
Goodman advances its sustainability strategy in 2021

Date 13 December 2021

Reaching carbon neutral operations and implementing its carbon neutral development program, are just two of the key objectives achieved by Goodman Group this year as part of its 2030 Sustainability strategy.

Outlined in the Group's 2021 Sustainability report "Change for the future" which was released today, Goodman is working closely with its customers and investors to implement practical and tangible programs to make positive change to the environment and the wider community.

"As one of the largest developers and managers of industrial real estate globally, we're conscious of the significant role that we play in protecting the environment and safeguarding the future," said Greg Goodman, CEO Goodman Group.

"During the year, we continued to make ESG fundamental to our business and core operations. Our focus has been on reducing our carbon emissions, as that's where we can have the most positive impact. We kicked off our carbon neutral development program by measuring and setting carbon development baselines for all our projects globally. This provides a benchmark for us to work with our supply chain on low carbon and recycled materials. We'll seek to offset what we're not able to reduce.

Along with our Investment Partners, we have earmarked more than \$700 million to be spent on sustainability initiatives including renewable energy and carbon reduction technologies over the next five years. Our initiatives are being welcomed by all our stakeholders, particularly our customers who have their own sustainability commitments."

2021 ESG highlights covered in the report include:

1. Our global operations were certified as Carbon Neutral by Climate Active
2. We installed 70MW of solar on our rooftops, taking our global solar capacity to 125MW, which is well on our way to our 400MW target by 2025
3. We finalised our transition to 100% certified GreenPower in our Australian operations which will increase Goodman's global renewable electricity use to approximately 60%
4. We began calculating embodied emissions for our developments globally as we move towards carbon neutral developments
5. We implemented biodiversity initiatives including planting urban forests at multiple European sites
6. Our Japanese Partnership was awarded Sector Leader in the 2021 Global Real Estate Sustainability Benchmark (GRESB) in the industrial distribution warehouse category
7. We continued rolling out smart irrigation technology across our portfolio
8. We focused on supply chain ethics and developed a global supplier code of conduct centred on protecting human rights and preventing modern slavery
9. We contributed \$6.3 million to community and philanthropic causes including \$400,000 raised by Goodman people
10. We launched a \$10 million global incentive to support people to buy electric vehicles.

Goodman's 2021 Sustainability report "Change for the future" is available via the Goodman website <https://www.goodman.com/sustainability/reports> and attached.

– ENDS –

Authorised for release to the ASX by Carl Bicego, Group Head of Legal and Company Secretary.

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About Goodman

Goodman Group is an integrated property group with operations throughout Australia, New Zealand, Asia, Europe, the United Kingdom, North America and Brazil. Goodman Group, comprised of the stapled entities Goodman Limited, Goodman Industrial Trust and Goodman Logistics (HK) Limited, is the largest industrial property group listed on the Australian Securities Exchange and one of the largest listed specialist investment managers of industrial property and business space globally.

Goodman's global property expertise, integrated own+develop+manage customer service offering and significant investment management platform ensures it creates innovative property solutions that meet the individual requirements of its customers, while seeking to deliver long-term returns for investors.

For more information visit: www.goodman.com





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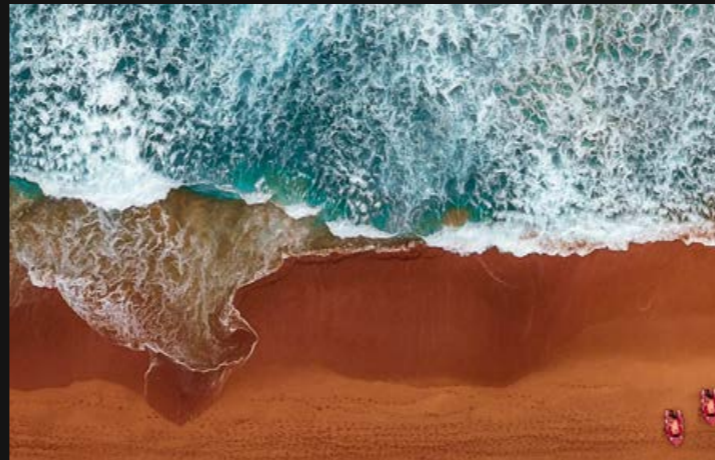
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The role of the property sector is vital in protecting the environment and safeguarding its future. At Goodman, we believe the best way to do this is to lead by example.

This year, we achieved carbon neutral global operations four years ahead of schedule – and we’re continuing to deliver on our sustainability commitments.

We’re working closely with our customers and our investors to support and influence long-term sustainable solutions that will help us meet, and in some cases outperform, the ESG targets we’ve set across our business.

COMMITTED TO A BETTER WORLD



SUSTAINABLE

Greg Goodman, Group Chief Executive Officer

The past year represented a profound departure from the life we previously knew. While the pandemic caused us to rethink our priorities, digital technology kept accelerating along with consumers' expectations for immediacy. During this time, Goodman's people showed agility and determination.

Over the year, we continued our concerted efforts to make ESG fundamental to our business and core operations. Our 2030 sustainability strategy, released in 2019, articulates our goals and commitments to making positive change to the environment and the communities in which we operate, as well as for our business, our stakeholders and the world more broadly.

IMPACT





Goodman Business Park, Greater Tokyo, Japan.

Capital markets and sustainability

The acceleration of e-commerce has made the global industrial asset class increasingly sought after.

Key to Goodman's ongoing success, and a shift we're already seeing, is the allocation of capital towards investment in sustainable, automated logistics real estate which is driving the modernisation of supply chains. We believe that our sustainable approach will help to deliver the right outcomes while allowing us to remain relevant to capital markets.

We prioritise tangible improvements that are material to our business. These include building properties in the right locations, generating and using renewable electricity, and measuring the carbon footprint of our properties and operations. Our sustainability approach is about practical initiatives that drive long-term value for our business and stakeholders.

The carbon challenge

This year, our global operations achieved carbon neutral status. Now we are ready for the bigger challenge of reducing the embodied carbon in new developments.

The global property sector currently accounts for almost 40% of total greenhouse gas emissions, according to the World Green Building Council, with 11% attributed to embodied carbon. Goodman is taking a leadership position in the sector's objectives to reduce its emissions.

Our teams are focused on ways to decarbonise our development projects. We are measuring the volume of embodied carbon emissions in our development projects globally and engaging with our supply chain to better understand how to avoid, reduce and offset embodied carbon to accelerate our move to carbon neutral buildings.

Supporting our efforts to decarbonise, we are increasing our use of renewable energy, highlighted by our Australian business switch to 100% green power this year. We are continuing to invest in large scale solar energy under an ambitious target set in 2019, committing to 400MW of solar PV by 2025. As at 30 June 2021, we had installed or committed to approximately 125MW with more large installations planned for 2022.

Over A\$700 million is earmarked for investment in solar PV, energy efficiencies and initiatives to reduce and offset carbon over the next five years.

**WE'RE READY FOR THE BIGGER
CHALLENGE ... OF EMBODIED CARBON
IN NEW DEVELOPMENTS**

Our people-first approach

Goodman's people around the world showed agility and determination to support our customers and continued to grow our business in a sustainable way. Flexible working is our new normal. The approach suits our culture and global operations. We have created an environment for our people that prioritises wellbeing, flexibility, and technology-enabled learning and development.

We recognise the value of collaboration and diversity in our teams, our business and our customers and we strive to maintain a safe and inclusive workplace, where all talent is considered equal.

A priority in the coming year will be listening, learning and reflecting on reconciliation with Australia's First Nations peoples. We look forward to sharing our contribution towards meaningful, long-term reconciliation.

For our global charity partners, it was another full year of pandemic fallout. We remained steadfast in our efforts to not only help our Goodman Foundation partners survive but to rise to the challenge.

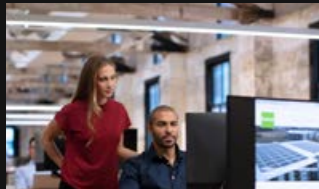
We remain committed to long-term sustainable solutions implemented across our business to achieve our ESG targets. I'd like to thank our global teams, customers, Investment Partners and all other stakeholders for their continued support and contribution to Goodman's sustainable growth.

Sincerely,



Greg Goodman
Group Chief Executive Officer

2021 ESG PERFORMANCE HIGHLIGHTS



01

Our global operations were certified as Carbon Neutral by Climate Active.

04



We began calculating embodied emissions for our developments globally as we move towards carbon neutral developments.

09



We contributed \$6.3 million to community and philanthropic causes including \$400,000 raised by Goodman people.



03

We finalised our transition to 100% certified GreenPower in our Australian operations which will increase Goodman's global renewable electricity use to approximately 60%.

06



Our Japanese Partnership was awarded Sector Leader in the 2021 Global Real Estate Sustainability Benchmark (GRESB) in the industrial distribution warehouse category.

08



We focused on supply chain ethics and developed a global supplier code of conduct centred on protecting human rights and preventing modern slavery.



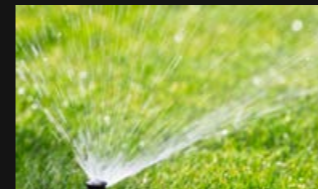
02

We installed 70MW of solar on our rooftops, taking our global solar capacity to 125MW, avoiding approximately 126,000 tonnes of CO₂-e per year* with more large installations planned for FY22.



05

We implemented biodiversity initiatives including planting urban forests at multiple European sites.



07

We continued rolling out smart irrigation technology in Australia, completing almost 43% of the portfolio and saving 53% of water used for irrigation – equivalent to 30 Olympic swimming pools.



10

We launched a \$10 million global incentive to support Goodman people to buy electric vehicles.

* Estimated using NSW carbon factors (0.79 kgCO₂-e/kWh)



ESSENTIAL INFRASTRUCTURE FOR THE DIGITAL ECONOMY



Crossways Commercial Park, Greater London, United Kingdom.

Goodman Group is a global leader in industrial real estate and has operations spanning Asia Pacific, Europe and the Americas. With over \$62 billion in assets under management and more than \$12 billion of developments in progress*, we are one of the largest developers of industrial property globally.

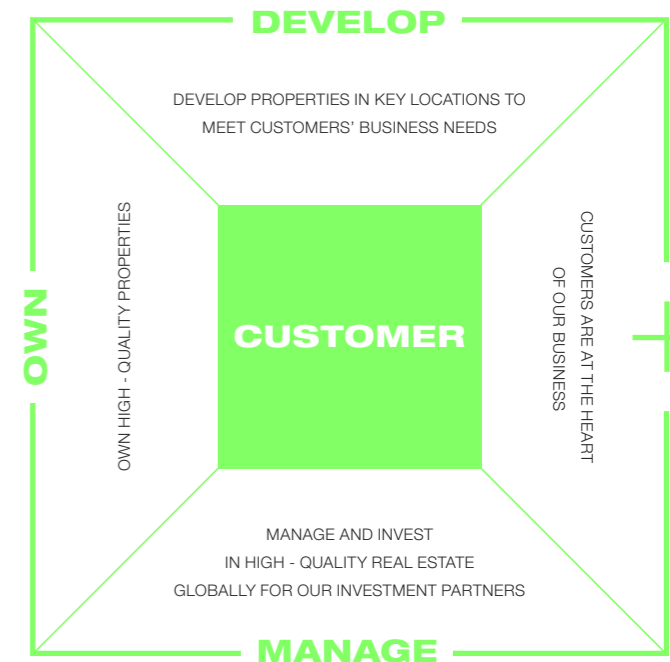
We own, develop and manage high quality properties in strategic locations, close to large consumer groups in major global cities. Our long-term strategy is built around our customers' desire for efficiency, faster speed to market and greater resilience in their supply chains.

The logistics and warehousing sectors globally are essential infrastructure for the digital economy, enabling the time sensitive distribution of products to consumers. Our strategy is to concentrate our assets close to urban infill locations in markets where barriers to entry are high, supply is limited and demand is robust. By utilising existing infrastructure, and lowering transport-related emissions, this approach is also more sustainable.

We have a patient and long-term approach to managing capital and a track record of delivering sustainable returns over time. Goodman has built strong relationships with our international Investment Partners – some of the world's largest pension and sovereign wealth funds – who co-invest with Goodman over similar investment horizons.

Our customers include some of the world's largest companies who demand the right assets in the right locations. They're taking a strategic view and increasing investment in our buildings to maximise efficiency and capacity for the future.

* as at 30 September 2021



Our purpose

Goodman’s purpose of making space for greatness acknowledges that our stakeholders’ needs are varied and keep continually evolving. Communication is key. Our close relationships mean we can help our stakeholders to fulfill their potential. We believe we can have a lasting positive impact and make greatness a possibility for them.

- + **Customers:** We create sustainable logistics spaces with unparalleled service in high-quality locations. Here, the world’s greatest ambitions of our customers can flourish as we give them the space they need to reach their goals.
- + **Securityholders and investment partners:** We are a long-term business. Our focus is on developing high-quality properties in key locations to benefit our customers now and in the future, while delivering sustainable returns for our securityholders and investors.
- + **Community partners:** We share our resources and work with partners, to help those who can’t always see a way forward. The Goodman Foundation aims to improve the quality of life, standard of living and health of people across the communities where Goodman operates.
- + **Our people:** We aim to attract people who want to reach their potential as part of our team, who can challenge our thinking and come up with innovative ideas for our shared future. Through Goodman’s long-term incentive program, our team has a stake in our business, which motivates them to work hard and take a strategic approach to decision-making.
- + **Supply chains:** We are committed to good business ethics across our operations and global supply chains. We expect our suppliers to abide by our high standards and business ethics and communicate these requirements within their own supply chains.

During the year, we refreshed our values to further align them to our strategy. Our values – Innovation, Determination, Integrity and Sustainability – reflect who we are today as well as who we aim to be well into the future.

OPERATING PROFIT

\$1.2BN



WORK IN PROGRESS

\$10.6BN



DISTRIBUTION PER SECURITY

\$0.30



As at 30 June 2021

[View People and culture – Goodman Group Stakeholder Review 2021:](#)



Goodman's global concentration of properties positions our customers closer to consumers, giving them a high speed to market advantage. But with limited availability of greenfield sites, the real difference is our ability to acquire well located brownfield sites that can be redeveloped. With a growing number of innovative new urban developments, we're providing high quality, sustainable properties for our customers and solutions that will enhance and protect the environment for many years to come.

OUR NETWORK

\$57.9BN

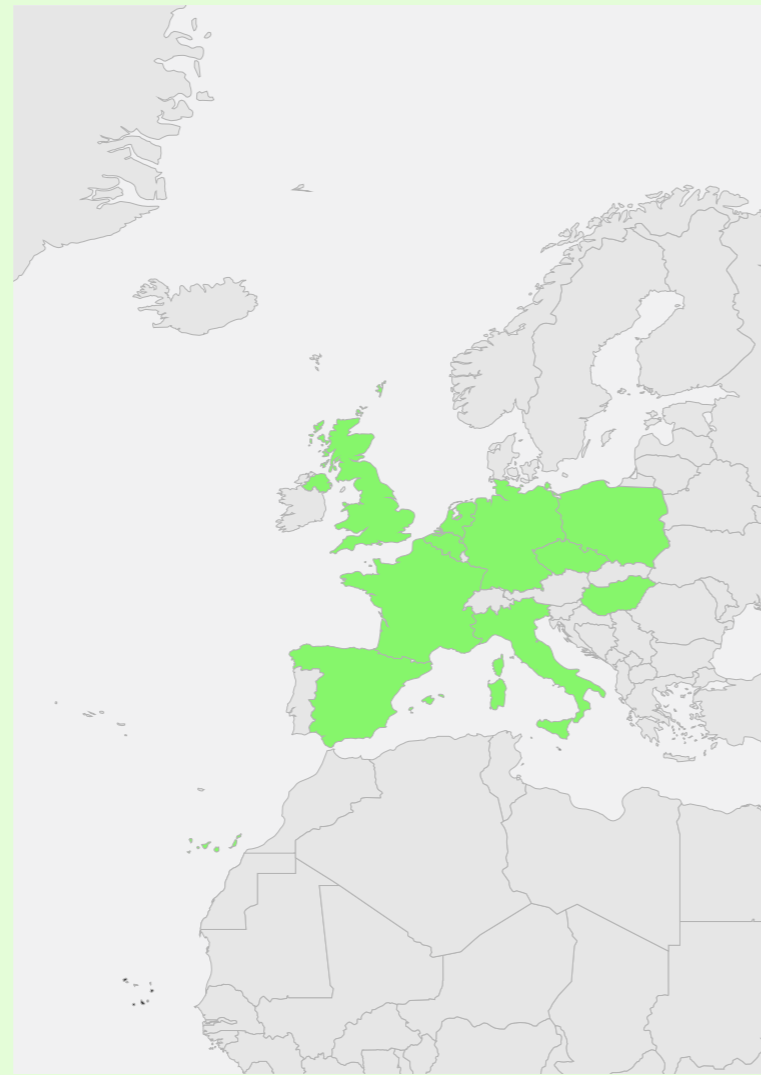
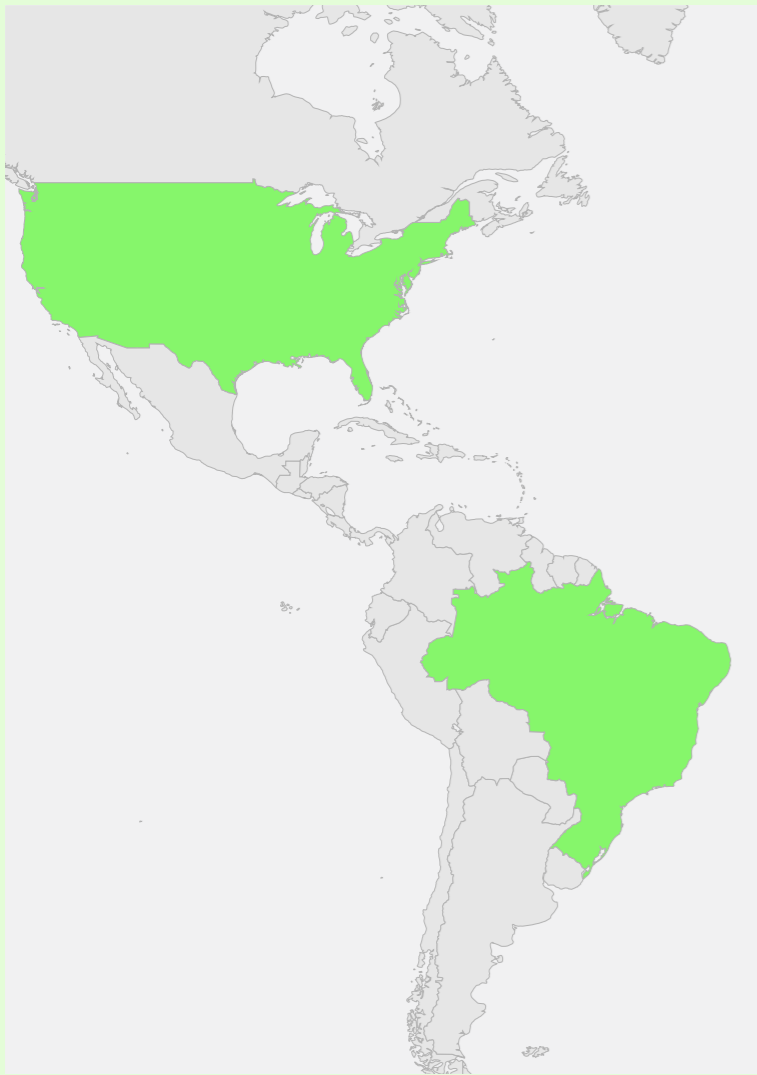
TOTAL AUM

363

PROPERTIES

+900

PEOPLE



THE AMERICAS

\$5.0BN
AUM

20
PROPERTIES

- ALLENTOWN
- LOS ANGELES
- NEW JERSEY
- SAN FRANCISCO
- SÃO PAULO

EUROPE/UK

\$9.1BN
AUM

108
PROPERTIES

- BIRMINGHAM
- BRUSSELS
- DÜSSELDORF
- HAMBURG
- LONDON
- LUXEMBOURG
- MADRID
- MILAN
- PARIS

ASIA

\$20.0BN
AUM

69
PROPERTIES

- BEIJING
- CHENGDU
- CHONGQING
- GUANGZHOU
- HONG KONG SAR
- OSAKA
- SHANGHAI
- SHENZHEN
- TOKYO

AUS/NZ

\$23.8BN
AUM

166
PROPERTIES

- AUCKLAND
- BRISBANE
- MELBOURNE
- SYDNEY

Figures as at 30 June 2021. Cities marked are Goodman office locations. E-commerce sales growth statistics from Euromonitor 2020.

Corporate governance

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 corporate 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:

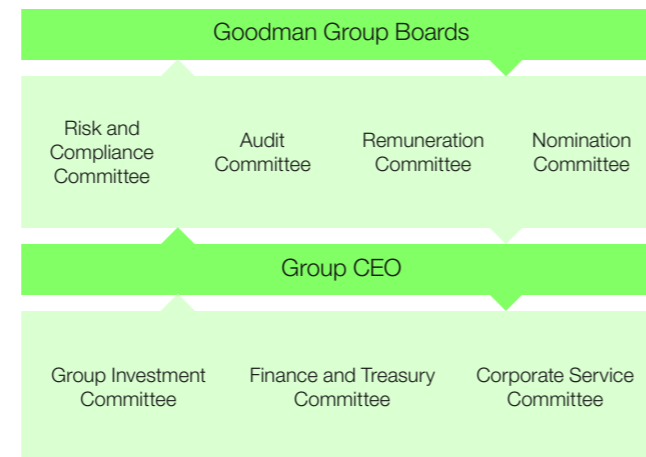
Effective controls, risk management, transparency and corporate responsibility;

Strategic planning and alignment of the interests of employees with those 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; and

Ensuring we are an organisation that acts with integrity by promoting a culture which values the principles of honesty, fairness, transparency and ethical behaviour.

Goodman's Corporate governance framework



[View Goodman's 2021 Corporate Governance Statement](#) →

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



Goodman has become the largest listed property company in Australia, and one of the largest owners and developers of logistics real estate in the world. What we do impacts the world around us and the communities in which we operate. In response, we want to service the needs of our customers in a way that respects the planet and its people.

ALWAYS



IMPROVING

Three years ago, we comprehensively reviewed our ESG approach. We considered our desire for continued growth and strong financial performance, our purpose of making space for greatness, and the challenges and opportunities of the future. The result was our 2030 sustainability strategy. It builds on our work to date, aligns with our purpose and approaches the future proactively.

We monitor and review our performance annually to make sure our strategy and targets have a positive impact on our business and core operations.



A responsible, long-term approach to property

Our logistics properties have become essential infrastructure for the storage and movement of goods around the world. We acknowledge this leads to environmental and social challenges and that it's our obligation to build and manage desirable and well utilised properties in a responsible manner.

This presents opportunities for Goodman to contribute to meeting global challenges such as using renewable energy, reducing emissions, waste and water, and creating employment within better, safer workplaces. We believe our response will help to provide sustainable returns for our stakeholders over the long term. This is why sustainability is embedded into our business strategy and our operations, and why we believe our ESG targets fundamentally improve what we do.

Authentic and positive change

Driving authentic and positive change is important to Goodman. Our growth and success are due to a business strategy that is focused on the long-term, not the quick wins, and a leadership team that is empowered to assess investment decisions accordingly.

Positive economic, social and environmental outcomes are crucial to our financial sustainability. Regulators, customers and capital markets are driving change and the clear integration of ESG priorities into our core business has never been more important. We believe the measures and investments we are making today respond to these changes while also supporting our financial returns.



Goodman Business Park, Greater Tokyo, Japan.

Focusing on what is material

Goodman’s 2030 sustainability strategy articulates the areas where we can make the greatest difference. Our strategy is structured around three pillars: sustainable properties, people and culture, and corporate performance. We measure our progress against long-term and short-term targets based on material ESG issues. These include:

Climate risk, reducing emissions and using renewable energy

Owning strategically located properties close to consumers in key global markets;

Developing or adapting innovative, efficient and flexible properties;

Investing responsibly with defined governance and sustainable capital structures;

Viewing the safety and wellbeing of people as paramount;

Engaging regularly and openly with stakeholders including the broader community; and

Demonstrating Goodman’s values and promoting diversity, inclusiveness and social equity.

Sustainable property

The design of our buildings improves energy and water efficiency and the performance and well-being of our customers. Innovation is moving quickly and technology and new materials are influencing how buildings look, function and adapt over time.

Our investment portfolio and development activity remain focused on urban infill markets located close to large consumer populations. These properties, often re-purposed existing buildings, are in high demand. They present opportunities to create positive social outcomes and give our customers closer access to markets, which helps reduce their transport-related emissions.

Addressing the climate challenge

Goodman supports the Paris Agreement goal to limit global warming to well below two degrees celsius compared to pre-industrial levels. And we support the call from COP26 in Glasgow, for countries to renew efforts to strengthen their emissions reduction targets and transition away from coal towards renewable sources of electricity.

We have assessed our climate risks and set targets around reducing carbon and increasing renewable energy use.

A major priority is to decarbonise our business. We’re measuring our emissions and doing something about them. We’re looking closely at our design and construction processes and using our global scale to influence our supply chain. Investing in carbon offsets is part of the transition and we expect that innovation, technology, materials and processes will positively impact our development approach over the next five to 10 years.

Our solar and renewable energy targets remain instrumental in minimising our global emissions. We can also use them to support our customers by initiating aligned targets. Our Australian business transitioned to 100% GreenPower this year, which will significantly reduce our emissions.

This approach aligns us with the ambitions of many of our large global customers and we are embracing new opportunities to collaborate on solutions with them.



Oakdale Industrial Estate, Sydney, Australia.

LONG-TERM



Goodman's business depends on long-term relationships with its stakeholders. We prioritise effective and timely dialogue with stakeholders including our investors and securityholders, customers, employees, suppliers and local communities.

Our ESG performance is disclosed regularly to maintain their trust. Disclosure occurs in the Annual report, the Stakeholder Review, our sustainability reports and our ESG Report performance benchmarks.

RELATIONSHIPS

Long-term investment partners

Through our managed Partnerships, Goodman Group has developed long-standing relationships with several of the world’s largest and leading pension and sovereign wealth groups. As many of these partners operate with their own dynamic ESG policies, these relationships have influenced Goodman’s investment teams to adopt innovative approaches to our own development and management activities.

We seek feedback from our Investment Partners during our investor updates and customer insight meetings. ESG benchmarks such as GRESB, MSCI and Sustainalytics review our non-financial performance aspects, while our discussions with stakeholders help us to determine our material sustainability priorities and the social impacts of our business.

The post-COVID world is seeing more video conferencing and the ability to more regularly converse with a wider group of investors without the travel.

Our discussions with our Investment Partners about our ESG strategy have become more frequent and detailed. This reflects the ongoing alignment of equity partners to companies with clearly articulated ESG strategies.



Customers

Our business depends on collaborative relationships with our customers. Goodman has a diverse range of global and local customers within the e-commerce, logistics, retail, consumer goods, automotive, pharmaceutical and technology industries.

Customers are seeking real estate partners who can help them to achieve their specific sustainability goals. Even better, a real estate partner such as Goodman who is dedicated to collaborating on mutually aligned targets. This engagement nurtures long-term relationships, helping to maintain our high occupancy rates and pre-committed developments.

Over the past year, we have had many discussions with customers on our respective commitments. Some of our key global customers have aligned sustainability initiatives and targets such as decarbonisation, renewable energy and the adaptation of existing (brownfield) infrastructure.

Meanwhile, our development specifications include design features that enhance efficiency, functionality, comfort and wellbeing.

Top 20 global customers
(by net income – look through basis)

Amazon	7.1%
Deutsche Post (DHL)	2.2%
A.P Moller – Maersk	1.7%
Japan Post (Toll)	1.6%
BMW Group	1.3%
SF Express	1.2%
Iron Mountain	1.1%
Koch	1.0%
Equinix	1.0%
DB Schenker	1.0%
Australia Post	0.8%
JD.com	0.8%
Kuehne + Nagel	0.7%
Mainfreight	0.7%
Noble House Home Furniture LLC	0.7%
Syncreon Technology	0.7%
Omlog	0.6%
Coca-Cola Amatil	0.6%
Linfox	0.6%
IVE Group	0.6%





Our global team

Goodman’s 900-plus people are its greatest asset. We want our employees to be happy, healthy and productive. Our effective internal communication keeps our people abreast of our strategy and performance and encourages their ongoing training and career aspirations.

A major theme of our workforce engagement is health and wellbeing through tailored initiatives, like our flagship health and wellbeing program in Australia, the (good) life. Engagement this year has been crucial to maintain a sense of togetherness while we were all working from home. We surveyed our employees regularly, increased communication and organised multiple online team building events.

In their regular Company updates, Goodman’s executive teams encourage questions and feedback to keep our people aligned to our purpose. Meanwhile our performance management system, Aspire, is a platform for formal engagement and goal setting, helping our employees to further their careers within our business.

Our communities

The Goodman Foundation unites our people, properties and resources to make a tangible difference to the lives of people in our communities. Through our partnerships with an exceptional group of charities we’re able to make a real difference, where and when it matters most.

Goodman provides regular updates through its website, media releases and social media platforms including LinkedIn, WeChat and Instagram. We also respond to enquires through our website or by email to our investor relations team.



Oakdale Industrial Estate, Sydney, Australia.

Global supply chain

Goodman has established extensive supply chain relationships across each of its operating regions. We appoint general contractors to deliver on our developments and partner with them to achieve the quality outcomes we expect. We engage extensively with our supply chain throughout the lifecycle of properties, from initial development through to operation and management.

We are engaging extensively about reducing carbon with several engineering organisations and industry associations such the Materials and Embodied Carbon Leaders Alliance.

Goodman's 2030 sustainability strategy is transitioning our business into a truly resilient and low-carbon company.

Based on our people and culture, our engagement with stakeholders, and our status as a trusted investment manager and community partner, our 2030 sustainability strategy shapes all aspects of Goodman's business and is one important way we measure our success.



ENVIRONMENTAL



INTELLIGENCE

2030 Sustainability strategy

Our strategy is supported by three pillars:



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.



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.



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.



Addressing the world's biggest challenges

The UN Sustainable Development Goals (SDGs) 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.

Nine of the 17 SDGs are material to Goodman's business and stakeholders. These remain a constant reminder of how Goodman's operations can help to solve some of the world's biggest challenges.

03 Good health and wellbeing

05 Gender equality

07 Affordable and clean energy

08 Decent work and economic growth

09 Industry, innovation and infrastructure

11 Sustainable cities and communities

12 Responsible consumption and production

13 Climate action

15 Life on land



Designed to be energy efficient, highly functional and as climate resilient as possible, Goodman properties include sustainable features that create greater amenity and wellbeing; and appeal to changing customer needs.

SUSTAINABLE SOLUTIONS



Sustainable properties

We understand the value of strategic locations and the environmental benefits of repurposing brownfield sites into modern facilities. Key to our development specifications are innovative materials, energy generation and low carbon solutions.

Our development specifications continue to respond to shifting customer needs, our commitment to reducing carbon and on-site renewable power generation.

We are accelerating our transition to carbon neutral buildings. One path towards that outcome is our participation in the Materials and Embodied Carbon Leaders Alliance (MECLA), which unites developers, owners, builders and suppliers with a single common goal – to decarbonise buildings.

It is our ambition for brownfield sites in infill locations to be the majority of our developments. These developments are a great opportunity for Goodman and planning authorities to transform industrial areas into thriving commercial precincts, reuse materials and reduce waste, as well as place our customers closer to their consumers.



Material drivers of our strategy

- Sustainable design and management
- Strategic locations
- Customer attraction and retention
- Climate risk and resilience
- Carbon reduction strategies
- Smart energy solutions
- Flexible and adaptable properties

Target

400MW of solar PV capacity in operation by 2025

100% renewable energy use within our operations by 2025

Carbon neutral operations by 2025

Maintain >95% overall occupancy rate

Progress

A further 70MW of solar PV installed or committed to during FY21 taking Goodman's global installations to approximately 125MW. Targeting an additional 75MW in FY22 subject to planning approvals.

Finalised an agreement to start using 100% green power in our Australian operations from 1 July 2021. This will raise our global energy usage from renewable sources to approximately 60%. Continued investing in solar to increase renewable energy across our property portfolio. Looked at opportunities to generate renewable energy certificates to compensate for limited renewable options in some markets.

Achieved carbon neutrality for our global operations in FY21. 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.

Achieved a 98% occupancy rate.

UN SDG alignment



Sustainable property design

Our properties are designed with efficiency, function and customer comfort front of mind. Throughout a building's lifecycle, its purpose will need to adapt to changing customer needs, which is why our assets are flexible, resilient and in demand for the long-term.

We engage extensively with our customers during the design phase, and incorporate sustainable design features and solutions into our development approach. Our objective is to partner with our customers and deliver them a highly functional, sustainable and exceptional property that enhances their business.



Goodman Business Park, Greater Tokyo, Japan.

Goodman Business Park, Chiba, Japan.

01

Strategic site selection with a preference for infill locations close to infrastructure, consumers and transport.

02

Integrated energy-efficient design including automated LED lighting.

03

Electrical sub-metering to monitor and measure performance.

04

Solar on rooftops to generate onsite renewable energy.

05

Skylights for more natural light.

06

Increasing installations of electric vehicle charging points.

07

Water conservation including rainwater harvesting and drought tolerant or native landscaping.

08

Use of low volatile organic compounds and recyclable materials.

09

Facilities that support health and wellbeing such as gyms, bicycle storage, change rooms, nutritious food in cafes and green outdoor spaces.



Highbrook Business Park, Auckland, New Zealand.

Responding to climate risk

We acknowledge that the changing climate presents tangible risks to Goodman’s business. Goodman completed a scenario-based climate risk assessment aligned with TCFD guidelines in 2020 to examine key physical and transitional climate risks in our major regions.

Our five most material risks are:

- Increasing temperatures and heatwaves

- Extreme precipitation events

- Windstorms (tropical and extra tropical)

- Severity of hailstorms

- Sea level rise

The process identified several ways we could mitigate climate impacts on our business and lead by 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 to update design guidelines to minimise the financial risks associated with them.



View our TCFD statement:



Accelerating our carbon targets

Goodman achieved carbon neutral global operations ahead of our 2025 target. Certified by the Australian government’s Climate Active program, our emissions inventory included Scope 1 and 2 GHG emissions and upstream and downstream Scope 3 emissions generated from our operational activities. The boundary of our carbon neutral certification excluded customer emissions, however our commitments to solar PV and energy efficiency help support our customers with aligned emissions reduction targets. Importantly, emissions from Goodman controlled areas across our global portfolios (landlord controlled areas) were included. The embodied emissions of the materials we use in our developments were excluded and are being addressed separately as part of our commitment to carbon neutral developments. The result comes from reducing our own operational emissions, increasing our use of renewable energy and investing in 100% Australian carbon credit units.



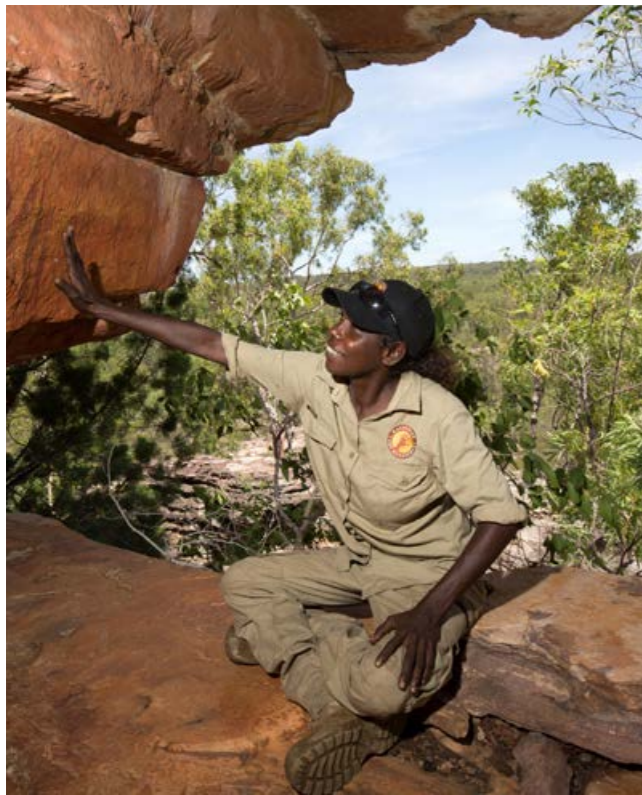
All regions contributed to our reduced carbon footprint, with Europe and New Zealand having already achieved carbon neutral status. During the year, our Australian operations transitioned to 100% green power, which will dramatically reduce the Company’s total future emissions.

We continued to support and influence long-term sustainable solutions for our customers and investors. We believe the property sector has a vital role – from the estates we develop, through to how we can work with our customers to achieve sustainable outcomes in their businesses too.

Goodman is reducing carbon in the development process as well. We are calculating the volume of – and placing a value on – embodied emissions in our projects globally, which means we can reduce and offset the carbon.



Highbrook Business Park, Auckland, New Zealand.



Aboriginal fire rangers, Arnhem Land Fire Abatement, Northern Territory, Australia.

Investing in carbon credits

To offset the carbon emitted in areas outside Goodman's control, as well as to support an Aboriginal-owned and operated carbon farming business, we invested in the Arnhem Land Fire Abatement (ALFA) projects in Australia's Northern Territory.

Arnhem Land is prone to extreme wildfires that affect people, plants and animals. The ALFA projects employ Traditional Owners and Aboriginal rangers to undertake traditional fire management across more than 80,000 square kilometres. This work drastically reduces emissions while protecting culturally significant sites from destructive wildfires.

Funding from carbon offsets also enables the projects to invest in other community identified priorities and projects that support Traditional Owners to manage the land and sea country of Arnhem Land.



Reducing embodied emissions

Following our milestone of achieving carbon neutral operations this year, we are evaluating the embodied carbon liability of our development activities. We know this is significantly higher than our operational carbon.

The primary source of Goodman's embodied carbon emissions is from materials such as concrete and steel. We are collaborating with our supply chain partners to identify lower carbon solutions for our design and construction process. Data and resources are being shared across our markets to bring consistency to our approach.

We have created carbon baselines for our developments globally. Using a baseline of carbon per square metre, we can work towards reducing embodied emissions. By placing a value on the embodied carbon, we're creating a budget to evaluate and invest in carbon reduction opportunities. Options include low carbon concrete and recycled materials as well as carbon offsetting options.



A renewable future

Goodman is working towards a target of using 100% renewable energy within its operations by 2025.

This is not a simple transition, as renewable sources of power are not easily available in some markets. In these places, we're looking to our investments in solar PV and to innovative ways to generate renewable energy certificates as part of the solution. In other markets, we've made great steps towards our goal. In Australia, Goodman completed its transition to 100% certified GreenPower for its electricity needs. Because electricity generates more than 90% of our operational emissions in Australia, the new arrangement should result in a significant reduction of our emissions.

In other regions, we are looking at ways to increase our use of renewables and reducing our use of fossil fuels. In Germany, Goodman has installed high quality heat pumps at our new Halle VI Logistics Centre to moderate internal temperatures during winter and summer. The heat pumps use around 35% less energy than traditional gas-powered systems.



**WE'RE LOOKING AT INNOVATIVE WAYS
TO INCREASE OUR USE OF RENEWABLE ENERGY**

Goodman's solar goals in action

As Goodman continues to advance its sustainability strategy, it has increased its goals for generating renewable energy and reducing carbon globally.

The increased target of 400MW of solar PV installed or committed globally by 2025 is estimated to produce enough electricity to power 120,000 homes for a year. Installations increased during the year as we reached 125MW of solar capacity either installed or in progress, with a further 70MW targeted for FY22.

As the pace to install solar picks up, we review some key solar projects across Goodman's operating regions.

Europe

In Europe, Goodman's target is to install approximately 90MW (peak capacity) of solar across its properties by 2025.

The Alblasserdam Logistics Centre in the Netherlands is a strong example of how we're working on our target. 6.8MW of solar capacity was installed on the 55,000sqm roof, producing enough energy to power the entire building.

Also, on the Antwerp-Brussels logistics route, we have undertaken a massive 3.2MW solar upgrade at the Puurs Logistics Centre in Belgium. Featuring 7,120 solar panels, the result is the size of almost three football fields.

Japan

Blending form, function and sustainable design in a logistics and data centre hub, the 500,000 square metre estate of Goodman Business Park in Greater Tokyo has progressively installed a massive 14.9MW solar array across the park. The majority of the energy generated from the roof-mounted systems is distributed into the local electricity grid.

Australia

Goodman has installed or committed 40MW of solar in Australia to date. This included 15MW installed or committed as part of new developments during 2021, ranging from 240kW systems up to large 3.5MW installations. A further 23MW of installations and commitments is forecast for the stabilised portfolio next year.



Goodman Pudong Airport Logistics Park, Shanghai, China.

Achieving Platinum status

In 2021, Goodman's industrial development in Shanghai, Pudong International Airport Logistics Park, underwent LEED operations and maintenance re-certification. All six buildings in the facility have now achieved a LEED Platinum rating, improving from the single LEED Platinum and five LEED Gold ratings achieved in 2019.

The initiatives to achieve the rating include:

A 4.2MW solar system with real-time monitoring

Automated LED lighting and ambient light sensors

Water-saving technologies

A smart irrigation system which adapts to soil and weather conditions

Improved waste management to optimise recycling

PUDONG INTERNATIONAL AIRPORT LOGISTICS PARK IS THE WORLD'S LARGEST LOGISTICS PARK TO HAVE ALL BUILDINGS CERTIFIED AS LEED PLATINUM



Goodman Business Park, Nijmegen, Netherlands.



“IT IS OUR FLAGSHIP FACILITY IN THE UK. FOR US, THE BIGGEST CHALLENGE WAS HOW TO SCALE OPERATIONALLY TO FEED THE NATION AND SUPPORT OUR CUSTOMERS. NUNEATON MADE SENSE FOR A NUMBER OF REASONS, PARTICULARLY LOCATION, WHEN YOU LOOK AT REDUCING EMISSIONS THROUGH REDUCING THE DISTANCE TRAVELLED BY OUR GOODS.”

Laurent Guillemain, UK CEO, HelloFresh

United Kingdom – HelloFresh

After delivering more than 600 million meals in 2020, meal delivery service HelloFresh needed a new temperature-controlled production and distribution facility in a prime location to support its rapid expansion. The facility also needed to mitigate the environmental impact of its growth.

The Beehive

Goodman worked closely with HelloFresh to deliver its new 21,400sqm centre in Nuneaton, named the Beehive by employees. It's within a four-hour drive of 55.9 million consumers and ideally suited to national fulfilment and fresh food delivery.

Key sustainability features of the Beehive include:

BREEAM Excellent rating

Skylights occupy 12% of the roof to maximise natural light

Optimised solar system to be installed across the whole roof

Rainwater harvesting

Motion and daylight sensors to reduce power consumed by lights

Superior air tightness for improved temperature control

Electric vehicle charging stations



HelloFresh, Nuneaton, United Kingdom.



Getafe Terminal Logistics Centre, Madrid, Spain (artist's impression).

Brownfield development and adaptive re-use

Goodman is continuing to acquire and redevelop brownfield sites. We have extensive development experience in this area and, currently, close to 60% of our global developments are existing sites.

Brownfield sites are those that have been previously developed yet offer an opportunity to be re-developed into modern, efficient, sustainable properties. These older style developments are typically located in established industrial locations, close to urban centres, which we refer to as infill locations.

Brownfield redevelopments offer significant benefits to our customers and communities. Being close to consumers means faster speed to market and lowered transport-related emissions. Such sites bring employment to local communities and lessen the need to rezone and develop greenfield (undeveloped) land.

Brownfield sites can utilise existing infrastructure, while materials from the previous facility can be recycled into the new construction, thereby reducing waste.

Goodman Commerce Center, Long Beach, USA

Together with the City of Long Beach, California, Goodman is sustainably redeveloping a major brownfield site, removing the need for large-scale demolition and new construction.

50 acres of the 93-acre former Boeing C-17 manufacturing plant is being adaptively re-purposed as the headquarters for Relativity Space, the first company to 3D print a rocket and build the largest metal 3D printers in the world.

The new property will feature aerospace amenities, walking paths, bike paths and drought tolerant landscaping. It will be able to employ 2,000 local residents.

Its sustainability features include:

Electric vehicle charging stations and bike racks

Cool roofing system for lowered power consumption

Improved water quality and conservation by reducing site runoff



Goodman Commerce Center, Long Beach, USA (artist's impression).

Biodiversity

It is important that we contribute tangibly to the resilience of the environments where we operate. Due to the nature of our development activities, we must be part of efforts to improve the natural environment and biodiversity, specifically. This works well with our preference for developing brownfield sites and our expertise, when needed, in rehabilitating contaminated environments.

Biodiversity is becoming a major focus area for Goodman. We are looking for opportunities where we can contribute and enhance biodiversity, including establishing urban forests, linking wildlife corridors, installing beehives and expanding conservation areas at our sites.



Nijmegen III Logistics Centre, Netherlands.

Biodiversity in the Netherlands

Goodman is supporting efforts to increase forestry in the Netherlands where team members are planting trees to help compensate for the ecological footprint of developments. This includes our Nijmegen III Logistics Centre, which led to the planting of around 18,000 new trees. The team has also trialled a forestry method known as the Miyawaki method at the Puurs Logistics Centre in Belgium, which involves the dense planting of native trees in a limited space.



Oakdale Industrial Estate South, Sydney, Australia.

Enhancing biodiversity at the Oakdale Industrial Estate

At Oakdale Industrial Estate in Western Sydney, Goodman is improving the estate’s biodiversity and potential for future flora and fauna as it works respectfully alongside First Nations groups to manage sensitive sites and artefacts.

About 50 hectares of the site has been set aside as biodiversity management areas (BMAs) and around one million native species have been planted.

Goodman’s approach has been dedicated and detailed. For example, native turtles, eels, fish and an endemic swamp lily were rescued from farm dams and relocated to a rehabilitated creek. Elsewhere, sandstone waste from the nearby infrastructure tunnelling project, Westconnex, was recycled and used across the estate – providing both an aesthetic and an environmental benefit.

Goodman Australia national tree portfolio

Goodman completed a national tree audit in Australia and estimated 24,490 trees exist across our portfolio.

Trees store carbon from the atmosphere, which helps to mitigate the rising temperatures associated with climate change. The total lifetime carbon stored in our Australian tree portfolio is approximately 15,000 tonnes.

To maintain the balance of species, age and the replacement of removed trees, Goodman continually plants new stock and conducts maintenance as new trees are established to keep them healthy.

Good+Nature sustainable garden

The organic seasonal produce being grown at Goodman’s new sustainable garden, Good+Nature at Interchange Park in Sydney’s west, is helping to fill OzHarvest hampers for those in need.

With its own biodynamic ecosystem, the garden features 23 individual garden beds made from predominantly recycled materials, stingless native bees to help with pollination, native fish and aquatic plants. A 2.2kW solar system provides electricity, while rainwater irrigates the garden.



Interchange Park, Western Sydney, Australia.

At Goodman, our people are our greatest asset. That's why we foster a work culture of inclusivity and diversity. It's why we focus on the wellbeing, health and safety of all our people and contractors, and why we prioritise business ethics and human rights in our global supply chain.

HUMAN



CENTRIC

People and culture

To support Goodman's flexible work culture, our people are equipped with the latest and most efficient technology.

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

Our target is to reach 40% female senior management representation by 2030. This is being supported by succession planning, employee development and talent management. A key focus is on expanding the roles of senior women and increasing their direct involvement with large customers and investors.

Globally, more of our developments feature designs that support our customers' wellbeing such as recreation facilities, breakout spaces, green areas and healthy dining options.



Material drivers of our strategy

- Workplace safety
- Group and regional leadership
- ESG performance targets
- Diversity and inclusiveness
- Promotion of the Goodman values
- Social equity
- Customer wellbeing

Target

Safe working environment

Global supply chain ethics policy

Gender ratio of 50/50, with 40% female senior executives by 2030

100% of employees assessed as demonstrating Goodman's values

Progress

Put a global safety framework in place that prioritises safety standards and the management of critical risk controls.

Rolled out safety training and contractor management procedures.

In FY21, four fatalities occurred on development projects under the control of our Principal Contractors. While Goodman is not responsible for the day-to-day management of works on these projects, we are committed to positively influencing and actively monitoring safety standards that either meet or exceed local requirements through our contractual arrangements.

Expanded our view of business ethics in our supply chain and we are developing an enforceable Code of Conduct including our commitments to human rights and to preventing modern slavery.

Further reviewed our supply chain in Australia to focus on high-risk sectors.

Reached a gender ratio of 44% female and 56% male, with 30% female senior executives.

Concluded that 100% of employees are demonstrating or exceeding Goodman's values.

UN SDG alignment



We are what we value

During the year we took time to refresh our values to further align them with our strategy. Some of the words might have changed but the spirit remains the same: Innovation, Determination, Integrity and Sustainability. These four values reflect not only who we are today, but who we want to be, long into the future.

INNOVATION
DETERMINATION
INTEGRITY
SUSTAINABILITY

INNOVATION

New ideas push our business forward. We focus on the future, proactively looking for new opportunities and improved solutions for our stakeholders that will make the world a better place for all of us.

DETERMINATION

Determination gets things done. We are motivated by excellence and work hard to achieve it, actively pursuing the very best outcomes for all our stakeholders.

INTEGRITY

We have integrity, always. We work inclusively and transparently, balancing the needs of our business and our people, with the needs of the community and those we do business with.

SUSTAINABILITY

We're building our business for the long term. That's why we consider the planet, and all the people on it, in everything we do. Our ESG initiatives demonstrate our ongoing commitment to having a positive economic, environmental and social impact on the world.

Health and wellbeing of our people

At Goodman, we embrace flexible work options.

We trust our people know when to collaborate with colleagues at the office and when to work from home or base themselves onsite with a client. Wherever they are, their productivity is facilitated by contemporary technology.

Good health includes good mental health. Through an expert external provider, Goodman offers complimentary coaching and counselling to people in some locations, and to their immediate family, through a confidential, easy-to-access program.

Managers are reminded to check in with their team members regularly and to help them to access the mental health support available through Goodman if it is needed.



An inspiring place to be

Our offices are designed for collaboration and teamwork. Over the past few years, many of Goodman's global offices have been upgraded to focus on health, wellbeing, collaboration, connectivity and sustainability. Where possible, we encourage natural light and fresh air, natural materials and the visibility of plants or green zones to reduce stress and improve mental clarity. Several of our offices have touchless entry and features such as yoga rooms, gyms, multi-faith rooms and end-of-trip facilities.

Staying connected from home

In Australia, with COVID restrictions preventing onsite work, our teams were offered a health and wellbeing program while working from home. Built around remote working principles, it was centred on health, exercise and education. Activities included virtual cooking classes, circuit and strength training, pilates, guided meditation and yoga. The aim was to keep our people connected and motivated by maintaining crucial networks with colleagues.

Remote team-building activities, virtual events and regular communication ensured a sense of connection was maintained, in particular in Europe and the US where some employees worked remotely for around a year.



Human capital management

Our diversity is our strength

When we sit at the conference table, collaborate online, or gather in breakout spaces, we each bring unique perspectives, experiences and culture. Our diversity is our strength. Diverse people foster a rich mix of differing views and ideas, all of which make Goodman better.

If team members feel they will not be heard equally because of their gender, race, sexual orientation, religious beliefs or any other reason, our success is undermined. Diversity is about much more than ticking boxes or hitting targets. It's about genuine inclusion and culture. It's about all of our people knowing that they belong at Goodman.

We have a collaborative workforce across 30 cities and we are fortunate to have a wealth of cultural diversity.

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; and
- + Increased career advancement opportunities for women.



Building inclusive leadership

We foster an environment where our people are confident to share ideas and different ways of thinking. A culture where everyone is empowered to pursue leadership.

Inclusive leadership is important at Goodman. It's an opportunity to enrich our capabilities and we're equipping our leaders with the skills to value inclusivity in their teams.

We are committed to lifting the representation of females within the senior executive category to 40% by 2030. In FY21, representation increased from 23% to 30% through targeted recruitment and providing female employees with significant career development where they contributed at a senior level.

With a global workforce of more than 900 employees and a relatively flat organisational structure, the assessment of what constitutes a senior role is subjective.

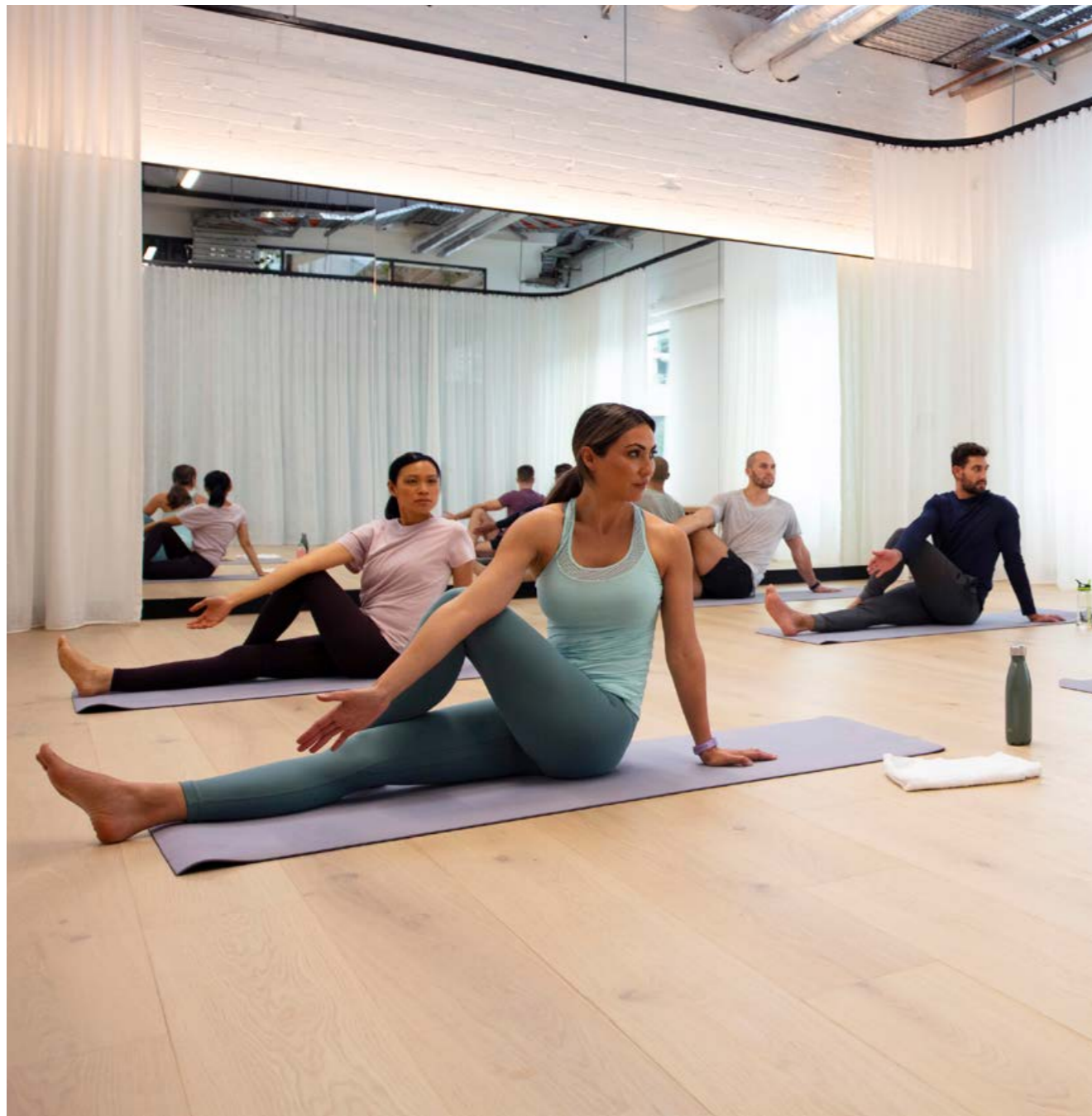
However, when evaluating if an employee should be categorised as a senior executive, we consider the:

- + 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; and
- + Total remuneration level.

Goodman made good progress in lifting the representation of females in FY21, particularly in the Australian and Continental European businesses. Several female employees were given significantly more responsibility with major customers, investors or corporate activities, and were remunerated accordingly.

Multifaith Room





The (good) life

Employees with a greater work life balance are more positive and productive. To promote this balance, Goodman provides a range of activities to employees.

Engagement this year has been about building a sense of togetherness while we've all been working from home. In early 2021, more than 80% of employees responded favourably to a survey on alignment, involvement, collaboration, communication and leadership within the Group.

In Australia, employees have access to the (good) life program for structured fitness, health and recreation activities to nourish greater work life balance. The (good) life program focuses on:

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

Human capital and skills management

Due to COVID restrictions, most learning in FY21 was delivered online. A comprehensive catalogue of LinkedIn learning content is available to Goodman employees via our global learning system, Aspire.

Aspire is the gateway to improved compliance, technical and management skills including negotiation and conflict resolution. This content is kept current and is a popular method of self-paced learning among our employees.

During FY21, Goodman's global workforce completed 5,360 training events, including both internal and external courses. The most popular online modules were digital literacy, communication, personal coaching, business management and leadership.

Developing careers

Goodman backs the developing careers of its people in several ways.

We induct new employees with e-learning modules and one-on-one sessions during their early months at Goodman. During the year, in lieu of face-to-face contact, our team adapted to help new employees to integrate into the organisation as smoothly as possible.

During their careers, our people are offered incentives to do co-curricular studies. We offer education and study support schemes and, in some regions, annual allowances of up to AU\$8,000. Meanwhile, employee development plans are reviewed each year with managers focusing on career aspirations and helping team members reach their goals with targeted training.

Leadership training is based on improving management skills, coaching, 360-degree feedback, and networking with peers across the business. Our annual talent reviews help us to understand which people are suitable for role progression, allowing us to identify succession opportunities and boost diverse leadership.





Monitoring our human resources

Goodman's human resources team monitors who is working for us, and how; as well as overseeing our global performance management process in place for our workforce.

We look at human capital metrics including gender representation, gender pay equity, remuneration, diversity, learning, turnover and absenteeism. Voluntary turnover across Goodman Group has been just below 6% for several years.

It is a Goodman priority to ensure equal fixed remuneration for employees who do similar work within the same region. Any differences in total remuneration, including long-term and short-term incentives, are based on performance. These performance-based incentives are a large portion of our remuneration. They are available to all Goodman employees and are linked to our business' shared financial and operational performance.

Managing human capital risks

Goodman is proactive about managing human capital risks.

We do background checks on all new employees and ongoing checks on employees deemed to be key personnel. Our code of conduct covers all employees and includes regular compliance training. In our regions, 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.

Pre-COVID, Goodman's Group Head of HR would visit our key operating regions annually to engage with local teams and executives on performance reviews, recruitment strategies, technical expertise requirements, and local training and development needs.

Goodman's Group Head of HR reports to the Board on the Group Succession Plan and gives quarterly updates on employee relations and HR to the Risk and Compliance Committee and the Remuneration Committee.

Goodman people go \$10 million greener

Our holistic approach to ESG not only reduces our properties' carbon impact but looks to embed sustainability broadly in our culture.

To help unlock more sustainable transport for our people we offered \$10 million worth of electric vehicle (EV) incentives over the next five years. Those who accept will be immediately making a difference. The initiative showcases how our people are encouraged to help Goodman broaden the radius of its impact in the carbon economy.

In addition, we are transitioning our global vehicle fleet to EV with the current Australian fleet of 55 hybrid vehicles due to be 100% EV by 2025. Furthermore, all new Goodman developments globally will feature EV bays with battery charging stations.





Respecting First Nations land

Reconciliation action plans

At Goodman, we care deeply about our teams, our customers and our global communities. We believe in building stronger relationships with the First Nations peoples of the lands where we work and live.

As a business that operates in many locations, it is our responsibility to listen, learn and amplify First Nations voices to ensure our activities support their continuing connection to land, waters, cultures, languages and traditions.

In New Zealand, our business recognises and celebrates Indigenous Māori culture and language. We work alongside Iwi in our investment and community initiatives, acknowledging our heritage while striving for an equitable future.

In Australia today, we pay respect to Elders past, present and emerging. We value their custodianship of 65,000 years. To play our role, Goodman has committed to a Reflect Reconciliation Action Plan (RAP). Our RAP sets out a vision for how we can create and sustain meaningful relationships, enhance respect, and promote opportunities for Aboriginal and Torres Strait Islander peoples.

Indigenous climate action

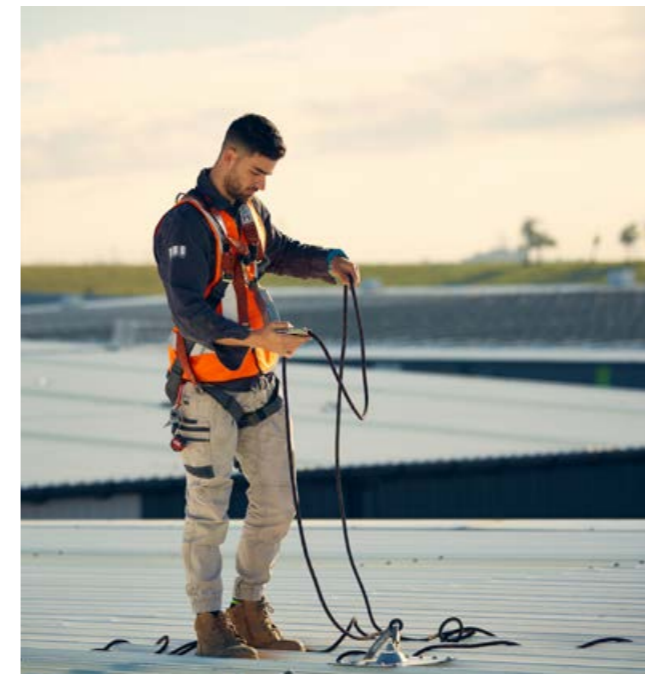
BY INVESTING IN INDIGENOUS CLIMATE ACTION PROJECTS IN AUSTRALIA'S NORTHERN TERRITORY, IN PARTNERSHIP WITH TASMAN ENVIRONMENTAL MARKETS AND CLIMATE ACTIVE, WE'RE SUPPORTING EMPLOYMENT OPPORTUNITIES FOR ABORIGINAL RANGERS AND THE CONSERVATION OF VITAL WILDLIFE HABITATS.

Safe working environment

Goodman's global safety framework outlines a consistent approach to safety across our business.

The most significant safety risks exist during asset development. While this risk is owned by the Principal Contractors we appoint to construct our properties, Goodman is committed to positively influencing and actively monitoring safety standards to minimise incidents and achieve our objective of zero fatal accidents.

To support this, our minimum construction safety standards are part of our contracts with Principal Contractors. We are doing more inspections of site operations and development activities, particularly in regions where risks are higher, and compensating for COVID travel restrictions by using third party consultants. We believe we can have a positive impact on safety by clearly defining our expectations and closely monitoring safety standards during construction.



Influencing safety standards

We are aiming for consistency across organisational cultures, regions, regulatory environments and varying industry standards. This includes monitoring and responding to regulatory obligations, such as requirements relating to fire safety, materials and aluminium composite panels. Goodman adopts minimum contractual safety standards on construction projects for Principal Contractors where the local standards are not adequate.

For example, in Mainland China, there were zero fatal accidents in development activities from FY17 to FY20. This was achieved by implementing minimum contractual standards for safety and a strong inspection, compliance and enforcement program.

There were four fatal accidents in FY21 on construction projects under the control of Principal Contractors in Spain, Brazil and China. In response, we have commenced a Return to Zero safety program, which in addition to existing programs and measures will focus on height risks; and we're working with Principal Contractors and other stakeholders to implement Goodman safety standards across those regions.

Height safety

Achieving Goodman's solar PV targets requires significant work to happen at height. Our global roof height safety program addresses these risks in a consistent manner.

A height safety design guideline was launched globally which involved the installation of safety infrastructure on Goodman's stabilised assets. It includes the use of certified vertical and horizontal lifelines, single anchor points, maintenance corridors, and skylight and barrier protection.



FROM DATA

Goodman's global success in industrial real estate is founded on our capability, stakeholder relationships and a structured approach to corporate governance.



TO



DELIVERY

Corporate performance

At Goodman, ESG is integrated into our broader risk management and governance frameworks. ESG is a priority for us, and our stakeholders, and we oversee our response at the highest level.

We seek finance from sustainable capital sources with low leverage, which helps us to remain active through market cycles. Our financial resilience allows us to make a tangible difference to the lives of vulnerable people through the Goodman Foundation.

Our workforce operates under a code of conduct and a comprehensive suite of governance policies. These are in place to articulate our standards and the expectations that come with being part of the Goodman team.

We engage regularly with stakeholders and disclose our ESG performance to maintain their trust. We communicate our ESG performance through multiple channels including the Global Real Estate Sustainability Benchmark (GRESB) which analyses and scores a range of ESG indicators and gives detailed insights to investors.

In 2021, Goodman participated in the GRESB for eight entities and achieved excellent results. Our Japanese Partnership was awarded Sector Leader in the industrial distribution warehouse category, the Goodman Australia Partnership was awarded joint Regional Sector Leader in the industrial distribution warehouse category, and the UK Partnership ranked first in the industrial non-listed development category.

Goodman Group achieved an 'A' rating from GRESB for the second consecutive year in the area of public ESG disclosures.



Goodman Business Park, Bedford, United Kingdom.



Material drivers of our strategy

- _____ Sustainable operations and results
- _____ ESG performance
- _____ Responsible investment
- _____ Environmental stewardship
- _____ Sustainable capital structure
- _____ Stakeholder and community engagement

Target

- Retain investment grade credit rating
- Adopt the TCFD guidelines for climate risk assessment and disclosure by 2022
- 4 Star Green Star GRESB rating average
- \$50 million in social investment by the Goodman Foundation by 2030

Progress

- Continued to meet financial targets to underpin capital sources and retain credit rating.
- Maintained credit rating at BBB+ (S&P) and Baa1 (Moody's).
- Adopted Task Force on Climate-related Financial Disclosures (TCFD) guidelines in 2020 and published our first TCFD statement one year ahead of target.
- Submitted GRESB responses for eight Goodman entities with results due in late 2021.
- Achieved strong results in the 2020 GRESB survey including:
 - + Goodman Japan Core Partnership achieved 5 Green Stars and awarded Sector Leader (Stabilised) for its peer group for the fourth consecutive year
 - + Goodman UK Partnership achieved 5 Green Stars and awarded Sector Leader (Development) for its peer group
 - + Goodman Australia Industrial Partnership achieved 5 Green Stars (Development) and ranked second in its peer group.
- The Goodman Foundation contributed more than \$6.3 million to community and philanthropic causes, including \$400,000 raised by our people and 5,360 pro-bono hours.

UN SDG alignment





Environmental, social and governance

Goodman's Board is committed to delivering the Company's business strategy in a sustainable way.

It has entrusted the Risk and Compliance Committee to oversee the Group's risk management framework, which includes how we respond to material ESG matters and how we manage climate risk. Importantly, its oversight extends to how we are tracking on our targets to reduce emissions, increase renewable energy use and measure and ultimately lower the embodied carbon within our developments.

Our sustainability policy and associated strategy (available on the Goodman website) is managed by the Goodman Group Head of Sustainability, reviewed annually and approved by the Risk and Compliance Committee.

We give quarterly updates to the Risk and Compliance Committee, which provides strategic feedback on our performance and channels information to Goodman's Board. The Board prioritises and monitors our progress towards our sustainability targets, which are incorporated into the performance assessment and remuneration structure for Goodman's management teams.

The overall assessment of Goodman's long-term incentive remuneration, in respect to vesting conditions of the September 2021 Performance Rights, will include the following specific sustainability targets for FY22. The FY22 targets form a subset of the full long-term objectives:

- + **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 targets 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.
- + **Carbon** – Embodied carbon emissions of new developments to be calculated and considered in investment papers, on a globally consistent basis in preparation for carbon neutral developments.
- + **TCFD** – Maintaining and updating our climate disclosures in line with the TCFD guidelines.
- + **Occupancy** – Maintaining a >95% occupancy rate.

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

Code of conduct

Goodman believes it is critical to maintain our reputation and integrity wherever we do business. Our code of conduct sets the standard of professional and ethical behaviour expected from all of those who represent us.

The code is endorsed by Goodman's Boards and extends to all Goodman Directors and team members, including contractors and secondees, in the performance of their duties.

We have zero tolerance for bribery and corruption, including facilitation payments. All employees complete ethical behaviour training, which includes anti-bribery and corruption.

The code of conduct has eight guiding principles to preserve Goodman's reputation of doing the right thing by our customers and team members.

The principles are:

01. Act in a professional manner

02. Work as a team and respect others

03. Treat stakeholders fairly

04. Value honesty and integrity

05. Follow the law and our policies

06. Respect confidentiality and do not misuse information

07. Manage conflicts of interest

08. Strive to be a great team member

These principles operate alongside Goodman's values, policies and procedures.



[View our full Code of Conduct](#)



[View our Governance Policies and Charters](#)



[View Goodman's 2021 Corporate Governance Statement](#)





Sustainable sourcing framework

Goodman has committed to establishing a sustainable sourcing framework in FY22. The framework will encompass our responsibility to protect human rights within our supply chain and to mitigate the risk of modern slavery, as well as other targets under our 2030 sustainability strategy.

We are expanding our procurement policies to support the new framework and working to integrate it with our global teams. Our aim is to create awareness and to engage with suppliers that operate with similar values. Increasingly, we expect our procurement decisions to reward like-minded organisations that also prioritise social, environmental and human rights factors.

We expect our suppliers to abide by the minimum standards in the supplier code of conduct and communicate these within their own operations and supply chain. This includes complying with all Goodman standards concerning safety, environment, human rights, modern slavery, labour practices and anti-bribery and corruption.

We recognise that our suppliers operate in a variety of legal frameworks and cultural environments. However, we believe that sharing our sustainable sourcing framework with our supply chain will enhance understanding of our objectives and lead to broader positive change.

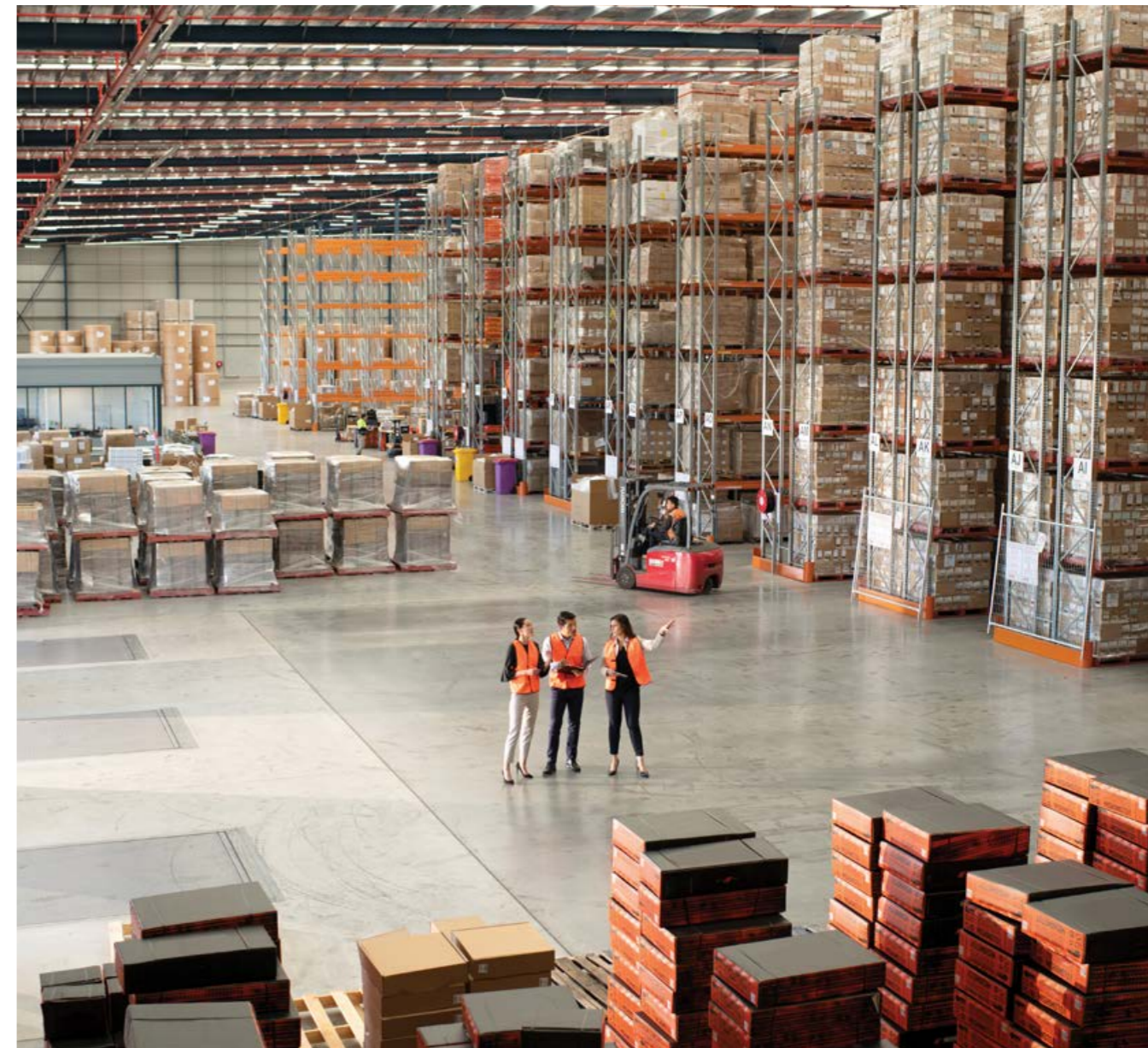
Human rights and modern slavery

Goodman acknowledges that modern slavery is a global risk. It is a serious form of exploitation present in global supply chains through labour rights abuses including forced labour, debt bondage and child labour.

An estimated 18% of modern slavery victims are in the property and construction industry, while 22% of forced labour is in the manufacture and production of raw materials – key suppliers to the property and construction industry.

Goodman faces a risk of involvement in modern slavery in our supply chains where coercion, threats or deception may be used to exploit victims and deprive people of their freedoms, rights and access to safe and fairly compensated employment. We are committed to good business ethics across our operations and supply chain, which includes nearly 12,000 suppliers; and we are working with them to mitigate these risks.

[View our Modern Slavery Statement](#)



ESG benchmarking

Goodman participates in several large ESG performance benchmarking programs. These include GRESB, the MSCI ESG Index and the Sustainalytics benchmark.

GRESB is a leading sustainability assessment specifically designed for real estate. Since we started participating in 2012, Goodman has continually improved its scores and increased the number of participating entities. Through GRESB, we give our stakeholders valuable comparative information about our sustainability performance and how we are tracking against our targets.

This year, Goodman achieved some excellent results within its peer groups, including:

Goodman Japan Core Partnership achieved 5 Stars and Sector Leader for the fourth consecutive year

Goodman Australia Partnership achieved joint overall Regional Sector Leader

Goodman UK Partnership was ranked in First in the Development benchmark

Goodman Group maintained its 'A' rating for its public ESG disclosure.

In March 2021, Goodman received a Sustainalytics ESG Risk Rating of 10.7. We were assessed by Sustainalytics to be at low risk of experiencing material financial impacts from ESG factors, which was a strong result.



Investment grade credit rating

Our approach to sustainability and ESG management supports Goodman's broader business strategy and financial stability. 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, prudent capital structure and responsible investments.

Low financial leverage, a strong balance sheet, access to capital markets and available liquidity are important to Goodman. They are particularly valuable in today's economic climate and mean we can continue to operate successfully through differing business cycles.

Through our managed Partnerships, Goodman Group has long-standing relationships with some of the world's largest pension and sovereign wealth groups. As many of these partners operate with their own innovative and dynamic ESG policies, these relationships have supported Goodman's investment teams to adopt sustainability principles in our development and management activities, resulting in sustained improvements in our external ESG benchmarks.



Alexandria Industrial Estate, Sydney, Australia.

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. By partnering with like-minded charities and funding projects with clearly defined timelines and outcomes, we're able to provide real support where it is needed most.

THE ACT



OF



KINDNESS

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A challenging year

For our global charity partners, it has been a full year of dealing with the fallout from the COVID pandemic. We've remained steadfast throughout this period in an effort to not only help our partners survive, but to rise to the challenge.

Those already most vulnerable in the community were heavily impacted by lockdowns, financial hardship and isolation. Simultaneously, the ability of charities to meet the soaring demand was compromised by a diminishing number of workers, volunteers, regular donors and crucial fundraising opportunities.

For the Goodman Foundation, it was a time to stay the course and hold strong in our support, even if charities decided to re-focus their efforts in new and unanticipated ways.

It was a time to trust that the organisations we've partnered with over the years know what their communities need. And to be generous and flexible in how we support them through one of the most challenging years imaginable.

Doing good in the world

Community and community health

Children and youth

Food rescue and environment

Goodman Foundation

How we help

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

Our support is offered as:

Cash grants

Funding for projects with defined outcomes over one to three years.

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.

Delivery of the NSW RFS helicopter, Australia

In response to the devastating 2019-2020 bush fires, Goodman made the largest corporate donation ever to the NSW Rural Fire Service (NSW RFS) by pledging a state-of-the-art firefighting helicopter. NSW RFS recently took delivery of the helicopter which has been fitted out with a winch, a belly tank for water bombing and a surveillance camera for use in firefighting and search and rescue operations. The helicopter is now operational and has already been commissioned for use in the NSW floods and is ready to help protect our community for the 2021-2022 fire season.



NSW RFS Bell 412, state-of-the-art fire fighting helicopter, Sydney, Australia.



Rheed McCracken competing in the para-athletics wheelchair racing.

Paralympics Australia

For two years, the Goodman Foundation has supported Paralympics Australia in its quest to achieve its goals in Tokyo by funding vital warehouse space to allow the team's athletes and support staff to focus on event preparation. When the Tokyo Paralympic Games were postponed in 2020, we provided additional funding to cover the warehouse space for a second consecutive year.

Goodman is proud to support Paralympics Australia and the role of the Paralympic Games in showcasing disability, challenging stigma and creating a more inclusive society.

Watch Goodman Foundation's Paralympics Australia video



Our Watch, Australia

Violence against women is a serious problem globally. A worrying social impact of the COVID lockdowns is women's increased exposure to violent partners at a time of decreased access to services, data from the World Health Organisation states.

In Australia, almost 10 women each day are hospitalised for injuries perpetrated by a spouse or domestic partner. To help to address this urgent issue, the Goodman Foundation engaged with Our Watch, a charity that works to prevent violence against women and their children in Australia.

Our Watch works to embed gender equality and prevent violence where Australians live, learn, work and socialise.

With seed funding from the Goodman Foundation, Our Watch plans to create an institute to empower Australians to stop violence before it starts. Through training and practical tools, individuals and organisations will be equipped to lead prevention work in their own communities and spheres of influence.

Children and youth



Mais Education Program, Brazil

Brazil is the world's eighth-largest economy yet it has a raft of issues stemming from serious social inequality. Exacerbated by COVID, the unemployment rate in Brazil has soared to 14.7% – the highest in nearly 10 years.

The Goodman Foundation wants to help improve access to education in Brazil. There is plenty of scope for change. 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.

The Goodman Mais ('more') program will combine the specialist expertise of several partners to bring a bespoke education program together. Underprivileged young adults will benefit from high quality technical training and personalised mentoring from Goodman team members.

Thinkers and doers

The Goodman Mais program will select 30 Brazilian young adults (from a pool of approximately 200 applicants) to participate in an 18-month program. They'll be taught environmental management and personal skills, boosting their chances of success in the labour market.

Another valuable component will be work placements with Goodman, its customers and local property service providers. Each has been carefully selected after showing genuine motivation to help young people in Brazil have a smoother start in a tough and unequal labour market.

Raise Foundation, Australia

The teenage years can be challenging. One in 10 young people in Australia are disengaged with school or employment, one in four are unhappy with their lives, and three in five experience bullying. Then, there is the devastating fact that suicide is the leading cause of death among young people, yet it is the age group least likely to ask for help.

COVID had a significant impact on young people. With thousands of youth at risk every day, Goodman recently increased our support of Raise to become a major partner.

Raise exists to help young people. They do one thing and they do it well – youth mentoring in high schools across Australia. Support from a mentor during the teenage years can change the course of a young person's life. Raise provides one-on-one support from people with the time and skills to listen.

Raise recruits, screens and trains volunteers as youth mentors before matching them with students. The organisation's in-depth surveys indicate that having a caring, independent adult to talk to each week makes an enormous difference to the lives of young people. Raise mentees become more resilient, get better at asking for help, have an increased sense of belonging and, crucially, hope for the future.



Community and community health



Friends and Helpers, USA

California-based charity, Friends and Helpers, supports, educates and encourages domestic violence survivors and their children who have fled to a shelter or group home for safety.

Most women who flee do not leave with much and rely on shelters for basic necessities.

Twice a year for five years, Goodman's Southern California employees have donated to, and volunteered with, Friends and Helpers' major back to school and holiday season gift campaigns, with Goodman matching employee donations to double the total purchases.

Responding to soaring demand

When the pandemic hit, Friends and Helpers' ability to fundraise and hold volunteer drives plummeted just as demand soared due to a rise in domestic violence.

Usually, the back to school backpacks and snack bags would be completed at a Goodman facility. When social distancing requirements ruled that out, Goodman donated funds for 2,500 backpacks and snack bags to be assembled safely at the founder's home and distributed to 14 shelters.

Meanwhile, Goodman made a special donation to cover the school supplies children needed to do remote learning from group homes or shelters, including stationery, numeracy and literacy flash cards and memory games.

The Bread & Butter Project, Australia

Australia's first social enterprise bakery, the Bread & Butter Project, provides employment pathways in the baking industry for people seeking refuge and asylum.

The project boosts their prospects of successful resettlement and employment and creates a strong sense of belonging. Since 2013, almost all baker graduates have been sustainably employed and able to discontinue welfare support.

The Bread & Butter Project was hit hard by lockdowns as sales into cafés and restaurants were one of its main income sources. The Goodman Foundation increased its support to ensure the future is bright for the Australia's next generation of bakers.



Food rescue and environment



OzHarvest, Australia

As a founding partner of OzHarvest since it began in 2004, The Goodman Foundation continues to support Australia's leading food rescue organisation, which operates from a fit-for-purpose facility in south Sydney, built by Goodman.

The impact of the COVID lockdowns in New South Wales saw the demand for emergency food relief massively increase across western and south western Sydney, where many people experienced food insecurity for the first time.

To help OzHarvest speed up its work to get nutritionally balanced and culturally sensitive food hampers to communities in need, The Goodman Foundation increased its support, funding an additional 4,000 food hampers each week. New warehouse space was also provided to enable OzHarvest to bring in hundreds of volunteers to prepare food hampers.

OzHarvest is now producing more than 12,000 cooked meals a week, which were distributed across greater Sydney's hardest hit communities with support from local Councils, police, charity networks, and OzHarvest's pop-up hubs in Lakemba and Granville.

FareShare Moorabbin Airport Kitchen Garden

FareShare is a Melbourne based Food Rescue organisation. Since it was established in 2016, the FareShare Moorabbin Airport kitchen garden has produced over 25,000 kilograms of vegetables, providing 63,322 healthy meals for vulnerable Victorians. Goodman has supported FareShare by providing the land needed to grow and produce vegetable crops at Moorabbin Airport since 2016.

As businesses adjusted to the pandemic, FareShare received a lot of surplus donated food. Due to COVID, it had to suspend volunteering but support from Goodman and others meant it could operate with experienced hospitality staff. This new workforce, and the abundance of fresh ingredients, enabled FareShare to cook up to 140,000 nutritious meals each week.



ESG METRICS

ENERGY AND CARBON EMISSIONS

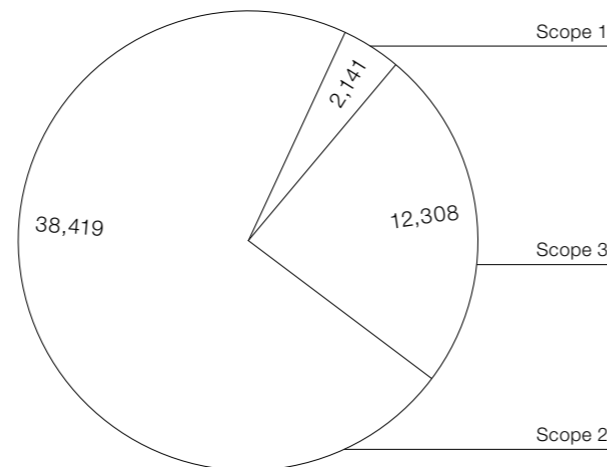
Global greenhouse gas emissions

Goodman Group's global greenhouse gas emissions for FY21 have been calculated at just under 53k tCO₂-e. Our emissions are calculated using the GHG Protocol and include emissions generated from activities under Goodman's direct operational control across our global business.

GHG Scope	Emissions Source	tCO ₂ -e
Scope 1	Natural Gas	1,045
	Fuels	898
	Refrigerants	198
Scope 2	Electricity	38,419
Scope 3	Other indirect emissions	12,308
Total		52,867

Emissions are reported under three different scopes.

- + Scope 1: Direct emissions from owned or controlled sources, such as fuels and refrigerants.
- + Scope 2: Indirect emissions from the use of electricity.
- + Scope 3: Other indirect emissions, including activities like business travel, emissions from waste and water use, and professional services such as marketing, data hosting and communications. Our calculation excludes customers' emissions and the embodied emissions of our developments, which we calculate and address separately.



Scope 2 electricity usage across Goodman's global operations accounts for 73% of the Group's emissions. This is why increasing our use of renewable energy is a priority for Goodman and we have set a target of 100% renewable electricity use in our operations by 2025.

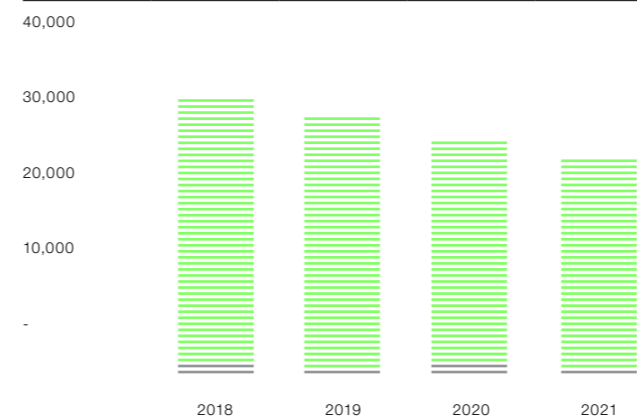
Australian greenhouse gas emissions

Goodman's Australian operations account for 66% of our global energy emissions. Of this, purchased electricity accounts for 96%, demonstrating the significance of our recent transition to 100% GreenPower.

The table below provides a snapshot of our Australian Scope 1 and Scope 2 emissions for FY21, consistent with previous years. Greenhouse gas emissions for our Australian operations were calculated at 26,749 tCO₂-e, continuing our downward emissions trajectory.

Scope	2018	2019	2020	2021
Scope 1	1,705	1,133	1,278	1,111
Scope 2	29,470	27,314	25,895	25,638
Total	31,175	28,447	27,173	26,749

*Units in tCO₂-e



Annual Australian Emissions (tCO₂-e)

Scope 1 Scope 2

Energy efficiency remains a priority for our property teams. Enhancements such as lighting upgrades, energy monitoring and analytics continue to support our reduction trajectory. Over the past five years, our GHG emissions in Australia have decreased by approximately 29%.

A summary of Goodman's energy consumption for its Australian operations including all energy consumed from activities within Goodman's operational control is below.

Energy Type	2020	2021
Gas	18,855	19,897
Electricity	112,478	112,090
Fuels (diesel and petroleum)	4,456	1,224
Total	135,788	133,211

*Units in GJ

GOODMAN GLOBAL WORKFORCE HEALTH AND SAFETY

WORKFORCE	FY20	FY21
Total number of contractor employees (fixed term/temporary)	< 5%	< 5%
Number of employees at end of year: global	963	922
Australia	288	287
NZ	63	58
Europe	214	187
UK	35	33
China	212	192
Japan	63	63
US	56	58
Brazil	32	33
Total workforce by age		
<20	1	0
20–29	166	139
30–39	357	331
40–49	299	289
50–59	102	129
> 60	36	34
Total workforce by gender		
Female	43%	44%
Male	57%	56%
Governance bodies		
Non-executive Directors on Goodman Boards	70%	70%
Gender diversity of Goodman Boards (Non-executive)	28.5%	28.5%
Parental leave		
Total number of employees entitled to parental leave	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
Number of employees who returned from parental leave	24 male 12 female	27 male 22 female
Number of employees who returned from leave still employed 12 months later	24 male 11 female	26 male 19 female
Learning and development		
Percentage of employees who had regular performance and career development reviews	93%	93%

HEALTH AND SAFETY	FY19	FY20	FY21
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	1 contractor 1 visitor	4 contractors
Number and rate lost time injury frequency rate ¹	0.59	1.35	0.59
Number and rate total recordable injury frequency rate ¹	7.30	4.00	1.96
Total number of worker hours worked (Development Principal Contractors)	c.7.1 million	c.5.3 million	c.12.1 million

¹ Frequency rates are standardised to 200,000 hours

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

³ Development hours significantly increased in FY21

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	➔ Click here / Goodman Group Stakeholder Review 2021
102-3	Location of headquarters	1-11 Hayes Road, Rosebery NSW 2018, Australia
102-4	Location of operations	Goodman ESG Report, page 17
102-5	Ownership and legal form	➔ Click here / About us
102-6	Markets served	➔ Click here / About us
102-7	Scale of the organisation	➔ Click here / About us
102-8	Information on employees and other workers	Goodman ESG Report, Diversity and Inclusion – page 67
102-9	Supply chain	➔ Click here / Modern slavery statement
102-10	Significant changes to the organisation and its supply chain	➔ Click here / Goodman Group Annual Report 2021
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	United Nations Sustainable Development Goals, TCFD, GRESB, Sustainalytics, MSCI, GRI and ISO Standards
102-13	Membership of associations	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 ESG Report, CEO letter – page 03
102-15	Key impacts, risks and opportunities	Goodman ESG Report, CEO letter – page 03 Goodman ESG Report, Our approach to ESG – page 21
102-16	Values, principles, standards and norms of behaviour	➔ Click here / Corporate governance ➔ Click here / Our values
102-17	Mechanisms for advice and concerns about ethics	➔ Click here / Ethical concerns
102-18	Governance structure	➔ Click here / Goodman Group, Corporate Governance Statement
102-40	List of stakeholder groups	Goodman ESG Report, Long-term Relationships – page 27
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 ESG Report, Long-term Relationships – page 27
102-43	Approach to stakeholder engagement	Goodman ESG Report, Long-term Relationships – page 27
102-44	Key topics and concerns raised	Goodman ESG Report, Long-term Relationships – page 27
102-45	Entities included in the consolidated financial statements	➔ Click here / Goodman Group Annual Report 2021

Disclosure	Description	Location or direct response
102-46	Defining report content and topic Boundaries	This report has been prepared in accordance with the GRI standards core option. Our report includes FY21 performance highlights from across Goodman's global operations. It forms part of a reporting suite that includes: + Goodman Group Annual Report 2021 + Goodman Group Stakeholder Review 2021 The full suite of Goodman's corporate governance policies can be found online at www.goodman.com/who-we-are/corporate-governance
102-47	List of material topics	Goodman ESG Report, Always Improving – page 25
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 2020 – 30 June 2021
102-51	Date of most recent report	December 2020
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 environmental measures including Australian energy and emissions data
GRI 201 Economic Performance		
201-1	Direct economic value generated and distributed	➔ Click here / Goodman Group Annual Report 2021
201-2	Financial implications and other risks and opportunities due to climate change	➔ Click here / Goodman Group TCFD Statement
GRI 205 Anti-Corruption		
205-1	Operations assessed for risks related to corruption	➔ Click here / Goodman Group Code of Conduct ➔ Click here / Goodman Group Anti-bribery and corruption
205-2	Communication and training about anti-corruption policies and procedures	➔ Click here / Goodman Group Code of Conduct ➔ Click here / Goodman Group Anti-bribery and corruption
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
GRI 302 Energy		
302-1	Energy consumption within the organisation	Goodman ESG Report, ESG metrics, Energy and carbon
302-4	Reduction of energy consumption	Goodman ESG Report, ESG metrics, Energy and carbon

GLOBAL REPORTING INITIATIVE (GRI) INDEX (continued)

Disclosure	Description	Location or direct response
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 ESG Report, ESG metrics, Energy and carbon
305-2	Energy indirect (Scope 2) GHG emissions	Goodman ESG Report, ESG metrics, Energy and carbon
305-3	Other indirect (Scope 3) GHG emissions	Goodman ESG Report, ESG metrics, Energy and carbon
305-5	Reduction of GHG emissions	Goodman ESG Report, ESG metrics, Energy and carbon
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. ➔ Find out more
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	5.96% 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 ESG Report, Appendices, ESG metrics, Goodman global workforce
GRI 403 Occupational Health and Safety		
403-1	Occupational health and safety management system	Goodman ESG Report, Safe working environment – page 75
403-2	Hazard identification, risk assessment and incident investigation	Goodman ESG Report, Safe working environment – page 75
403-3	Occupational health services	Goodman ESG Report, Safe working environment – page 75
403-4	Worker participation, consultation, and communication on occupational health and safety	Goodman ESG Report, Safe working environment – page 75
403-5	Worker training on occupational health and safety	Goodman ESG Report, Safe working environment – page 75
403-8	Workers covered by an occupational health and safety management system	Goodman ESG Report, ESG metrics, Health and Safety
403-9	Work-related injuries	Goodman ESG Report, ESG metrics, Health and Safety

Disclosure	Description	Location or direct response
GRI 404 Training and Education		
404-2	Programs for upgrading employee skills and transition assistance programs	Goodman ESG Report, Human capital and skills management – page 69
404-3	Percentage of employees receiving regular performance and career development reviews	Goodman ESG Report, ESG metrics, Goodman global workforce
GRI 405 Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Goodman ESG Report, ESG metrics, Goodman global workforce
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
GRI 413 Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Goodman ESG Report, Goodman Foundation – page 89 Goodman ESG Report, Reconciliation Action Plan – page 73
GRI 418 Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no reported incidents

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.



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.



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.



RECONCILIATION AUSTRALIA

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



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.



SUSTAINALYTICS

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



GREENPOWER

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

CORPORATE INFORMATION

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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Amsterdam	Hamburg	Osaka
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Birmingham	Los Angeles	San Francisco
Brisbane	Luxembourg	São Paulo
Brussels	Madrid	Shanghai
Chengdu	Melbourne	Shenzhen
Chongqing	Milan	Tokyo
Düsseldorf	Munich	
Guangzhou	New Jersey	

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

Rebecca McGrath
Independent Director

Danny Peeters
Executive Director

Phillip Pryke
Independent Director

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Website computershare.com

ASX CODE

GMG

Anthony Rozic
Executive Director

Penny Winn
Independent Director

Company Secretary
Carl Bicego

**Goodman Logistics
(HK) Limited**

Stephen Johns
Independent Chairman

David Collins
Independent Director

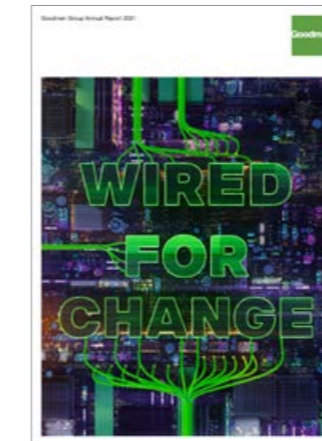
Danny Peeters
Executive Director

Company Secretary
Goodman Secretarial
Asia Limited

GOODMAN'S 2021 REPORTING SUITE

We encourage you to explore our full suite detailing our Group performance.

2021 Annual Report



Click here to download [→](#)

2021 Stakeholder Review



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Corporate Governance Statement



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Modern Slavery Statement



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