



14 November 2023

Market Announcements Office  
ASX Limited  
Via ASX Online

Dear Sir / Madam

**Goodman Group (Goodman) Annual General Meetings - Chairman's and CEO's Presentations**

Please find attached the Chairman's and Group CEO's written addresses and presentations for Goodman's Annual General Meetings being held today.

A live webcast of the Annual General Meetings will be available through the Computershare meeting platform. Information on how to participate is on the Goodman website <https://www.goodman.com/investor-centre/annual-general-meeting>

Yours faithfully

A handwritten signature in black ink that reads "Carl Bicego".

Carl Bicego  
**Company Secretary**

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

**Goodman Group**

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Goodman Funds Management Limited | ABN 48 067 796 641 | AFSL Number 223621  
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**CHAIRMAN'S ADDRESS**  
**GOODMAN GROUP AGM 2023**  
14 NOVEMBER 2023, 10AM

**WELCOME AND INTRODUCTIONS**

Good morning and welcome to the 2023 Annual General Meetings of Goodman Group. I'm Stephen Johns, an Independent Director and Chairman of the Board.

I extend a warm welcome to everyone here in the room with us in Sydney, as well as to those of you who are joining us online.

Before I begin, I'd like to acknowledge the Traditional Owners of the land on which I am presenting from today - the Gadigal people of the Eora nation. And pay my respects to Elders past and present.

**DIRECTORS AND EXECUTIVES**

I would also like to introduce your Directors. To my left is Greg Goodman – our Group CEO; our Company Secretary, Carl Bicego; followed by Independent Directors Phil Pryke, Belinda Robson and Mark Johnson– and on my far left, Anthony Rozic, an Executive Director.

We also have a number of directors joining us from overseas.

In New York, are Independent Directors Chris Green, Hilary Spann and Vanessa Liu.

In Asia we have our Hong Kong Independent Directors, Kitty Chung and David Collins.

Independent Director George Zogbhi is joining us from South Africa where he is currently travelling on business.

And in Brussels we are joined by Executive Director Danny Peeters.

I now declare the meeting open. For those participating online, voting is now open.

**2023 OVERVIEW**

Goodman delivered another very strong result in 2023, where the Group has again demonstrated its ability to adapt to changing and challenging market conditions. Significant contributions were made from all areas of the business, which saw operating earnings per security (EPS) increase by 16%, well ahead of our initial guidance to the market of 11%.

Greg Goodman will talk in greater detail about both the operational and financial performance of the Group in his CEO address.

The long-term sustainability of our business remains a priority. In addition to the strong financial performance, Goodman has made considerable progress against its sustainability targets and remains focused on delivering on, and indeed being ahead of, our 2030 ESG targets.

We continue to be cautious and prudent with our capital management strategy, which allows us to retain significant resources and liquidity to manage through uncertain economic environments.

The location of our global portfolio is providing value-add opportunities both in our traditional real estate activities as well as in other uses, particularly data centres. Greg will talk in more detail about these opportunities.

The value provided by Goodman is the outcome of a number of factors:

- The successful execution of our long-term strategy to focus on high barrier to entry markets in urban infill locations;
- Our innovative culture; and
- The quality of our forward-thinking team who understand the key structural trends underpinning our business.

## **SUSTAINABILITY AND INNOVATION**

In October 2022, the Board established a Sustainability and Innovation Committee which has been focused on initiatives that support sustainable developments including energy generation, low carbon building products and sustainable logistics solutions. The Committee also assesses the impact and opportunities that emerging technologies such as artificial intelligence are expected to have on Goodman, our customers, and more broadly, the way people will live, work and consume.

For Goodman, sustainability and the way we handle environmental matters are not seen merely as a compliance function but as an essential element in our long-term business strategy.

## **REMUNERATION**

Having received a strike for our Remuneration Report at the 2022 AGM, we again engaged with a significant number of institutional investors during the year. The feedback from the vast majority of these large securityholders provided the Board with continued confidence in our remuneration structure and, importantly, its alignment with securityholders' long-term interests.

The remuneration decisions made by the Board this year reflected this feedback while also rewarding Management for the exceptional results achieved in FY23. In summary, for our key management personnel:

- The short-term incentive component for FY23 was reduced by 10%,
- The quantum of the FY24 performance rights for the Long-term incentive plan was reduced by 10%, and

- Challenging operating EPS hurdles were set for the Long-term incentive plan with 6% to 11% compound annual growth over the 4-year testing period.

It is important to note that these challenging earnings targets were set in the context of the deteriorating global economic and operational environment, and the Group's exceptional results in the past two years which had established a much higher earnings base from which to grow.

The Board firmly believes that Goodman's remuneration plan provides a fair balance between incentive and reward.

Feedback has again been positive for our plan with over 87% of the proxies received, supporting the adoption of the remuneration report.

## **BOARD PROGRESSION**

This year we appointed three new Non-executive Directors, Belinda Robson and George Zoghbi to the Goodman Limited Board, and Kitty Chung to the Goodman Logistics (HK) Board.

- Belinda, who is based in Australia, was appointed in March and brings over 30 years' experience in retail and commercial funds management.
- George Zoghbi, also based in Australia, was appointed in April. He is the CEO of Arnott's Group and brings extensive international consumer packaged goods and supply chain experience.
- Kitty Chung, based in Hong Kong, was appointed in July and has over 35 years' audit and business advisory experience.

Their resumes are set out in the Notice of Meeting. Their knowledge and experience are well aligned to our long-term strategy and values, bringing greater geographic, skills and gender diversity to the Board while helping to continually shape Goodman as a progressive company.

As you will see from the charts on screen, we've continued to focus on the diversity of our Board. Over the last 18 months, we have appointed five new Non-Executive Directors, four of whom are female and three are international residents. As a result, 40% of Non-Executive Directors are female and 50% are based overseas, reflecting the international nature of our business.

As previously announced Phil Pryke will be retiring from the Board in 2024. Following this, four out of nine of our Non-Executive Directors will be female, and five will be offshore residents.

During the formal business section of today's meeting, each director standing for election or re-election will address the meeting.

As announced at last year's AGM, after 11 years Rebecca McGrath retired from the Goodman Limited Board in February this year. We again thank Rebecca for her considerable contribution to Goodman.

I would also like to acknowledge our long serving director, Phillip Pryke, who, as just mentioned, will be retiring from the Board in the first half of 2024. Phil, who chaired

the Remuneration Committee from 2010 until earlier this year, has been instrumental in the formulation of the Group's remuneration strategies and a keen contributor to Board deliberations more generally. He has helped steward a successful international business with a strong shared culture and long-term focus that is a testament to the policies promoted by the Remuneration Committee. On behalf of the Board, I would like to thank Phil for his dedication and commitment to the Group over the last 13 years.

## **CLOSING**

Goodman has built a sustainable business with a solid long-term strategy to deliver on future growth opportunities. This is underpinned by our high quality global industrial real estate, a committed and experienced management team, a proven business model, supportive capital partners and a strong balance sheet.

On behalf of the Board, I sincerely thank our people for their commitment and determination in achieving excellent results in FY23. I also extend my gratitude to you, our securityholders, for your ongoing support of Goodman.

Before I hand over to our Group CEO, Greg Goodman, we will show you a short video to highlight some of the strategic drivers of Goodman's global business as providers of essential infrastructure for the digital economy.

Thank you.

## **CEO AGM speech 2023**

Good morning and welcome.

### **Sustained growth**

Goodman Group had a strong year. We delivered operating profit of approximately \$1.8 billion, translating to operating earnings per security increase of 16%.

Operating profit has almost doubled over the last five years, with average operating earnings per share growth of 17% per annum.

Despite the macro uncertainties we're seeing around the world, the structural forces in our markets remain intact. Our concentration on supply-constrained markets means there's strong demand for our properties. Customers are looking to improve their supply chains with more strategic locations, mechanisation, automation and AI. On top of that, we're seeing unprecedented demand from data centre users, as the growth in cloud computing and AI expands.

### **Balance sheet strength**

The Group and Partnerships have strong balance sheets and liquidity. In FY23, we raised \$1 billion of new equity commitments in Partnerships, and completed \$6.4 billion of debt refinancing. Importantly, the Group has low gearing, no debt maturities until late 2025, and significant hedging in place. As a result, we're well positioned to adapt to the changing environment, and pursue investment opportunities.

### **Strategic locations**

Our portfolio continues to be in demand with strong fundamentals, as our properties are in the best markets around the world. We still have almost zero vacancy. And our like-for-like net property income growth has increased to approximately 5%.

### **Development depth**

Goodman's development earnings for FY23 increased to \$1.3 billion, which is up 35% on the previous year. Our development workbook stands at \$12.7 billion, and notably in the last quarter, we had \$1 billion of completions, which were 98% leased, underscoring the strong demand.

We're very measured and very careful around what developments we're starting, and it's only in the most supply constrained markets around the world.

### **Partnership platform**

Assets under management have grown to \$83 billion, driven primarily by development completions, acquisitions and revaluations. We delivered average total returns of 7.3% for our investment Partners, and expanded the investment management platform.

### **Here for good**

Guided by our 2030 Sustainability Strategy, we continue to integrate ESG into the business. Our focus throughout the year remained on incorporating sustainable design features into

our developments, and reducing carbon emissions in line with our targets. Highlights include reaching around 75% of our 2025 solar PV target, and contributing over \$10 million to community causes via the Goodman Foundation.

### **Data centre progress**

As you saw from the video played earlier, the digital economy is providing opportunities across our business, with data centres a significant opportunity for Goodman moving forward.

Data centres are measured in power, rather than square metres, and Goodman has delivered 0.6 gigawatts of powered sites. One of the many advantages we have in this space, is our significant land bank around the world, where we've got options for industrial development, or in specific cases where we can get the power and the planning, data centres.

We currently have a global power bank of 3.7 gigawatts. Of this, approximately 2 gigawatts have been secured, with the remainder in advanced stages.

Data centres are currently about 25% of our work in progress, and you'll see from the map that there's opportunity in our major markets around the world. We expect to develop this existing power bank over the next 7 to 10 years.

### **FY24 outlook**

Coming into 2024, we expect continued disruption and volatility in real estate markets globally. However, Goodman is well positioned to not only withstand these challenges, but capitalise on opportunities.

Our customers' focus on maximising productivity and efficiency in this environment, continues to support our portfolio.

The opportunities in data centres are going to be an increasing contributor to our growth, as escalating technology, and computer processing power requirements, generate unprecedented demand.

Our conservative approach means we have low gearing, strong liquidity and no immediate debt maturities. This puts the Group in a strong position to take advantage of the emerging opportunities we're seeing around the world.

We believe Goodman can continue to deliver despite the risks associated with current market volatility. We expect FY24 operating EPS growth to be 9% which equates to over \$1.9 billion of operating profit, with a full year distribution of 30 cents per share.

Finally, I would like to thank the Board, the Goodman team, our securityholders, as well as our customers, and all other stakeholders for your continued support.

Thank you and I will now hand back to Stephen.

# GOODMAN GROUP ANNUAL GENERAL MEETINGS 2023





# AGENDA

- 01 Welcome and introductions
- 02 Chairman's address
- 03 Group strategy video
- 04 Group CEO's address
- 05 Formal business
- 06 Close

# DIRECTORS AND EXECUTIVES

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**Greg Goodman**

Group Chief Executive Officer

**Carl Bicego**

Company Secretary

**Phillip Pryke**

Independent Director

**Belinda Robson**

Independent Director

**Mark Johnston**

Independent Director

**Anthony Rozic**

Executive Director

**Chris Green**

Independent Director

**Hilary Spann**

Independent Director

**Vanessa Liu**

Independent Director

**David Collins**

Independent Director

**Kitty Chung**

Independent Director

**George Zoghbi**

Independent Director

**Danny Peeters**

Executive Director

# CHAIRMAN'S ADDRESS

STEPHEN JOHNS



# 2023 OVERVIEW

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Delivered a very strong result

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Operating earnings per security increased by 16%, well ahead of our 11% market guidance

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Long term sustainability of the business remains a priority

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Significant progress made against our sustainability targets

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Cautious and prudent capital management strategy

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Location of global portfolio providing significant value-add opportunities, including data centres.

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# SUSTAINABILITY AND INNOVATION

- + October 2022 established Sustainability and Innovation Committee
- + Focus on initiatives supporting sustainable developments and the impact of emerging technology
- + Sustainability and innovation are strategic business issues and not merely compliance or regulatory matters.



ATL Logistics Centre, Hong Kong SAR, China

# REMUNERATION

- + Continued to engage with institutional investors during the year to confirm alignment with securityholders' long-term interests
- + For our key management personnel:
  - The short-term incentive component for FY23 was reduced by 10%;
  - The quantum of the FY24 performance rights for the Long Term Incentive Plan was reduced by 10%; and
  - Challenging operating EPS hurdles were set for the Long Term Incentive Plan with 6% to 11% compound annual growth over the 4-year testing period.



# BOARD PROGRESSION

## + Directors standing for election

- Ms Belinda Robson
- Mr George Zoghbi
- Kitty Chung – Goodman Logistics (HK)

## + Directors standing for re election

- Mr Stephen Johns
- Mr Mark Johnson

+ Board alignment to long-term strategy and values, bring greater geographic, skills and gender diversity to the Board

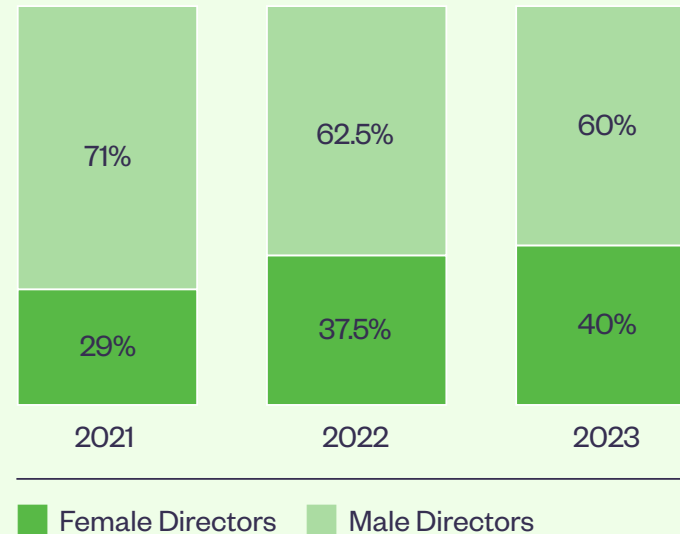
## + 2024 – Non Executive Directors

- Four females out of nine after Phillip Pryke's retirement\*
- Five offshore residents.

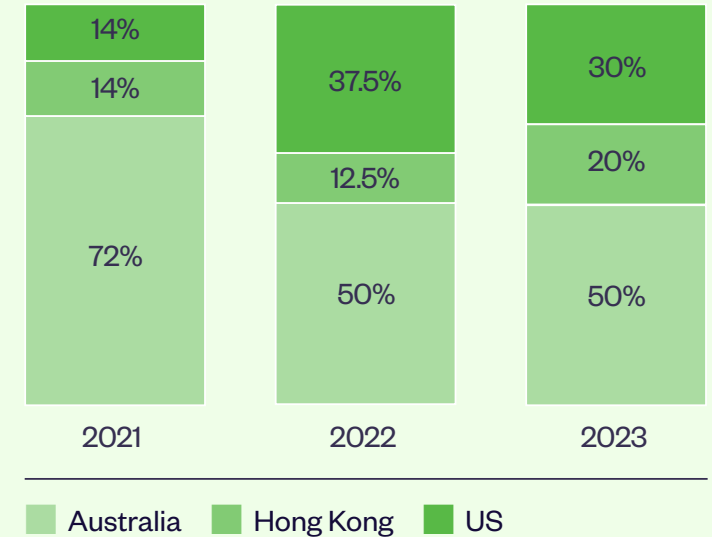
\* Phillip Pryke to retire in April 2024.

## Goodman Board Diversity Metrics (Non-Executive Directors)

### GENDER DIVERSITY



### GEOGRAPHIC DIVERSITY



# CLOSING

- + A sustainable business with a solid long-term strategy to deliver on future growth opportunities
- + High quality global industrial real estate
- + Committed and experienced management team
- + Proven business model
- + Supportive capital partners
- + Strong balance sheet.





# ESSENTIAL INFRASTRUCTURE FOR THE DIGITAL ECONOMY



# CEO'S ADDRESS

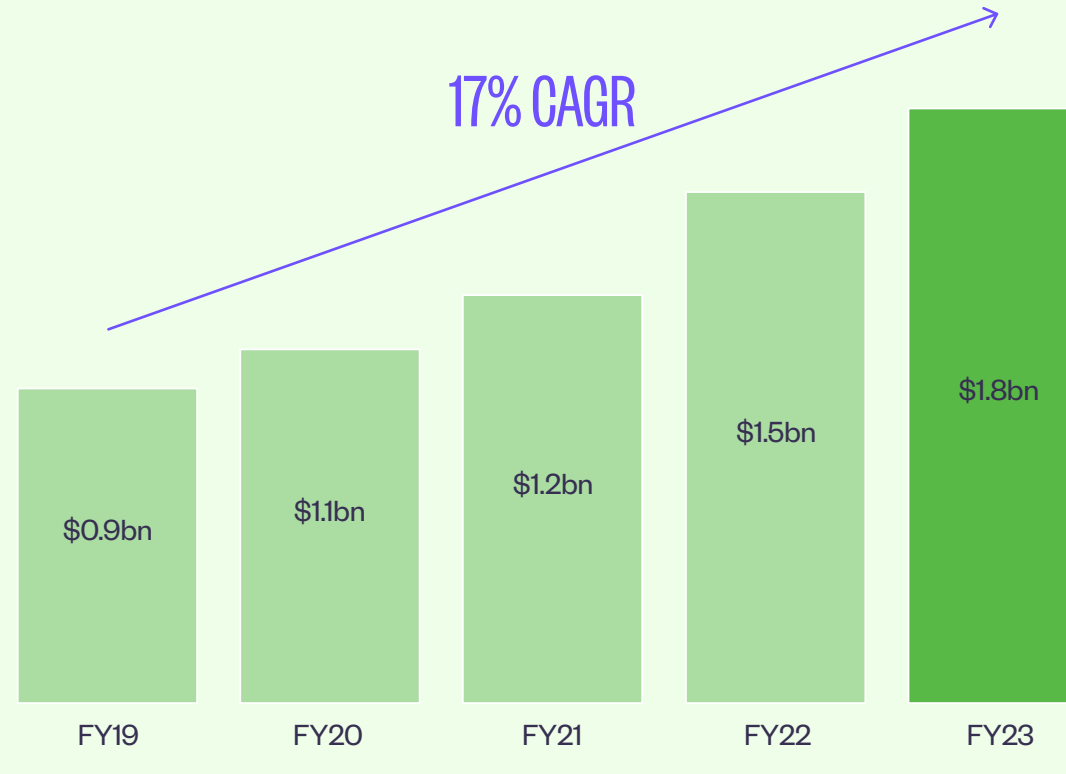
GREG GOODMAN



# SUSTAINED GROWTH

- + \$1.8 billion operating profit, up 17% on FY22
- + 94.3 cents EPS, up 16% on FY22
- + \$1.56 billion statutory profit
- + 9% growth in Net Tangible Assets.

OPERATING PROFIT



# BALANCE SHEET STRENGTH

- + Gearing low at 8.3%
- + Group liquidity \$3.1 billion
- + Liquidity across Partnerships  
c. \$17.6 billion\*.

As at 30 June 2023.

\* Partnership investment subject to Investment Committee approval.



# STRATEGIC LOCATIONS

+ 99% occupancy\*

+ 4.9% rental growth\*

+ 5.4 years WALE\*

As at 30 September 2023.

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



# DEVELOPMENT DEPTH

- + \$12.7 billion WIP
- + \$7 billion annual production rate
- + 80 projects
- + 98% leased on completion.

As at 30 September 2023.



# PARTNERSHIP PLATFORM

+ Total AUM \$82.9 billion\*

+ External AUM \$78.4 billion\*

+ Partnership return 7.3%.

\* As at 30 September 2023.



# HERE FOR GOOD

- + ESG integrated throughout Goodman
- + Practical measures to improve resilience
- + Sustainable design features
- + Reducing emissions
- + Renewable energy
- + Regeneration of infill sites
- + \$10.8 million facilitated by the Goodman Foundation in FY23.

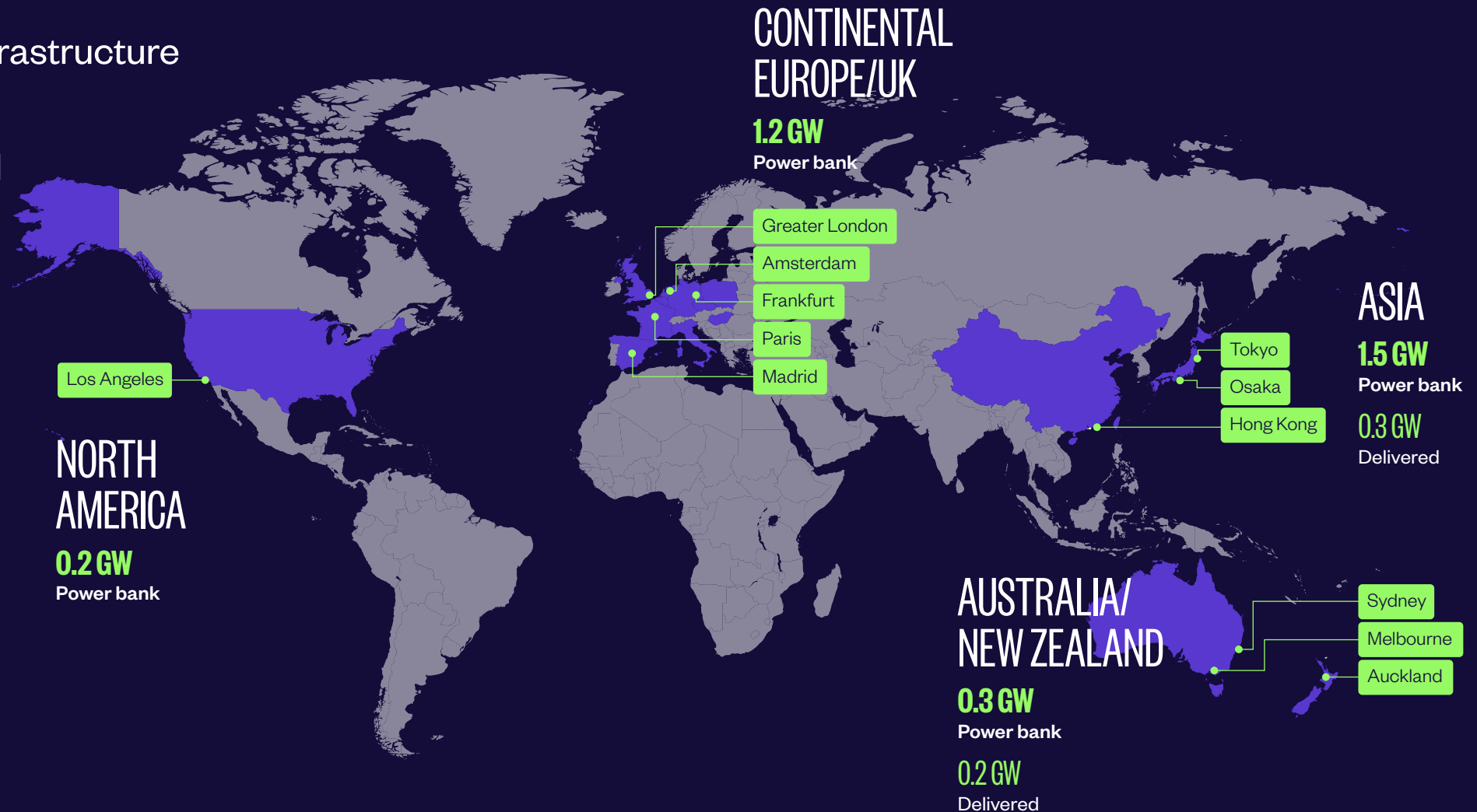




# DATA CENTRE PROGRESS

- + Providers of essential infrastructure for the digital economy
- + Unprecedented demand
- + 0.6 GW delivered over 15 years
- + 3.7 GW power bank
- + 25% of WIP
- + Development pipeline of 7-10 years.

As at 30 September 2023.



# FY24 OUTLOOK

Market disruption and volatility

Goodman well placed

Customer focus on maximising efficiency

Data centres increasing contributor to growth

Strong capital position

9% EPS growth

\$1.9 billion operating profit.





# THANK YOU

For more information visit

 [goodman.com](https://www.goodman.com)

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