Melbourne and Brisbane, transforming quality rescued and donated food, together with vegetables in its own kitchen gardens, into millions of delicious and healthy meals for people who are struggling to put food on the table. Together with Moorabbin Airport Corporation, Goodman Foundation has supported FareShare since 2016, providing a 3,000 sqm kitchen garden on airport land. Our team has also actively volunteered with harvesting produce and maintaining the garden.

With the continuing pandemic, rising cost of living pressures and natural disasters, the demand for FareShare's free meals has never been greater. To assist, Goodman provides multi-year funding for a farmhand on FareShare's Baguley farm site. The support will help the charity harvest nearly 100,000kg of vegetables a year from this location.

Goodman has also committed to help scale up a new program by FareShare called Meals for the Mob. The program provides healthy meals – cooked by First Nations peoples for First Nations peoples – and transports them to remote communities. Our multi-year funding will employ a chef to oversee the program, empowering Meals for the Mob to expand.

Second Harvest Food Bank of Orange County, USA

Finding enough affordable food is an ongoing struggle for many in Orange County, California, with one in seven children experiencing food insecurity.

Second Harvest Food Bank of Orange County is driven by its purpose to end hunger in the local community. The organisation collaborates with over 250 food pantries and partners that all work towards this goal.

Harvest Solutions Farm was developed in partnership with the UC South Coast Research and Extension Center and A.G Kawamura, Chairman of Solutions for Urban Agriculture. This local sustainability farming pioneer manages 45 acres of property and has provided space for the non-profit to grow its own food.

This year, Goodman Foundation donated money for an electric/hybrid farm vehicle to help transport produce from the farm with greater ease and make a huge difference to the farm's efficiency. Volunteers work hard, having helped harvest over 53 truckloads of fresh produce in the last 12 months.

Second Harvest Food Bank of Orange County volunteers, California, USA.



LIFE Community, New Zealand.



LIFE Community's Christmas Box initiative, New Zealand

The charitable trust, LIFE Community, is behind the Christmas Box initiative, providing families in need with Christmas hampers made up of donated food and other goods. Last Christmas, volunteers helped pack hampers in Auckland, Kaikohe, Whangārei, Hamilton, Tauranga, Rotorua, Palmerston North, Wellington, Christchurch and Dunedin.

The Goodman Foundation was pleased to play a part, providing warehousing space at M20 Business Park in Wiri for this annual event. Operating as a distribution hub for the other centres, over 260 tonnes of food was processed with around half of this packed into 12,000 hampers for the wider Auckland region. In total, 25,000 boxes were distributed to families in need, from Kaitia to Bluff.



ESG metrics

GOODMAN GROUP GREENHOUSE GAS EMISSIONS



Reporting boundary

Goodman Group calculates its global greenhouse gas emissions from its operations using the GHG Protocol. Goodman reports its operational carbon inventory annually to Climate Active as part of our commitment to maintaining our carbon-neutral organisation certification.

Our emissions boundary is based on operational control. Our inventory includes emissions generated from Goodman's corporate activities and managed portfolio emissions, which relate to properties and areas where we are involved in the day-to-day operations. For example, electricity emissions generated by common area lifts or carpark lights of an estate would be included, as Goodman oversees the operating and maintenance schedules.

We take responsibility for 100% of these emissions, regardless of the Group's equity share in the Investment Partnership that owns the property. For our Climate Active carbon-neutral organisation certification, our boundary excludes emissions generated by our customers' activities within leased areas. However, our science-based targets, discussed below, include customer emissions.

Carbon inventory

The below table details our FY22 operational emissions used for Climate Active certification. During the year, we saw a significant decrease in Scope 2 emissions due to the purchase of 100% GreenPower across Goodman's Australian offices and properties.

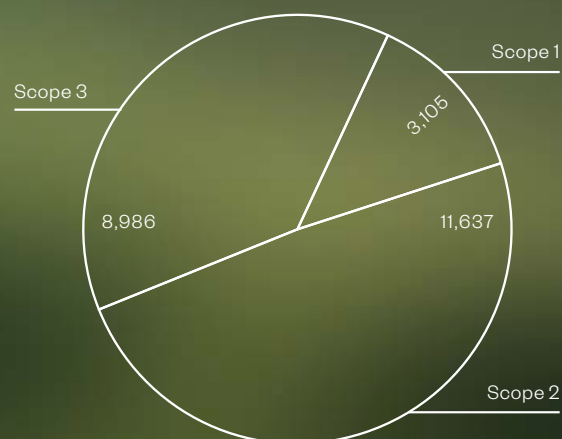
GHG Scope	Emissions Source	2021 tCO ₂ -e ¹	2022 tCO ₂ -e
Scope 1	Natural Gas	1,001	899
	Fuels	898	846
	Refrigerants	1,414	1,360
Scope 2	Electricity	37,065	11,637 ²
	Energy	4,251	748
	Waste	3,073	2,975
	IT	1,388	1,320
Scope 3	Marketing	999	1,141
	Corporate travel	474	590
	Employee commuting	292	438
	Working from home	132	169
	Other expenses ³	1,974	1,605
Total		52,962	23,728

1 Due to the availability of more current data, previous data has been updated, where applicable.

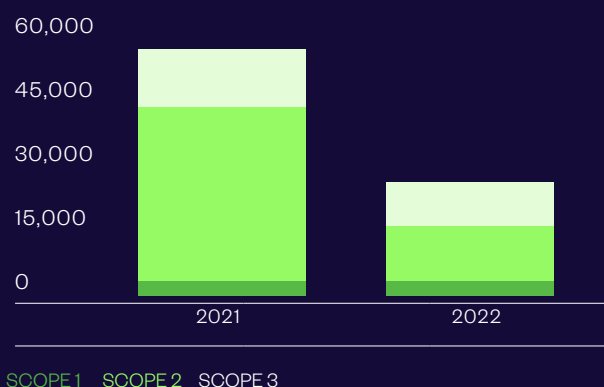
2 Market-based emissions. Scope 2 location-based emissions are equivalent to 29,765 tCO₂-e.

3 Accommodation, water use, advertising, cleaning, telecommunications, other expenses.

2022 OPERATIONAL EMISSIONS (tCO₂-e)



ANNUAL OPERATIONAL EMISSIONS (tCO₂-e)



Science-based targets

This year Science Based Targets initiative validated Goodman's 2030 emissions reduction commitments. Using a 2021 baseline, our targets include reducing our absolute Scope 1 and 2 GHG emissions by 42% in total.

Our Scope 3 targets include reducing emissions by 50% per square metre, including both downstream leased and sold assets. Our progress is detailed below.

GHG Scope	Unit	2021	2022	2030 target
Scope 1+2	tCO ₂ -e	40,379	14,742 ¹	23,420
Scope 3	kgCO ₂ -e/m ² leased assets	39.9	37.8	20.0
Scope 3	kgCO ₂ -e/m ² sold assets	502.5	442.6	251.2

1 Market-based emissions. Scope 1+2 location-based emissions are equivalent to 32,870 tCO₂-e.

Sustainability-linked bond

This year Goodman created a Sustainability-Linked Bond (SLB) Framework using Goodman's science-based targets for our Scope 1 and Scope 2 emissions as the performance criteria. After developing the Framework, Goodman issued its first SLB into the Rule 144A / Reg S market with a scheduled maturity of 2032.

Our annual progress can be seen in the below table. Note that the large reduction in Scope 2 emissions is predominantly due to the uptake of 100% GreenPower in our Australian business.

GHG Scope	2021 tCO ₂ -e ¹	2022 tCO ₂ -e ²	2030 target
Scope 1	3,314	3,105	
Scope 2	37,065	11,637 ³	
Total	40,379	14,742	23,420

1 Validated by the Science Based Targets initiative

2 Externally verified under ASRS 4400 by a qualified, independent reviewer

3 Market-based emissions. Scope 2 location-based emissions are equivalent to 29,765 tCO₂-e.

GOODMAN GLOBAL WORKFORCE



WORKFORCE	FY20	FY21	FY22
Total number of contractor employees (fixed term/temporary)	< 5%	< 5%	< 5%
Number of employees at end of year global	963	922	950
Australia	288	287	314
NZ	63	58	61
Europe	214	187	202
UK	35	33	37
China	212	192	171
Japan	63	63	64
US	56	58	70
Brazil	32	33	31
Total workforce by age			
<20	1	0	2
20–29	166	139	135
30–39	357	331	317
40–49	299	289	296
50–59	102	129	144
> 60	36	34	36
Total workforce by gender			
Female	43%	44%	44%
Male	57%	56%	56%
Governance bodies			
Non-executive Directors on Goodman Boards	70%	70%	72%
Female Directors on Goodman Boards (Non-executive)	28.5%	28.5%	27%
Parental leave			
Total number of employees entitled to parental leave	All employees in accordance with local regulations	All employees in accordance with local regulations	All employees in accordance with local regulations
Number of employees who took parental leave through the year	23 Male 11 Female	27 Male 22 Female	12 Male 38 Female
Number of employees who returned from parental leave	24 Male 12 Female	27 Male 22 Female	10 Male 25 Female
Number of employees who returned from leave still employed 12 months later	24 Male 11 Female	26 Male 19 Female	13 Male 12 Female
Learning and development			
Percentage of employees who had regular performance and career development reviews	93%	93%	96%



HEALTH AND SAFETY

HEALTH AND SAFETY	FY20	FY21	FY22
Goodman employees			
Employees in Goodman controlled premises covered by the Goodman Safety System	100%	100%	100%
Number and rate of employee workplace fatalities	0	0	0
Number and rate of lost time injury frequency ¹	0	0	0
Total number of employee hours worked	c.2 million	c.2 million	c.2 million
Development projects – Principal Contractor Controlled Sites²			
Number of contractor fatalities	1 contractor 1 visitor	4 contractors	0
Number and rate lost time injury frequency rate ¹	1.35	0.59	0.49
Number and rate total recordable injury frequency rate ¹	4.00	1.96	1.84
Total number of worker hours worked (Development Principal Contractors)	c.5.3 million	c.12.1 million	c.17.6 million

1. Frequency rates are standardised to 200,000 hours.

2. Development data is taken from sites under the control of Principle Contractors.



GLOBAL REPORTING INITIATIVE (GRI) INDEX

DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT RESPONSE
GRI102: General Disclosures		
102-1	Name of the organisation	Goodman Group which comprises of three entities: Goodman Limited Goodman Funds Management Limited, as the responsible entity for Goodman Industrial Trust Goodman Logistics (HK)
102-2	Activities, brands, products, and services	Goodman.com/What we do
102-3	Location of headquarters	1-11 Hayes Road, Roseberry NSW 2018, Australia
102-4	Location of operations	Goodman Sustainability Report, Strategic Locations - page 18
102-5	Ownership and legal form	Goodman.com/About us
102-6	Markets served	Goodman.com/About us
102-7	Scale of the organisation	Goodman.com/About us
102-8	Information on employees and other workers	Goodman Sustainability Report, Human capital management - page 75
102-9	Supply chain	Modern slavery statement
102-10	Significant changes to the organisation and its supply chain	Annual Report – page 24
102-11	Precautionary Principle or approach	Goodman's risk management process includes evaluation using the precautionary principle. This means Goodman's actions are based on potential ESG impact, instead of proven impact, as a precaution.
102-12	External initiatives	Goodman Sustainability Report, ESG affiliations and partnerships - page 119 United Nations Sustainable Development Goals, SBTi, TCFD, GRESB, Climate Leaders Coalition, Sustainalytics, MSCI, GRI and ISO Standards
102-13	Membership of associations	Goodman Sustainability Report, ESG affiliations and partnerships - page 119 Various global relationships including Property Council of Australia, Green Building Council of Australia, Australasian Investor Relations Association, GRESB, ANREV and INREV plus various professional memberships
102-14	Statement from senior decision-maker	Goodman Sustainability Report, Chairman's Letter – page 05 Goodman Sustainability Report, CEO's letter – page 08
102-15	Key impacts, risks and opportunities	Goodman Sustainability Report, CEO's letter – page 08 Goodman Sustainability Report, Sustainability approach - page 32 TCFD Statement – pages 4-8
102-16	Values, principles, standards and norms of behaviour	Diversity and inclusion policy – page 1 Code of Conduct – page 3 Statement of Business ethics – page 2 Workplace bullying and harassment policy – page 3 Corporate Governance Statement – page 3, Principle 3
102-17	Mechanisms for advice and concerns about ethics	Ethical concerns Corporate Governance Statement – page 3, Principle 3 Corporate Governance Statement – page 3, Principle 4 Corporate Governance Statement – page 3, Principle 7



GLOBAL REPORTING INITIATIVE (GRI) INDEX

102-18	Governance Structure	Goodman Sustainability Report, How we're structured – page 22 Corporate Governance Statement – page 2, Principle 1 Corporate Governance Statement – page 3, Principle 2 Corporate Governance Statement – page 3, Principle 3 Corporate Governance Statement – page 3, Principle 4 Corporate Governance Statement – page 3, Principle 7
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate Governance Statement – page 4
102-21	Consulting stakeholders on economic, environmental, and social topics	Corporate Governance Statement – page 3, Principle 6
102-22	Composition of the highest governance body and its committees	Corporate Governance Statement – page 3, Principle 2 Corporate Governance Statement – page 5, Board composition
102-23	Chair of the highest governance committee	Goodman Sustainability Report, Board of Directors – page 120 Board of Directors
102-24	Nominating and selecting the highest governance body	Corporate Governance Statement – page 2, Principle 1 Corporate Governance Statement – page 3, Principle 2
102-25	Conflicts of interest	Conflicts of interest – pages 2-3 Corporate Governance Statement – page 3, Principle 2 Corporate Governance Statement – page 3, Principle 3
102-26	Role of highest governance body in setting purpose, values, and strategy	Goodman Sustainability Report, The Boards and Committees - page 22 Board of Directors Corporate Governance Statement – page 2, Principle 1
102-27	Collective knowledge of highest governance body	Goodman Sustainability Report, Board of Directors – page 120 Board of Directors Corporate Governance Statement – page 3, Principle 2 Corporate Governance Statement – page 7, Board skills
102-28	Evaluating the highest governance body's performance	Corporate Governance Statement – page 2, Principle 1
102-29	Identifying and managing, economic, environmental, and social impacts	Corporate Governance Statement – page 3, Principle 7
102-30	Effectiveness of risk management processes	Corporate Governance Statement – page 3, Principle 7
102-31	Review of economic, environmental, and social topics	Corporate Governance Statement – page 3, Principle 7
102-32	Highest governance body's role in sustainability reporting	Corporate Governance Statement – page 3, Principle 3 Corporate Governance Statement – page 3, Principle 7
102-33	Communicating critical concerns	Corporate Governance Statement – page 3, Principle 7
102-35	Remuneration policies	Corporate Governance Statement – page 3, Principle 8 Remuneration Committee Charter
102-36	Process for determining remuneration	Corporate Governance Statement – page 3, Principle 8 Remuneration Committee Charter
102-37	Stakeholders' involvement in remuneration	Corporate Governance Statement – page 3, Principle 6 Remuneration Committee Charter



GLOBAL REPORTING INITIATIVE (GRI) INDEX

102-40	List of stakeholder groups	Goodman Sustainability Report, Our Purpose – page 20 Goodman Sustainability Report, Engaging our stakeholders - page 36
102-41	Collective bargaining agreements	Goodman is not opposed to collective bargaining although the relationship we have with our employees means we have no single global collective bargaining agreement
102-42	Identifying and selecting stakeholders	Goodman Sustainability Report, Engaging our stakeholders - page 36
102-43	Approach to stakeholder engagement	Goodman Sustainability Report, Engaging our stakeholders - page 36
102-44	Key topics and concerns raised	Goodman Sustainability Report, Sustainability approach - page 32
102-45	Entities included in the consolidated financial statements	Annual Report
102-46	Defining report content and topic Boundaries	This report has been prepared in accordance with the GRI standards core option. Our report includes FY22 performance highlights from across Goodman's global operations. Goodman.com/Corporate governance
102-47	List of material topics	Goodman Sustainability Report, Sustainability approach - page 32
102-48	Restatements of information	No restatements have been made
102-49	Changes in reporting	No changes. Reporting is aligned with GRI standards: Core option
102-50	Reporting period	Reporting period is for 12 months: 1 July 2021 – 30 June 2022
102-51	Date of most recent report	December 2021
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	james.vesper@goodman.com
102-54	Claims of reporting in accordance with the GRI standard	This report has been prepared in accordance with the GRI Standards: Core option
102-55	GRI content index	This document represents the company's content index
102-56	External assurance	External assurance is provided over financials and selected carbon emissions data is independently verified
GRI 201 Economic Performance		
201-1	Direct economic value generated and distributed	Annual Report
201-2	Financial implications and other risks and opportunities due to climate change	TCFD Statement – pages 4-8
GRI 205 Anti-corruption		
205-1	Operations assessed for risks related to corruption	Anti-bribery and corruption policy – page 3 Ethical concerns – page 2
205-2	Communication and training about anti-corruption policies and procedures	Code of Conduct – page 3 Anti-bribery and corruption policy – page 3
205-3	Confirmed incidents of corruption and actions taken	There were no instances of corruption identified during this period
GRI 206 Anti-competitive behaviour		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No current legal actions are recorded



GLOBAL REPORTING INITIATIVE (GRI) INDEX

GRI 304 Biodiversity		
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Ecologists are engaged to research, identify and report on threatened species, terrestrial or aquatic, on development sites
GRI 305 Emissions		
305-1	Direct (Scope 1) GHG emissions	Goodman Sustainability Report, Carbon inventory – page 111
305-2	Energy indirect (Scope 2) GHG emissions	Goodman Sustainability Report, Carbon inventory – page 111
305-3	Other indirect (Scope 3) GHG emissions	Goodman Sustainability Report, Carbon inventory – page 111
305-5	Reduction of GHG emissions	Goodman Sustainability Report, Carbon inventory – page 111
GRI 306 Water		
306-3	Significant spills	No significant spills were identified
306-4	Transport of hazardous waste	Goodman does not transport hazardous waste as part of day-to-day operations. If remediation is required, Goodman appoints principal contractors to complete works in accordance with applicable laws and regulations. Under its lease obligations, Moorabbin Airport , a subsidiary of Goodman Limited, manages legacy obligations relating to historical use PFAS at the airport.
GRI 307 Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	No significant breaches of environmental laws
GRI 401 Employment		
401-1	New employee hires and employee turnover	6.4% voluntary turnover rate
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Part-time employees receive the same benefits on a pro-rated basis or eligibility as full-time employees. Employees on a fixed term or casual basis do not participate in the Goodman long-term incentive plan.
401-3	Parental leave	Goodman Sustainability Report, ESG metrics, Goodman global workforce – page 112
GRI 403 Occupational Health and Safety		
403-1	Occupational health and safety management system	Goodman Sustainability Report, Systems for Safety - page 84
403-2	Hazard identification, risk assessment, and incident investigation	Goodman Sustainability Report, Systems for Safety - page 84
403-3	Occupational health services	Goodman Sustainability Report, Systems for Safety - page 84
403-4	Worker participation, consultation, and communication on occupational health and safety	Goodman Sustainability Report, Systems for Safety - page 84
403-5	Worker training on occupational health and safety	Goodman Sustainability Report, Systems for Safety - page 84
403-8	Workers covered by an occupational health and safety management system	Goodman Sustainability Report, ESG metrics, Health and Safety – page 113
403-9	Work-related injuries	Goodman Sustainability Report, ESG metrics, Health and Safety – page 113



GLOBAL REPORTING INITIATIVE (GRI) INDEX

GRI 404 Training and Education

404-2	Programs for upgrading employee skills and transition assistance programs	Goodman Sustainability Report, Human capital management – page 75
404-3	Percentage of employees receiving regular performance and career development reviews	Goodman Sustainability Report, Human capital management – page 75

GRI 405 Diversity and Equal Opportunity

405-1	Diversity of governance bodies and employees	Goodman Sustainability Report, Goodman global workforce – page 112
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GRI 407 Freedom of Association and Collective Bargaining

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Goodman does not prohibit or restrict freedom of association
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GRI 413 Local Communities

413-1	Operations with local community engagement, impact assessments, and development programs	Goodman Sustainability Report, Goodman Foundation - page 94 Goodman Sustainability Report, Reconciliation Action Plan - page 81
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GRI 418 Customer Privacy

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no reported incidents
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ESG AFFILIATIONS AND PARTNERSHIPS



TCFD
The TCFD aims to guide companies in incorporating the considerations of the effects of climate change into business and financial decisions to help facilitate the transition to a more sustainable, lower carbon economy.



MSCI
The MSCI ESG Ratings are designed to measure the long-term resilience of a company by investigating ESG performance and industry-specific material risks not identified through conventional financial analysis.



GRESB
GRESB globally benchmarks the ESG performance of commercial real estate and infrastructure companies to provide investors with standardised and validated data for informing investment decision making.



GREENPOWER
GreenPower is 100% renewable energy available for households and businesses through most energy retailers in Australia.



CLIMATE ACTIVE
Climate Active certification is awarded to businesses and organisations that have credibly achieved carbon neutrality. The Climate Active initiative and Climate Active Carbon Neutral Standard provide a framework for businesses to measure, reduce and offset their carbon emissions.



RECONCILIATION AUSTRALIA
Reconciliation Australia is a not-for-profit foundation that advances the national focus for reconciliation between Indigenous and non-Indigenous Australians.



SUSTAINALYTICS
Sustainalytics' ESG Risk Ratings measure and assess a company's managed and unmanaged industry-specific ESG risks.



MECLA
Driving reductions in embodied carbon in the building and construction industry.



SCIENCE BASED TARGETS
The Science Based Targets initiative (SBTi) drives ambitious climate action in the private sector by enabling organisations to set science-based emissions reduction targets.



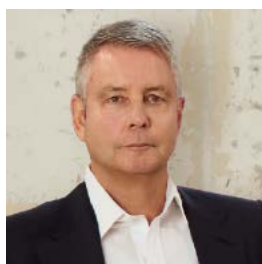
CLIMATE LEADERS COALITION
CLC is a group of cross-sectoral Australian corporate CEOs supporting the Paris Agreement commitments and setting public decarbonisation targets.

Corporate information

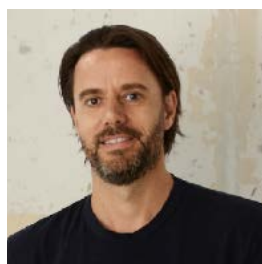
BOARD OF DIRECTORS



Stephen Johns
Independent Chairman
Appointed 1 January 2017



Greg Goodman
Group Chief Executive Officer
Appointed 7 August 1998



Chris Green
Independent Director
Appointed 28 April 2019



Mark G. Johnson
Independent Director
Appointed 1 June 2020



Vanessa Liu
Independent Director
Appointed 1 June 2022



Rebecca McGrath
Independent Director
Appointed 3 April 2012



Danny Peeters
Executive Director, Corporate
Appointed 1 January 2013



Phillip Pryke
Independent Director
Appointed 13 October 2010



Anthony Rozic
Deputy Group Chief Executive
Officer and
Chief Executive Officer,
North America
Appointed 1 January 2013



Hilary Spann
Independent Director
Appointed 4 April 2022

Five year financial summary

INCOME STATEMENT	2018 \$M	2019 \$M	2020 \$M	2021 \$M	2022 \$M
Gross property income	150.4	114.6	115.9	112.4	138.0
Management income	316.5	469.7	511.2	383.9	511.4
Development income	1,115.8	1,134.3	882.6	1,492.0	1,441.6
Net gain/(loss) on disposals of assets	108.1	27.9	56.3	42.7	86.3
Net gain from fair value adjustments on investment properties	71.1	146.8	45.2	63.1	260.1
Share of net results of equity accounted investments	910.9	1,132.5	1,022.2	1,708.9	2,718.2
Distributions from investments	–	–	–	–	0.8
Total income	2,672.8	3,025.8	2,633.4	3,803.0	5,156.4
Property expenses	(36.4)	(40.2)	(36.4)	(32.8)	(33.7)
Development expenses	(808.9)	(727.3)	(443.4)	(862.3)	(554.9)
Employee expenses	(180.7)	(191.9)	(203.7)	(210.8)	(258.9)
Share based payments expense	(125.6)	(196.6)	(164.0)	(268.8)	(257.6)
Administrative and other expenses	(68.7)	(75.8)	(88.6)	(83.2)	(90.4)
Net finance costs	(267.3)	(49.3)	(80.2)	74.9	222.8
Total expenses	(1,487.6)	(1,281.1)	(1,016.3)	(1,383.0)	(1,418.3)
Profit before income tax	1,185.2	1,744.7	1,617.1	2,420.0	3,738.1
Income tax expense	(82.4)	(116.8)	(113.0)	(108.1)	(324.1)
Profit for the year	1,102.8	1,627.9	1,504.1	2,311.9	3,414.0
Profit attributable to other non-controlling interests	(4.6)	–	–	–	–
Profit attributable to Securityholders	1,098.2	1,627.9	1,504.1	2,311.9	3,414.0
OPERATING PROFIT RECONCILIATION (NON-IFRS)					
Operating profit	845.9	942.3	1,060.2	1,219.4	1,528.0
Adjustments for:					
Property valuation related movements	639.0	871.7	621.3	1,308.5	2,326.3
Fair value adjustments and unrealised foreign currency exchange movements related to liability management	(174.4)	17.0	6.8	55.0	(191.4)
Other non-cash adjustments or non-recurring items	(212.3)	(203.1)	(184.2)	(271.0)	(248.9)
Profit attributable to Securityholders	1,098.2	1,627.9	1,504.1	2,311.9	3,414.0
Operating profit per stapled security (cents)¹	46.7	51.6	57.5	65.6	81.3
Dividends/distributions per security (cents)	28.0	30.0	30.0	30.0	30.0

1. Fully diluted for performance rights.

Five year financial summary

STATEMENT OF FINANCIAL POSITION	2018 \$M	2019 \$M	2020 \$M	2021 \$M	2022 \$M
Cash and receivables	3,088.7	1,981.4	2,172.5	1,529.2	1,447.2
Property assets	2,732.6	2,966.1	3,081.4	3,279.0	4,148.0
Equity accounted investments	6,585.5	8,452.4	9,370.8	10,660.0	14,379.6
Intangible assets	816.7	840.0	845.8	822.6	795.4
Other (including derivative financial instruments)	235.9	672.9	667.7	576.2	662.2
Total assets	13,459.4	14,912.8	16,138.2	16,867.0	21,432.4
Payables, provisions and contract liabilities	918.4	944.1	988.3	1,009.3	1,032.2
Interest bearing liabilities	3,081.5	2,975.0	2,938.5	2,060.3	2,832.2
Other (including derivative financial instruments)	285.8	471.2	690.8	635.9	1,143.2
Total liabilities	4,285.7	4,390.3	4,617.6	3,705.5	5,007.6
Net assets attributable to Securityholders	9,173.7	10,522.5	11,520.6	13,161.5	16,424.8
Net tangible assets per security (\$)	4.64	5.34	5.84	6.68	8.37
Gearing ratio (%)	5.1	9.7	7.5	6.8	8.5
STATEMENT OF CHANGES IN EQUITY					
Total equity at the beginning of the year	8,622.2	9,173.7	10,522.5	11,520.6	13,161.5
Total comprehensive income for the year	1,304.9	1,795.4	1,467.7	2,027.1	3,581.1
	9,927.1	10,969.1	11,990.2	13,547.7	16,742.6
Contributions of equity, net of transaction costs	–	–	–	64.7	109.7
Distributions provided or paid	(504.2)	(544.2)	(548.5)	(554.2)	(560.1)
Other transactions with equity holders	82.4	97.6	78.9	103.3	132.6
Movements in other non-controlling interests	(331.6)	–	–	–	–
Total equity at the end of the year	9,173.7	10,522.5	11,520.6	13,161.5	16,424.8
CASH FLOW STATEMENT					
Net cash provided by operating activities	1,161.2	827.5	1,156.9	1,114.7	841.0
Net cash provided by/(used in) investing activities	(26.5)	(818.2)	(306.4)	(549.9)	(1,001.5)
Net cash used in financing activities	(799.2)	(849.2)	(660.9)	(1,349.1)	299.7
Net increase/(decrease) in cash held	335.5	(839.9)	189.6	(784.3)	139.2
Cash at the beginning of the year	2,095.1	2,406.8	1,607.1	1,792.8	920.4
Effect of exchange rate fluctuations on cash held	(23.8)	40.2	(3.9)	(88.1)	(3.6)
Cash at the end of the year	2,406.8	1,607.1	1,792.8	920.4	1,056.0

Corporate directory

GOODMAN GROUP

Goodman Limited
ABN 69 000 123 071
Goodman Industrial Trust
ARSN 091 213 839
Responsible Entity of
Goodman Industrial Trust

**Goodman Funds
Management Limited**
ABN 48 067 796 641
AFSL Number 223621

**Goodman Logistics
(HK) Limited**
Company No. 1700359
ARBN 155 911 149

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Luxembourg
Madrid
Melbourne
Milan
Munich
New Jersey
Osaka
Paris
Pennsylvania
San Francisco
São Paulo
Shanghai
Shenzhen
Tokyo

DIRECTORS

**Goodman Limited and
Goodman Funds
Management Limited**

Stephen Johns
Independent Chairman

Greg Goodman
Group Chief Executive Officer

Chris Green
Independent Director

Mark G Johnson
Independent Director

Vanessa Liu
Independent Director

Rebecca McGrath
Independent Director

Danny Peeters
Executive Director

Phillip Pryke
Independent Director

Anthony Rozic
Executive Director

Hilary Spann
Independent Director

Company Secretary
Carl Bicego

**Goodman Logistics
(HK) Limited**

Stephen Johns
Independent Chairman

David Collins
Independent Director

Danny Peeters
Executive Director

Company Secretary
Goodman Secretarial
Asia Limited

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Disclaimer: This document has been prepared by Goodman Group (Goodman Limited (ABN 69 000 123 071), Goodman Funds Management Limited (ABN 48 067 796 641; AFSL Number 223621) as the Responsible Entity for Goodman Industrial Trust (ARSN 091 213 839) and Goodman Logistics (HK) Limited (Company No. 1700359; ARBN 155 911 149)). It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with professional advice, when deciding if an investment is appropriate. This document is not an offer or invitation for subscription or purchase of securities or other financial products. It does not constitute an offer of securities in the United States. Securities may not be offered or sold in the United States unless they are registered under the US Securities Act of 1933 or an exemption from registration is available. This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance as well as expectations, objectives and assumptions in our climate change and sustainability related statements are also forward-looking statements. Due care and attention have been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Goodman Group, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. All values are expressed in Australian currency unless otherwise stated. September 2022.

