



Goodman

MAKING SPACE FOR GREATNESS

GOODMAN GROUP SUSTAINABILITY REPORT 2018



IT'S NOT ENOUGH TO SIMPLY WISH FOR
THE LONG-TERM WITH DETERMINATION AND DRIVE.
CONSTANTLY CHANGING AND TO BE PART OF THE
TO NEW WAYS OF WORKING. IT'S IN THIS WAY WE AIM
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HIGH-QUALITY LOCATIONS. WE ACTIVELY PURSUE THE
THE SPACE THEY NEED TO GROW AND PUSH US ALL A
FUTURE OF THE PLANET AND ALL THE PEOPLE IN
RESPONSIBILITY AND WE CHOOSE TO WORK WITH
IT'S ONE OF THE REASONS WE PARTNER WITH
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GREATNESS. WE NEED TO COMMIT TO IT FOR
AT GOODMAN, WE UNDERSTAND THE WORLD IS
FUTURE WE MUST REMAIN AGILE AND OPEN
TO GIVE OUR CUSTOMERS THE SPACE THEY
SOLUTIONS AND UNPARALLELED SERVICE IN
VERY BEST PEOPLE. AND WE GIVE THOSE PEOPLE
LITTLE FURTHER. WE CARE ABOUT THE
IT. WE BELIEVE SUSTAINABILITY IS OUR
PEOPLE AND ORGANISATIONS WHO FEEL THE SAME.
CHARITIES ALL OVER THE WORLD WHO ARE
CAN'T ALWAYS SEE A WAY FORWARD. GREATNESS
EASY TO REACH. BUT AT GOODMAN OUR VISION
MAKING SPACE FOR IT IN EVERYTHING WE DO.

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BY 2050 MORE THAN TWO THIRDS





OF HUMANITY WILL LIVE IN CITIES



Source: IBM National Retail Federation Study, 2017.



THIS IS GOODMAN

Goodman is a global industrial property group. We own, develop and manage industrial real estate in 17 countries. Through our Partnerships, institutional investors access our specialist investment management services and property assets. Our decisions are based on local knowledge and are grounded in more than 30 years of experience. Goodman thinks big picture and long-term. We have the teams, scale, expertise, infrastructure and capital to nourish long-term relationships with customers around the world, and the flexibility to adapt to their local business needs.

We service a diverse customer base with specialist expertise in:



LOGISTICS



E-COMMERCE

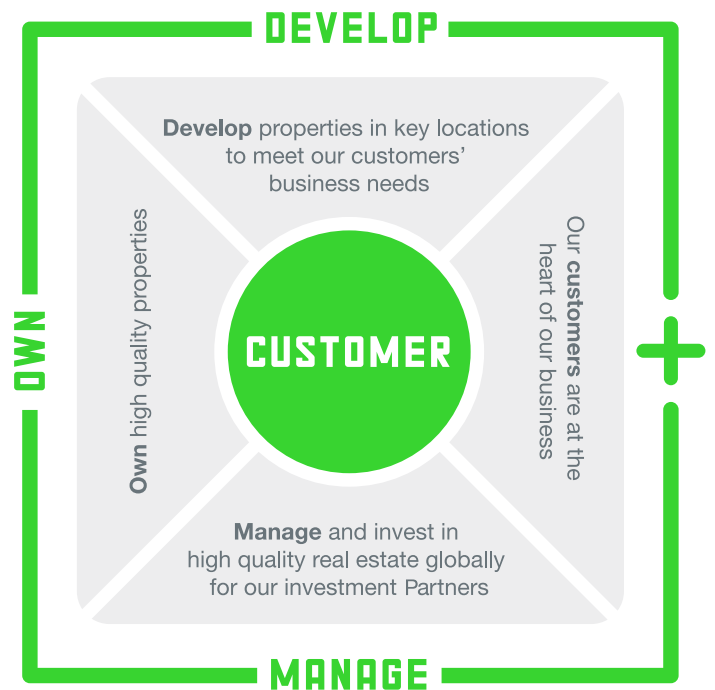


RETAIL



AUTOMOTIVE

We built our enduring own+develop+manage model with customers at the centre for a single, simple reason: to make space for them to succeed. Using this model, everything we do centres on their success.





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GREGORY GOODMAN

PURPOSE

GROUP CEO'S LETTER

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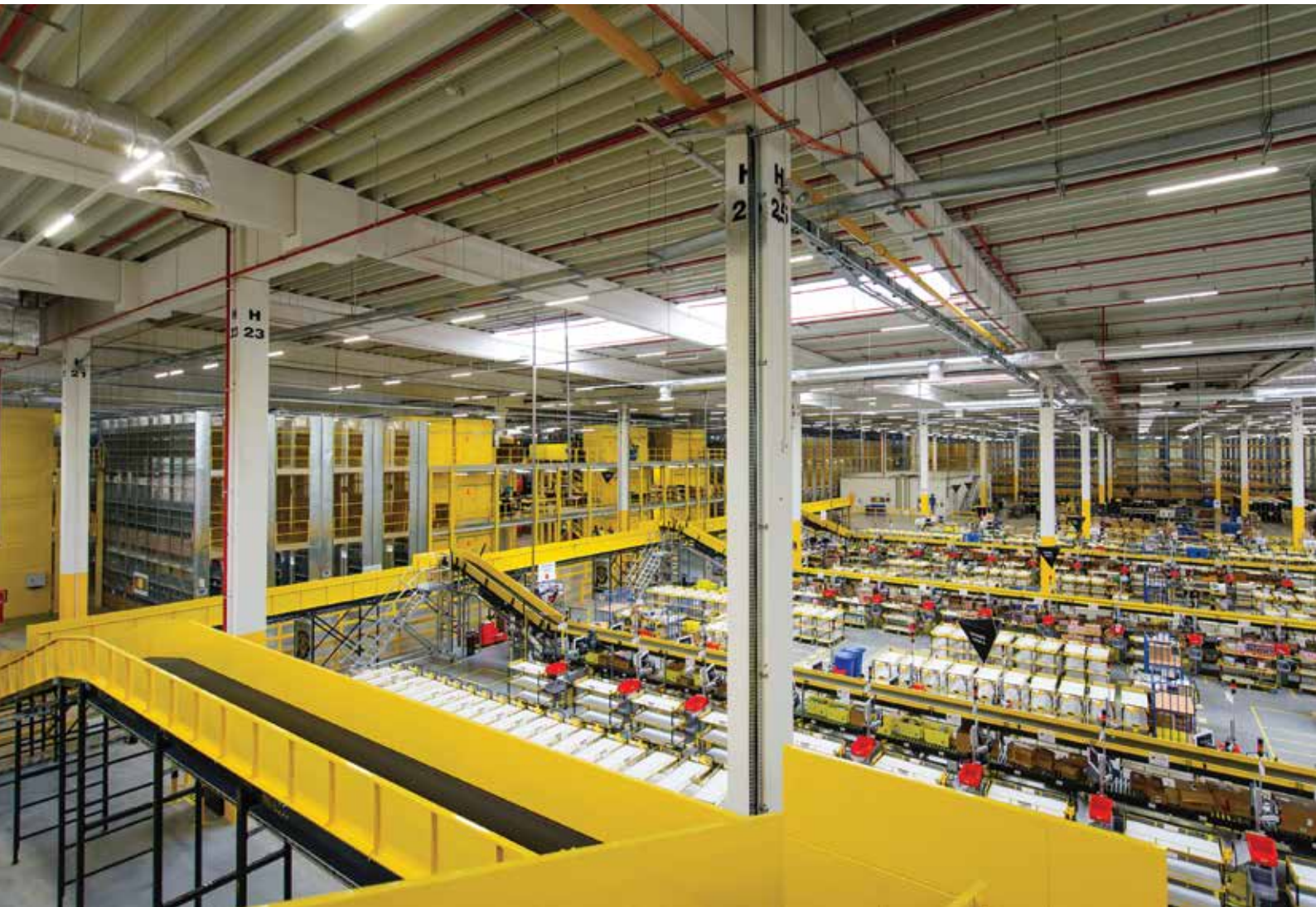
At Goodman, we make decisions for the long-term. Our strong performance in FY18 is due to years of long-term decision-making by our people around the world.

By taking this approach in all we do – from implementing our business strategy to selectively acquiring real estate and working with global stakeholders – we continue to build a sustainable business that can meet the expectations of our customers, Partners, investors, team members and the community, now and in the future.

Our positive results have not caused us to become complacent. We are constantly evaluating opportunities and keeping abreast of changes influenced by technology and other market drivers. To complement this, we have created an environment that enables us to be flexible and capitalise on the opportunities that will deliver on our long-term strategy.

**We are constantly
evaluating opportunities
and keeping abreast of
changes influenced by
technology and other
market drivers.**

Wroclaw South Logistics Centre, Wroclaw, Poland.



**FY18 results**

Goodman produced another strong result. I'm proud of our global team, with all regions consistently executing our strategy and delivering for our customers and Investment Partners. We are in a solid position for the year ahead.

The headline numbers in this year's results reflect the positive performance of our underlying operations. Our portfolio is of high quality and our properties around the world continue to drive our operational result. We saw property fundamentals steadily improve during the year, achieving like-for-like net property income growth of 3.2% and 98% occupancy across the portfolio.

Strong customer demand globally is driving our development workbook and we've increased work in progress to \$3.6 billion across 80 projects in 12 countries. Importantly, the majority of our development work is in our Partnerships, resulting in efficient capital deployment for Goodman and enhanced returns for our Partners.

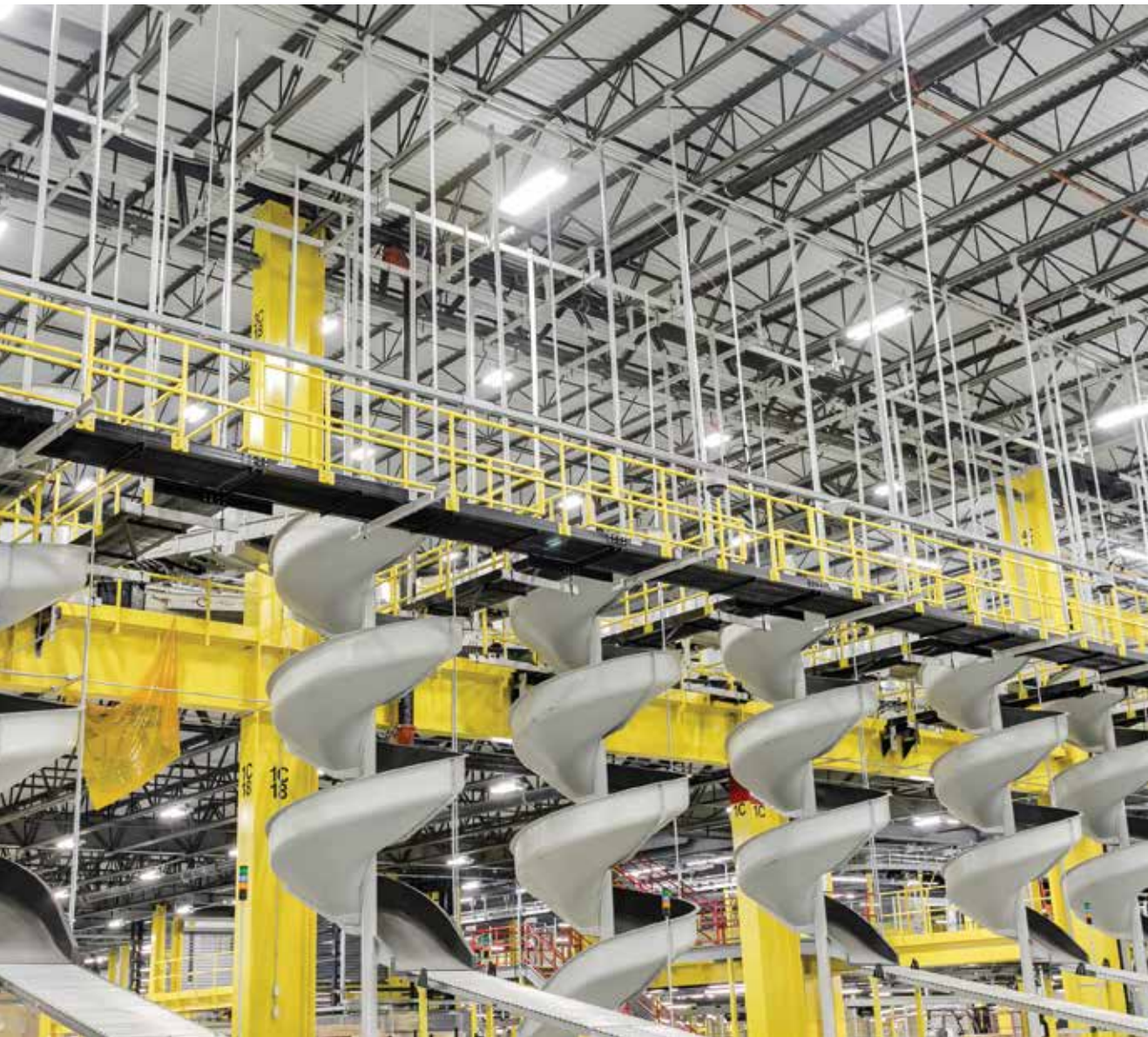
Goodman's Partnerships continued to perform strongly, with 15% average return for our Partners this year. External assets under management also grew to \$35.1 billion. This was driven by \$2.8 billion in revaluation gains and \$3.5 billion in development completions across the Group and Partnerships.

Change equals opportunity

Our industry as well as our customers' industries, are going through transformational change, providing challenges, but opportunities too.

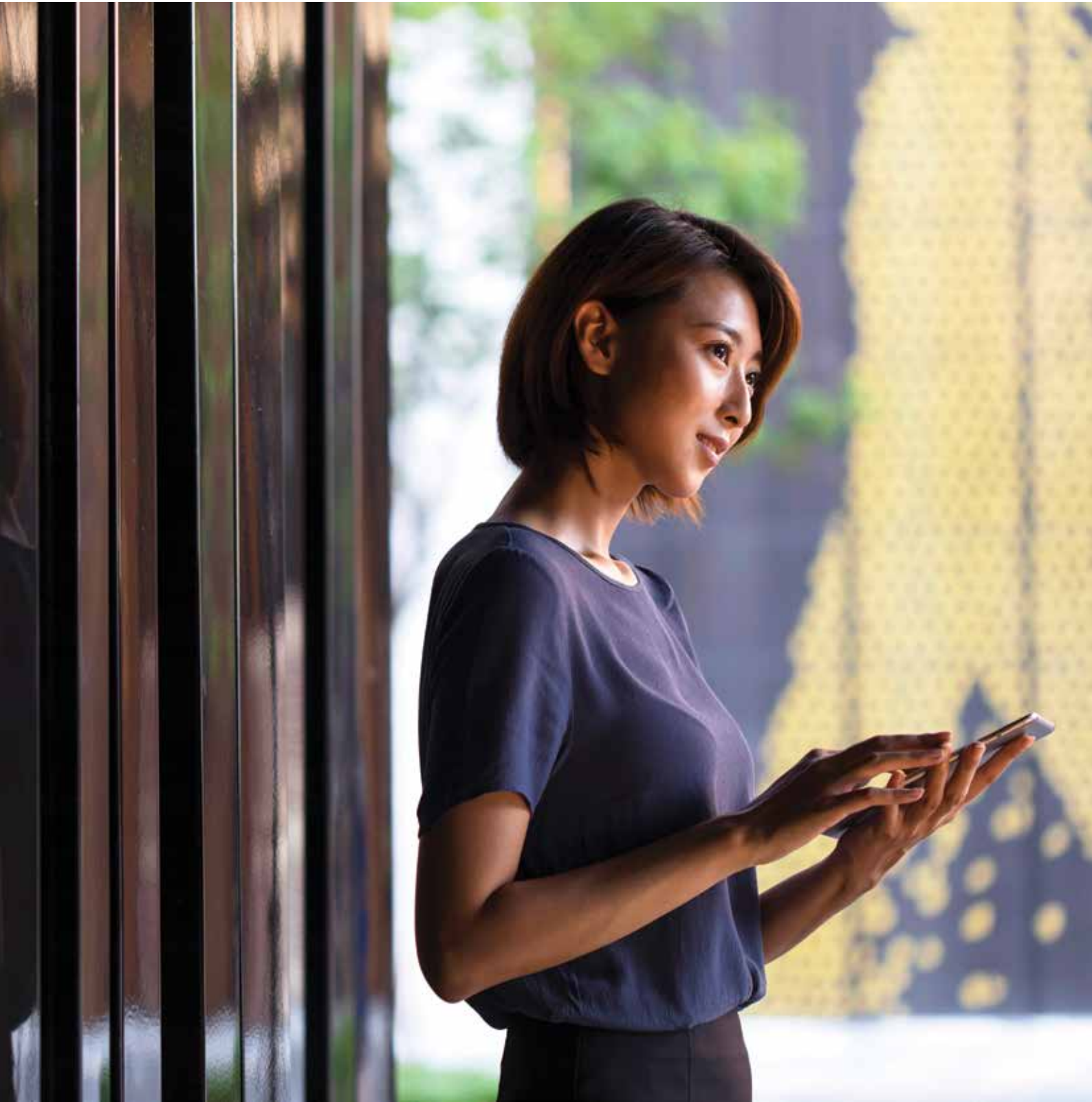
Advances in technology, changes in consumer behaviour, and the concentration of our portfolio in key urban centres continue to drive customer demand for industrial space, while generating positive returns for our Investment Partners.

In this evolving environment, it is essential to be proactive, understand the market and provide flexible solutions to help our customers service their customers. Having the right property in the right location is critical to our customers' success. They want to be close to consumers and operate at maximum efficiency. That's why we're seeing greater investment in warehouses – in technology, in seeking out premium locations and in commitment to extended leases.





Hamburg II Logistics Centre, Hamburg, Germany.



We're looking beyond the financial metrics to ensure we build a sustainable business for the long-term.

Long-term sustainability

While we're pleased with our positive results, we always strive to do better. We're looking beyond the financial metrics to ensure we build a sustainable business for the long-term.

We're doing this in a number of ways. We're designing the best properties in the best locations, so our customers can do even better for their customers. We're creating a workplace where our people can reach their full potential. And we're sharing our resources with the Goodman Foundation partners to support charities in their own missions.

We're not content with good at Goodman – we strive to be great. And we want our stakeholders to achieve greatness too. This couldn't be achieved without the hard work and dedication of our people around the world. I would like to sincerely thank the team and, on behalf of them, extend my gratitude to all our stakeholders for their ongoing support.



Mr Gregory Goodman
Group Chief Executive Officer



AN ENVIRONMENT WHERE PEOPLE FEEL VALUED, INDEPENDENT AND





PART OF A TEAM WILL BE MORE IMPORTANT THAN EVER.





RESULTS SUMMARY

Operational performance

The consistent implementation of our own+develop+manage strategy has delivered sustained growth across the Group for our stakeholders.

The portfolio continued to be the key driver of the strong operational result, with property fundamentals steadily improving in FY18.

OWN



98%

Occupancy

High occupancy was maintained with tight supply in the urban and infill locations we operate in around the world.

3.5 million

Square metres

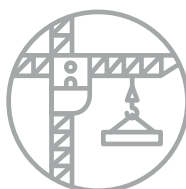
New leases globally equated to \$429 million in annual rental property income across the Group and Partnerships.

\$2.8 billion

Revaluation gains

By focusing on high-quality properties in locations where supply is scarce, we increased our portfolio's value.

DEVELOP



\$3.6 billion

Development WIP

Our development workbook increased to 80 projects across 12 countries, with global demand driven by changes in technology.

\$3.2 billion

Development commencements

Two million sqm of developments commenced this year, with 71% on behalf of Partners or third parties.

\$3.5 billion

Development completions

We completed 2.2 million sqm of developments around the world with 87% leased to customers.

MANAGE



\$38.3 billion

Total assets under management (AUM)

External AUM grew 15% to \$35.1 billion driven by revaluation gains and development completions.

15%

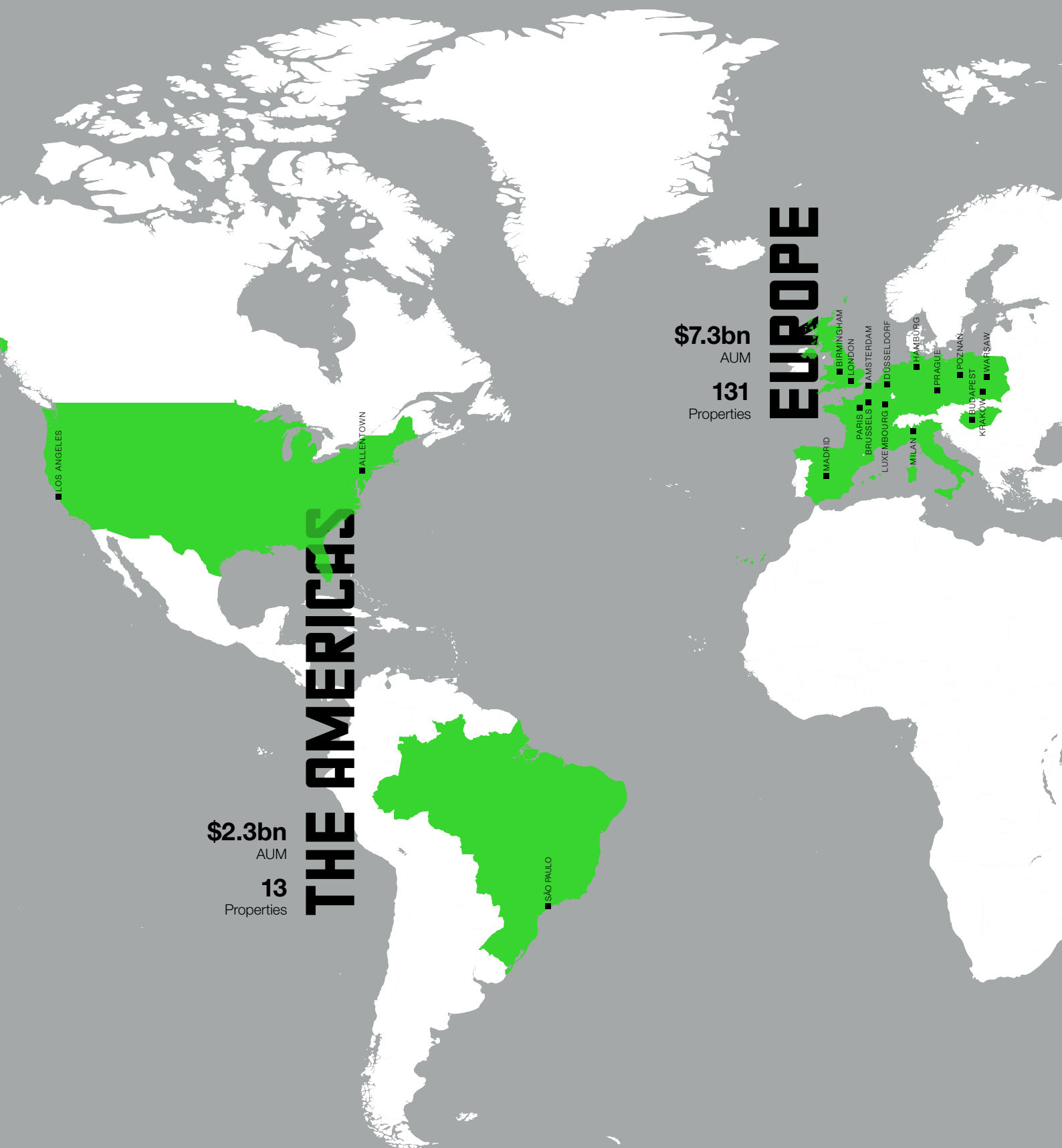
Average total return of Partnerships

Continued strong performance of the Partnerships increased management earnings.

343

Number of properties in Partnerships

Partnerships increasingly focused on developing assets for long-term ownership.



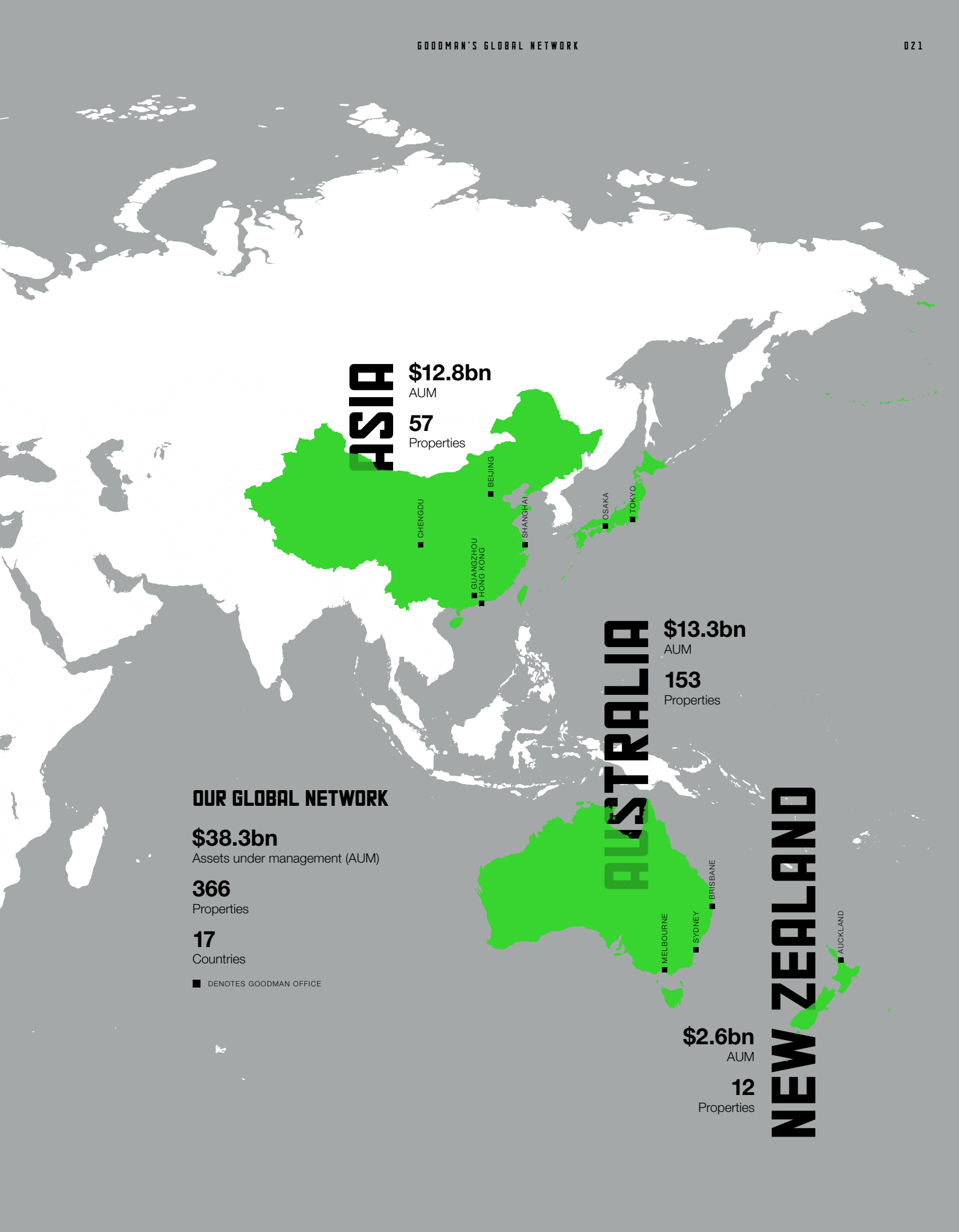
\$2.3bn
AUM
13
Properties

THE AMERICAS

\$7.3bn
AUM
131
Properties

EUROPE

OUR MARKETS



ASIA

\$12.8bn
AUM

57
Properties

■ CHENGDU

■ BEIJING

■ SHANGHAI

■ GUANGZHOU
HONG KONG

■ OSAKA

■ TOKYO

AUSTRALIA

\$13.3bn
AUM

153
Properties

■ BRISBANE

■ MELBOURNE

■ SYDNEY

NEW ZEALAND

■ AUCKLAND

\$2.6bn
AUM

12
Properties

OUR GLOBAL NETWORK

\$38.3bn

Assets under management (AUM)

366

Properties

17

Countries

■ DENOTES GOODMAN OFFICE

MAKING SPACE FOR GREAT N

Meet Amelia*, Andrew*, Anna* and Deborah. **They're why we exist.** They're our valued customers, our team members, and our community. They're also our future. Learn how we're making space for them to succeed.

Our stakeholders' needs are many and varied and keep evolving as the world does.

At Goodman, we develop close relationships with our stakeholders, so we can help them reach their full potential. We don't pretend to have all the answers, but we do believe we can have a lasting positive impact and make greatness a possibility for them.

To be a vital player in a world of constant change, Goodman knows it must stay open to new ways of working. We have the best people and give them space to grow and push us all a little further. We give our customers the space they need to succeed by providing unparalleled service and sustainable solutions in high-quality locations.

We care about the future of the planet and the people in it. We believe sustainability is our responsibility and we choose to work with people and organisations that feel the same. It's one of the reasons we partner with charities all over the world who are striving to make a difference to the lives of those who can't always see a way forward.

Greatness is not a singular pursuit, nor is it always easy to reach. But Goodman's vision is to make it a possibility for everyone by making space for it in everything we do.

Our first step is looking at the world through our stakeholders' eyes.

ESS

*These characters have been created based on typical attributes or traits of our stakeholder groups.

THE

Amelia is six years old and part of Generation Z.

She lives with her parents 25 minutes from the city centre. It is likely she will keep living in, or close to, the city as she becomes an adult. Unlike her parents, who both have a car, she probably won't. In fact, she's less likely to get a driver's licence than the generations that came before. She'll opt for public transport or a ride share service of the future. By this time, too, car travel will be electric and/or driverless.

FUTURE





The digital knowledge of Gen Zers often exceeds that of older members of their households and can influence family members' paths to purchase.



Amelia is growing up in an on-demand era where most needs and desires are able to be met 24/7. She uses a tablet or phone for education and play – every day. Her family shops online for her clothes, school equipment and toys. Amelia expects her deliveries to arrive on the same day. She understands if she has to wait until the next day but feels frustrated nevertheless.

Groceries are home delivered and, as a treat, Amelia gets her favourite pasta dish delivered from a menu she knows well from a restaurant she's never been to.

Amelia is both a digital and social native. As she gets older she will start to think about fairness and equality. She will support causes that help to address poverty and world hunger. She'll care about the environment and, as a citydweller, about parks and green spaces because respite and clean air are vital for her physical and mental wellbeing.

When choosing where she'll work, it will be important to Amelia that her employer is purposeful and transparent. She will have grown up in an era where everyone can publish 'news', so will be sensitive to inauthentic behaviour and attitudes. As such, she will believe everyone is accountable for their actions and that corporations must address humanitarian and environmental issues.

Amelia might work in education, healthcare or science, or have a job that does not yet exist. She will want to innovate, collaborate and co-create and she won't want to advance through a company in a linear fashion. Like her baby boomer grandparents, she'll be willing to work hard but she'll want a career and a family life without compromising on either. She'll expect flexible working conditions and the ability to shape her own schedule and fulfil her role from wherever suits her best.

URBANISATION

More people are living in cities now than ever before and this number is set to grow. That's why Goodman's properties are in key urban centres where there are large populations of consumers adopting new technologies and embracing e-commerce.



Goodman Interlink, Hong Kong, China.





FLEXIBLE WORK

Goodman believes in working smart. Our people are empowered to manage their own time to balance personal commitments with our stakeholders' needs. Our commitment extends beyond formal flexible work policies to what we call flexible work practices. We provide the right tools, workspaces and technology to allow the team to work from anywhere to maximise their efficiency.

SOCIAL CONSCIENCE

The Goodman Foundation creates positive social change in the communities it operates in. Through its programmes, Goodman and its people contribute in tangible ways including volunteering and in-kind aid such as business space or cash grants. Positive outcomes include enabling SOS Children's Villages to carry out its work to help thousands of children in Europe, as well as supporting Feeding Hong Kong so it can deliver 3.2 million meals to those in need.



Good360 Australia, a Goodman Foundation partner.



E-COMMERCE GROWTH

In 2017, global e-commerce sales hit US\$2.3 trillion*. This figure is expected to reach more than US\$4.9 trillion in 2021*. E-retailers are racing to hasten deliveries of online orders and this fundamental shift is driving demand for logistics facilities in Goodman's operating markets.



*Source: Statista, 2018.

THE

Andrew is the Logistics and Supply Chain Director for an online fashion retailer. It delivers clothes and shoes to a global network of retail stores, as well as directly to customers. Andrew needs the best property partner for his business. For him, it's about the right site in the right location. His business offers same and next-day delivery to customers in the region, so it's essential he finds a location close to major urban centres.

CUSTOMER



He wants to deal with specialists who have the right locations, or land available on which to develop new facilities.



To compete, Andrew needs his supply chain at maximum efficiency, which for him means the latest technology and automation. Things move fast, so staying adaptive and flexible is crucial. He wants his property partner to help him grow, which may mean helping him to re-design his facility to update its automated sorting equipment.

Andrew needs a property partner who understands future challenges better than he does. He wants to deal with specialists who have the right locations, or land available on which to develop new facilities. He wants to feel confident his partner can manage his real estate needs so he can concentrate on his core work: distributing products to customers.

Numerous providers can offer Andrew a suitable facility but more than that, he values:

- * Great customer service – responsive, experienced and with a long-term view of working together over a number of years
- * Quality – Andrew's distributors will visit his facility, so it must have a professional presentation, be well built and be scrupulously maintained. He needs it to reflect positively on his business and motivate his workforce.

Andrew cares about the future and knows his customers do too. He wants success that's not at the expense of the planet and he knows a lot about how fashion manufacturing impacts the environment. He constantly looks for ways to embrace an ethical mindset and embed sustainable practices into projects.

His company is proud of its commitment to sustainability and social responsibility. It uses ethically sourced materials and expects its facility to manufacture sustainably. To this end, it's important the facility is energy efficient with consideration given to solar panels, LED lights and water recycling.

Andrew is cost conscious, but he doesn't want to cut corners or compromise quality. His company takes care of its people and views them as an asset. To attract top talent, he knows he needs to provide convenient transport connections and the best amenities, such as well-designed breakout zones, cafés, gyms and outdoor areas.





FLEXIBLE

Goodman knows there is no single way to do something, only the right way for each customer. Our team works closely with customers to understand their current and future needs. We know there are many drivers of change, so our solutions need to not only be functional, but also flexible.



SUSTAINABLE

Goodman's world-class logistics spaces are sustainable, resilient and innovative. Our properties provide long-term value for our Partners, customers and communities and all our developments in FY18 included sustainable design features.



Goodman Sakai, Tokyo, Japan.



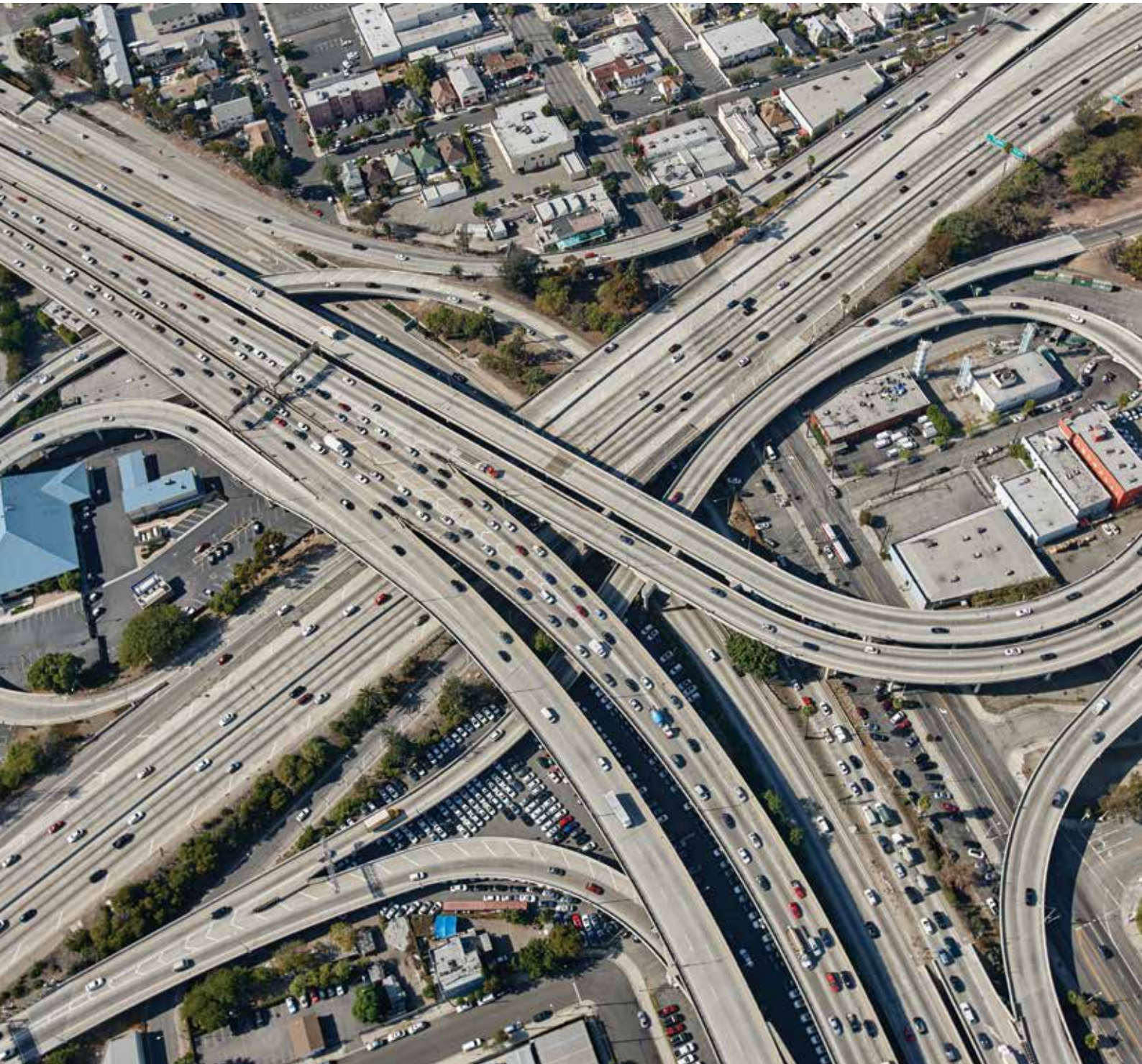
INDUSTRIAL PROPERTY SPECIALISTS

We specialise in industrial property and have over 30 years of experience. We bring global innovations to our local customers. Our team has a proven track record in delivering on all aspects of property procurement on time and customised to our customers' needs.



FASTER

To compete, it's critical to get goods to consumers as quickly as possible. Goodman's properties are close to key infrastructure links such as roads, rail, ports and airports, providing rapid connectivity to a large population of consumers.



THE

Anna is a Portfolio Manager at Goodman. In her eight years with the business, she's seen lots of change in society and at work. When Anna started at Goodman, she sat at the same desktop computer every day and travelled from Goodman's city office to see her customers. Today, Anna prefers to work from a satellite office at a Goodman property. She's closer to her customers and can be a lot more efficient.

TEAM PLAYER



She must be highly responsive and ensure processes stay seamless for colleagues and customers.



As a Portfolio Manager, Anna ensures her properties are managed for the long-term and are of exceptional quality. This includes the highest possible standard of maintenance, presentation and property administration. Anna also manages a team which helps her in this customer-focused role.

As a working mother with two children, efficiency and flexibility are critical. Her days are spent juggling the logistics of work and family life. Anna and her partner jointly manage school drop-offs, picks-ups and extra-curricular activities while maintaining full-time workloads.

When she's not in the office, Anna remains connected to her customers, colleagues and peers. Working standard office hours from a single location doesn't work for her – or her customers or family. She must be highly responsive and ensure processes stay seamless for colleagues and customers. For Anna, technology makes this possible, coupled with a genuinely flexible workplace.

Technological change has transformed Anna's work and personal life. She values innovation and enjoys the flexibility new technologies have delivered. She is concerned, however, by digital connectivity's impact on face-to-face time so she endeavours to see her customers in person as much as possible. She enjoys being onsite to get a hands-on sense of what makes her customers' businesses tick, and what they really need from Goodman.

To give back more broadly, she canvasses concrete opportunities to support the homeless or raise money for charity. Events such as this are great ways to spend time bonding with her team too. Fairness and equality are part of Anna's values, so she expects respect from her employer and team members, always, and works to provide the same.

Like all Goodman people globally, Anna has been fortunate to benefit from the company's success through its Long-Term Incentive Plan. The scheme makes her feel like a part-owner in the company, motivating her to work hard and take a long-term approach to her decision-making.

She understands that her success depends on the success of Goodman's customers, Partners and investors. She wants to feel she is a significant contributor and that she can continue to build a career at Goodman, so she can be confident about the future.





SERVICE

We know our customers. With their help, we learn about their business to provide the best service possible. We always aim to be quick to respond to enquiries or issues and are proactive in addressing their current and future needs. The performance of all team members is measured by their customer focus.



GIVING BACK

The Goodman Foundation encourages team members to give back in satisfying and tangible ways to the communities around them. Whether it's supporting the homeless or raising money for charities, the Goodman Foundation facilitates the process, and provides additional financial support.



The Goodman team volunteering at Second Harvest Food Bank of Orange County, Los Angeles, USA.

COLLABORATION AND EFFICIENCY

Goodman takes teamwork seriously. Our workspaces follow contemporary design practices to ensure maximum collaboration and efficiency. Our offices use activity-based working, which is adaptive to our people's diverse daily tasks, and our satellite offices and remote options allow our team to service their stakeholders in the most effective way.



HIGH-QUALITY

Everyone at Goodman plays a role in ensuring our properties are of the highest standard. From the quality of the location and the construction materials, to the overall appearance, all team members are responsible. Our teams are trained to notice the things that matter, and the result is consistently well-presented properties and a great working environment for our customers.



Goodman Sakai, Tokyo, Japan.



ALIGNED INTERESTS

Goodman's Long-Term Incentive Plan motivates our people and focuses on aligning their interests with those of our customers and Securityholders. Broadly, our remuneration structures are aimed at enhancing loyalty. We make space for our people to reach their potential and build the career they're capable of.



THE

As the founder and Chief Executive Officer of food rescue enterprise, KiwiHarvest, Deborah Manning believes access to nutritious food is a human right. In 2014, with support from Goodman, Deborah set up KiwiHarvest, a social enterprise that has grown to deliver 170,000 meals a month to charities and social service agencies in New Zealand.

CHANGEMAKER



Deborah Manning, Chief Executive Officer, KiwiHarvest.



Goodman volunteers supporting KiwiHarvest.

KiwiHarvest has used Goodman's long-term commitment to generate measurable social and environmental change.



➤ Like its Australian counterpart, OzHarvest, KiwiHarvest has used Goodman's long-term commitment to generate measurable social and environmental change. **Each dollar invested blooms NZ\$5.16 in social return on investment.** The enterprise has delivered 5.5 million meals and saved 1.7 million kilos of food from landfill since inception.

For these reasons, Goodman is proud to support KiwiHarvest as a key charity partner. Deborah explains the organisation's journey and how Goodman has contributed to its success in nourishing those in need.

Bringing KiwiHarvest to life

My background is in healthcare and law. The common thread in everything I did was people. I genuinely wanted to leave the world a better place for my children and grandchildren.

One day I read about kids going to school hungry and another story about 'dumpster divers'. It was a real 'ah-ha' moment. I began to learn about global food rescue organisations and, in 2012 in Dunedin, I set up a company called FoodShare.

I'd take day-old bread, and other supplies, to food banks in my car. Eventually, the car got so full of food I couldn't see out the back window. My local car dealer donated a van.

I found out Goodman had supported OzHarvest in Australia for more than 10 years and was seeking a similar cause in New Zealand, so I pitched to them. Goodman backed me in merging FoodShare with KiwiHarvest and has been very supportive ever since.

Challenges on the way

At first, food businesses were worried they'd be liable. In reality, there are protections for food donors, so I reassured them of that. Some concerns lingered, so communication was key. Our brand was crucial, too, and our robust food handling processes made sure both were protected.

The other big challenge was financial. Like any rapidly growing social enterprise, we had to balance our social purpose with the bottom line.

As our founding partner, Goodman purpose-built our headquarters and storage facility in Auckland from shipping containers. We needed lots of freezers and chillers for food. Goodman liaised with its contractors to make it happen in an environmentally friendly way: the materials, the energy and the planning.

Since then, Goodman has made significant annual donations so our operations can grow. We now have seven refrigerator trucks and five branches around New Zealand.

➤ The right people

The social enterprise journey is never a straight line. You have to be open to ideas and ready to make changes. Goodman's support has allowed us to thrive, take on challenges and grab opportunities.

From there, it's good people in your organisation that make those ideas work. I thought very carefully about the skills I needed on the board, for example. We have 17 staff, though we can't pay big salaries.

This financial year, we had around 5,000 hours volunteered. We take care of our volunteers not only because they bring irreplaceable value to the business but also because they take our message into the community. Every volunteer and employee is a brand ambassador for KiwiHarvest.

Behind the scenes

We don't give food face-to-face; we give it to 220 charities and community groups across New Zealand that run food support programmes. Even so, we hear such heart-warming stories, like parents saying: "It's so nice to put fresh fruit in our children's lunch boxes".

Children often miss school if they have no food to take. Recognising this, some schools offer food support programmes and come to us for help. If families are identified as being in need, some schools will deliver to their homes. It's crucial to maintain respect and dignity for everyone, always.

**It's crucial to
maintain respect
and dignity
for everyone,
always.**





Space for greatness

When I consider how Goodman makes space for greatness for us, the words are 'generosity' and 'the big picture'. They understand the issues facing people and the planet. They want to address issues and effect change.

KiwiHarvest doesn't want to stand still on the war on food waste and Goodman sees that. But sometimes our growth is so fast we can barely keep up. No matter how fast it is, Goodman supports, encourages and enables us.

We're working with the Goodman team now on moving to a new property in Auckland. **It's wonderful to have a supporter that doesn't see a problem but instead sees how to fix it.**

Like us, Goodman believes that alleviating food waste to help solve food security is a no brainer. They also want to see demonstrable outcomes for their donated dollars and have appreciated our ability to show that.

KiwiHarvest wouldn't be where we are today without Goodman's support. They've been with us all the way. Our success is thanks to them.

SUSTAIN-

ABILITY

PERFOR

At Goodman, we believe our performance is not only measured by our bottom line but also by our long-term contribution to our stakeholders and to the environment.


We give our customers the space they need to succeed, by providing unparalleled service and sustainable solutions in high-quality locations.

We give our people the space they need to grow and push us all a little further. We care about the planet's future and the people in it. We believe sustainability is our responsibility and we choose to work with people and organisations that feel the same.

MANANCE



Highbrook Business Park, Auckland, New Zealand.



Sustainability is about more than being green. It's about building a sustainable business for the future. We do this through long-term decision-making designed to have positive economic, environmental and social outcomes.

Key to this is our responsibility to keep challenging ourselves to improve our impact on the planet – both in our daily operations and in how we develop and manage our properties.

Our industry is experiencing transformational change. It's caused by rapid advances in technology, urbanisation, the growth of e-commerce, evolving patterns of consumer behaviour and the modernisation of supply chains. These are significant drivers of customer demand globally.

We view these technological and societal drivers as opportunities more than challenges. Our business longevity requires we embrace them and respond in a way that promotes our sustainability commitments.

Our focus on sustainability is evident in several considerations within Goodman's business model. These include:

- ✦ The locations we choose provide proximity to final destination, reducing distances, emissions and costs for our customers
- ✦ Our design specifications aim to minimise obsolescence and maximise adaptability to remain relevant to our customers' needs
- ✦ Redevelopment opportunities in infill areas look to create efficient facilities closer to our customers' end customers
- ✦ Continued investigation into technological advancements to increase adaptability of our portfolio and reduce our impact on the planet
- ✦ The continued positive impact of the Goodman Foundation in the communities where we operate + Deliver employee incentives that further align our people's performance and wellbeing with long-term business objectives.

Our sustainability strategy

Goodman's sustainability strategy is designed to make a positive long-term impact and covers the following four target areas:

1. Sustainable development – continuous sustainability improvement in our developments through innovation and helping our customers evaluate and incorporate sustainable design initiatives
2. Asset management – managing and investing in our assets to improve efficiency, long-term competitiveness and resilience
3. Corporate performance – measuring our impact, improving our overall performance, managing our compliance obligations and engaging regularly with key stakeholders
4. People and community – inspiring and challenging our people, promoting safe workplaces and supporting community groups and charities through the Goodman Foundation.

Goodman Business Park, Tokyo, Japan.





Goodman office, Melbourne, Australia.

What is material for Goodman

Over the past six years, Goodman has refined the set of material issues we believe are fundamental to building long-term value and sustainable performance. It is important these issues reflect our own principles, as well as stakeholder input. The issues have been defined through consultation with:

- ✦ Goodman's senior leadership, global management and our team members
- ✦ Customers + Investors who've shared their aspirations for responsible investment Industry leaders and experts.

We understand our role in a sustainable future and review how our objectives align with the overall aspirations of the UN Sustainable Development Goals (UNSDGs). As part of the annual strategy review and planning process in 2018, we have evaluated Goodman's activities and the UNSDGs aspirations, and compared these where relevant to our business and sustainability commitments. We identified eight UNSDGs as interrelated with our sustainability objectives as detailed in the following section.





UN Sustainable Development Goals (UNSDGs)

The UNSDGs are a global blueprint for organisations to address the world's most significant development challenges. They call for collaboration to end poverty, protect the planet and create a sustainable future for all. We understand our role in a global sustainable future and as part of our annual strategy review and planning process we reviewed how these goals aligned with our own sustainability strategy. We found 8 of the 17 UNSDGs were relevant to our business. Significant progress on our sustainability targets was made this year.

How is our sustainability governed?

Goodman operates under a global sustainability policy that encompasses our operations and our Investment Partnerships globally. Implementation of our sustainability policy is influenced by local priorities and targets.

Our sustainability policy is endorsed by the Goodman Board and overseen by the Group Risk and Compliance Committee.

The Group Head of Sustainability, located in Goodman's head office in Sydney, has responsibility for the policy and works with the regions to implement the sustainability strategy globally.

We disclose our sustainability performance through various channels including the Global Real Estate Sustainability Benchmark (GRESB), the Goodman website, regional websites, investor newsletters, investor surveys, quarterly reports and annual reports.





We have succeeded in achieving consistently high scores and in 2018, all previously participating Goodman entities achieved 3 star Green Star status or above.



Benchmarking our performance

Goodman Group and several of our Investment Partnerships participate in the Global Real Estate Sustainability Benchmark (GRESB) survey to continuously review our performance.

We have succeeded in achieving consistently high scores and in 2018, all previously participating Goodman entities achieved 3 star Green Star status or above, while two Partnerships were ranked first in their respective peer groups.

In addition, Goodman uses a proprietary sustainability assessment tool for its industrial assets, the Goodman Sustainability Snapshot, which is widely used in Continental Europe and more recently in Australia.

Are we getting it right?

In the past 12 months, we have made good progress in each of the four pillars.

Our development specifications continue to evolve. We are responding to our customers' requirements and increasing our focus on reducing operating costs and incorporating advances in technology, from energy efficient lighting to water efficient landscaping.

Over the year, we continued to invest in increasing energy efficiency across our stabilised portfolio, including replacing less efficient lighting with LED lighting. Our renewable energy installations are growing, with more than 7 MW of new solar PV installations completed or in progress in Continental Europe, Japan and Australia.

We know our continued success depends on the performance of our people, and in 2018 we refreshed and expanded our health and wellbeing programmes. In addition, all our people benefit from Goodman's sustained growth through the Group's long-term incentive plan. The plan is important in promoting long-term decision making and encouraging employees to choose outcomes which maximise sustainable results rather than expedient ones.

Vicalvaro Logistics Centre, Madrid, Spain





We believe it is not only important to continually review our growth aspirations in a transforming industry, but also to measure our outcomes against the broader global market's expectations to adapt and reassess our approach and results.

We do this by benchmarking our real estate through GRESB, a globally recognised and utilised process used to evaluate the sustainability performance of real estate investment managers.

Our initiatives, paired with the successful implementation of our risk management and governance policies, have resulted in consistently high scores in this benchmark, with all previously participating Goodman entities achieving 3 Star Green Star status or above, while two Goodman Partnerships achieved 'Sector Leader' for their respective peer groups.

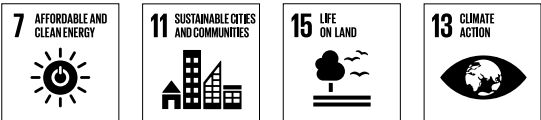
While this recognition is encouraging, we continually review our goals to remain relevant to the changing environment and believe there are real opportunities to improve.

Sustainable development

Properties built smarter are ready for the challenges of tomorrow. We are committed to high quality, reducing costs over a building's life cycle and using best practice sustainable techniques and materials. **We design and build our properties with the planet in mind.**

MATERIAL ISSUES	GOODMAN COMMITMENTS	SHORT-TERM TARGETS	PROGRESS IN FY18
<div>Flexible and adaptable properties</div> <div>Smart energy solutions</div> <div>Supply chain</div> <div>Biodiversity.</div>	<div>Develop assets that include enhanced sustainability standards that aim to meet future demands of our customers and the climate</div> <div>Incorporate smart energy solutions such as renewable energy generation, LED lights and smart metering</div> <div>Partner with our supply chains to create spaces using responsible materials and means</div> <div>Maximise opportunities in infill locations</div> <div>Operate in a manner that promotes biodiversity and enhances habitat.</div>	<div>Significant amount of new developments certified across our regions by FY19</div> <div>10 MW of new solar PV projects completed or initiated by FY22.</div>	<div>Formally adopted a base-building specification for all global developments that offer sustainability initiatives including:</div> <div><ul style="list-style-type: none">✦ Strategic site selection close to infrastructure, consumers and transport✦ Renewable energy from rooftop solar PV systems✦ Translucent roof sheeting to maximise natural lighting✦ Fully automated LED lights✦ Electrical sub metering✦ Glare control✦ Low volatile organic compound materials✦ Rainwater harvesting✦ End-of-trip facilities✦ Drought tolerant native landscaping</div> <div>100% of Goodman's completed developments included sustainable design initiatives</div> <div>Over 7 MW of renewable energy installed or in progress in Continental Europe, Japan and Australia</div> <div>Approximately 40% of industrial space now has a certified green rating in Continental Europe</div> <div>All new developments in Continental Europe to have electric vehicle charging stations.</div>

ADDRESSING THE UN'S SUSTAINABLE DEVELOPMENT GOALS





Our design specifications are aimed at adapting to our customers' transforming industries and optimising efficiency. In FY18, we formalised this commitment by adopting a basebuild specification for all development globally that incorporates sustainability initiatives consistent with achieving high design ratings and certifications.

We work with customers and consultants on new projects, incorporating technology and design features to improve the long-term performance of each property.

Increasingly, the design of modern warehouses is being influenced by health and wellbeing initiatives. These manifest in features such as breakout spaces, fitness and recreation facilities and services such as cafés and child care centres, previously non-existent in logistics precincts. Recent trends

- ✦ have seen increasing investment in:
- ✦
- ✦ Health, wellbeing and customer comfort
- ✦ Climate adaptation
- ✦ Automation and capacity for electric vehicles
- Energy and water efficiency
- Amenity, aesthetic and low maintenance elements.



Rosedale Motorway Estate, Brisbane, QLD

We design to suit respective regional markets. The underlying principles, however, include sustainable initiatives that are globally consistent among our operating regions.

Common features in our developments include:

- ✦ Strategic site selection close to infrastructure, consumers and transport
- ✦ Renewable energy from rooftop solar PV systems
- ✦ Translucent roof sheeting to maximise natural lighting
- ✦ Fully automated LED lighting
- ✦ Electrical sub metering
- ✦ Glare control
- ✦ Low volatile organic compound (VOC) materials
- ✦ Rainwater harvesting
- ✦ End of trip facilities
- ✦ Drought tolerant native landscaping
- ✦ Roof height safety





Exploring innovation

Constant innovation is crucial. We incorporate proven new technologies and investigate alternatives to existing materials and processes. Changes to our customers' operations require new solutions that also contribute to our sustainability goals.

Automation is significantly enhancing productivity in warehouses, resulting in operational efficiencies, reduced costs and quicker deliveries to the end customer. However, it can also increase energy consumption and a property's environmental footprint. Our Development team constantly reviews innovations in energy efficiency and renewable power to manage this impact, for example, in solar PV systems and LED lighting.

Reducing carbon emissions is a major consideration for the Group and some of our greatest reductions may be achieved during the development process. As such, we continually investigate lower emission construction methods and products, in addition to technologies that reduce emissions from the operational phase of each building's lifecycle.

Concrete and steel production are major contributors to emissions from construction materials. As such, we are reviewing options to reduce the embodied carbon in our developments, such as modified forms of concrete. While technologies that meet our specific requirements are not widely available or viable just yet, we have taken meaningful steps to advance the potential use of some of these alternatives.

For example, we continue to review low-carbon concrete products such as Envisia and Geopolymer Concrete. These products offer significantly lower concentration of Portland cement (the main emission producing element in concrete mix), reducing emissions by an estimated 30-70%.

The iron and steel industry produces about 5% of the total world greenhouse gas emissions per annum. We are investigating sources and availability of lower emission steel, to identify potential alternatives with a reduced carbon intensity. This can be achieved through either the manufacturing process or the purchase of carbon offsets such as the carbon neutral cladding we have been trialling in the UK which has been certified by Confidex Sustain, UK.





Goodman Venlo Logistics Centre, Venlo, The Netherlands

Our development team constantly reviews innovations in energy efficiency and renewable power to manage this impact, for example, in solar PV systems and LED lighting.

Certification

We use various rating schemes around the world to certify the green attributes of our properties, including DGNB in Germany, Leadership in Energy and Environmental Design (LEED) in the United States and Comprehensive Assessment System for Built Environment Efficiency (CASBEE) in Japan.

In regions where certification is more cost prohibitive, such as Australia and

New Zealand, we consult with customers to understand the additional costs and evaluate these in the context of our customers' and our own desired sustainability outcomes.

Below are a number of case studies which demonstrate Goodman's sustainable development initiatives in practice.

Goodman Venlo Logistics Centre, Venlo, the Netherlands

The new, flexible logistics property is Goodman's sixth project in Venlo, which is regarded as one of the Netherlands' top logistics locations for cross-border e-commerce fulfilment.

Situated at the intersecting motorways A67 and A73, the Goodman Venlo Logistics Centre presents logistics efficiencies for companies to manage their flow of goods efficiently across Europe, with good multimodal links by water, rail and road.

The new 19,192 sqm flexible property comprises of industrial and office facilities to meet the needs of companies from various industries such as e-commerce and retail. The property incorporates a variety of sustainability features including:

- ✦ Target BREEAM excellent rating
- ✦ Flexible design to suit various uses
- ✦ 700kW rooftop solar PV system
- ✦ LED lighting throughout the warehouse
- ✦ Electric vehicle charge points
- ✦ Water efficient fixtures



Rosedale Motorway Estate, Brisbane, QLD

Rosedale Motorway Estate, Brisbane, Australia

Rosedale Motorway Estate is Brisbane's newest industrial precinct on the Gateway Motorway, providing unrivalled access to Brisbane's metropolitan areas via the Logan and Pacific motorways. The cutting-edge industrial facility is fully leased to an existing Goodman customer who was attracted to the property due to this road access and its proximity to the port and airport.

The facility boasts the majority of Goodman's sustainability features including:

- * LED lighting throughout the warehouse
- * Translucent roof panels to maximise natural lighting in the warehouse
- * Daylight sensors in the warehouse and motion sensors in the office areas to modulate lighting usage
- * 2 x 45,000 litre rainwater tanks, used for toilets, irrigation and cleaning purposes
- * Water efficient bathroom fixtures
- * Drought tolerant landscaping
- * End of trip bicycle facilities



Goodman Pinghu North Logistics Centre Phase 1, Pinghu, China

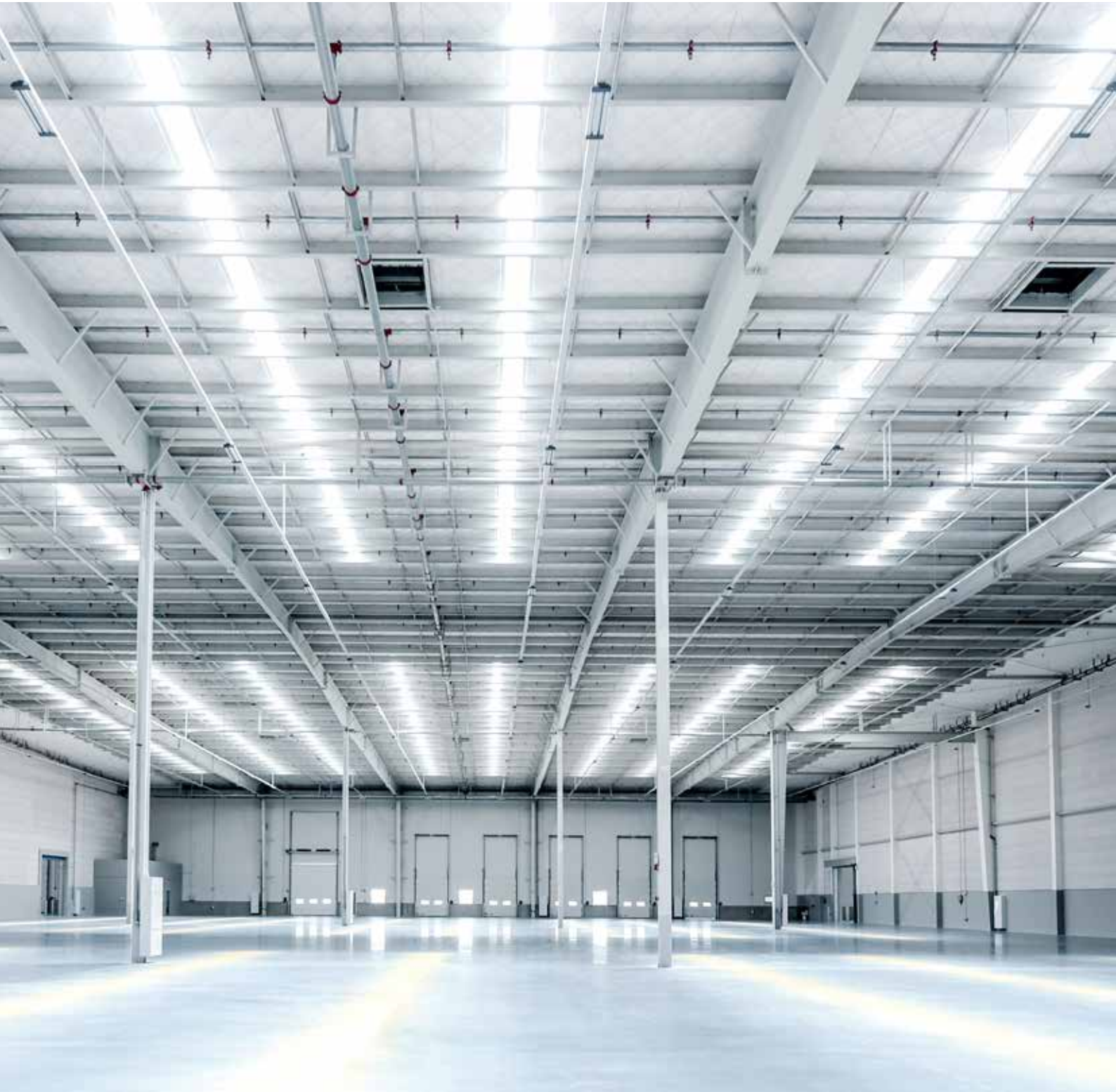
Goodman Pinghu North Logistics Centre Phase 1 comprises 34,043 sqm of new single storey warehouse space across two separate buildings, in the greater Shanghai area.

The modern logistics facility reached practical completion in January 2018 and is 100% leased to a domestic logistics provider. It has a range of sustainability features now commonly found in Goodman's recent developments in China. These include:

- * LED lighting throughout the warehouse
- * Translucent roof panels to maximise natural lighting
- * Rainwater tanks to capture rainwater for irrigation purposes
- * Native landscaping to reduce water consumption
- * Dedicated breakout space with outdoor seating area to improve occupant amenity
- * Off-shutter concrete to improve aesthetics and minimise ongoing maintenance
- * Good access to major Shanghai road networks including the S36 Highway.



Goodman Pinghu North Logistics Centre, Pinghu, China



Asset management

Our ability to manage assets through their lifecycle improves their long-term environmental and financial performance. We take a strategic view of each asset and define a clear management plan driven by location, age, capex requirements and functionality. **Through this approach, we can maximise the value of our portfolio to keep meeting the needs of customers into the future.**

MATERIAL ISSUES	GOODMAN COMMITMENTS	SHORT-TERM TARGETS	PROGRESS IN FY18
Customer relationships	Manage a high-quality portfolio, prioritising energy and water efficiency	1 MW of solar PV installed or initiated globally on stabilised assets in FY19	LED lighting upgrades across the stabilised portfolios in Australia, Continental Europe, Hong Kong and Greater China
Resilient portfolio	Manage assets while considering their current and future climate exposures	An additional one million sqm of space upgraded to LED lighting by FY22.	+ Approximately 87% of common areas now use LED lights, reducing energy consumption by up to 60% for our China properties
Monitoring efficiency	Offer superior customer service with lease clauses that aim to reduce energy and water use		Climate Vulnerability Assessment undertaken in Australia
Reducing waste.	Partner with our supply chain providers to promote on-site waste management and provide recycling opportunities.		6% reduction in energy consumption across Goodman's Australian office portfolio using the Buildings Alive system
			Sydney corporate office achieved a 5 Star NABERS energy rating
			Water usage measures and landscaping across our China properties include the re-use of rainwater, replacement of large lawns with native hedges and the use of vertical gardens to improve amenity
			Green lease clauses encouraged customers and Goodman to collaborate sustainably. At least one green lease clause was included in 79% of the leases signed in Continental Europe, while 63% included three clauses
			Simply Cups recycling scheme in the Sydney office is saving more than 2,000 take-away cups a month from landfill

ADDRESSING THE UN'S SUSTAINABLE DEVELOPMENT GOALS

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

We contributed to major reductions in food waste and landfill through our support of food rescue charities.



Our ability to manage our assets through their lifecycle improves their long-term environmental and financial performance. We take a strategic view of each asset and define a clear management plan driven by location, age, capex requirements and functionality.

Retrofitting a building is less flexible than development; however, it extends the operational life of the property and supports our broader infill strategy. During the year, we succeeded in numerous retrofitting programmes to continually improve our stabilised portfolios.

Lighting upgrades improve energy efficiency and reduce our customers' costs. LED lighting in warehouses has advanced to the point that additional upfront costs can be recovered in less than a year through the energy saved and maintenance costs avoided.

In Australia, the office buildings which utilise the Buildings Alive monitoring system reduced energy consumption by an estimated 6% during the year. The system is primarily a real time performance monitoring tool, providing a daily performance report to our building management teams, as well as a peak demand warning system. It assists in planning power use to reduce peak power requirements and energy costs for customers and will enable ongoing monitoring of our energy efficiency initiatives such as solar PV in the future.

In Europe, more than one million square metres of warehouse space is now equipped with LED lighting, reducing energy consumption and costs. This ultimately improves let-ability of the property and long-term rental growth and contributes to having a flexible portfolio.

Approximately 87% of the common area lighting in our properties across China is now equipped with LED lighting, reducing energy consumption by up to 60%. LED is now our development standard for all developments in China.

We've also placed significant focus on the landscaping across the China portfolio to make it more sustainable. With such a varied climate, our Property Services team is looking at the capture and reuse of rainwater, the replacement of large lawns with native hedges and the use of vertical gardens to improve estate amenity.

Undertaking sustainability ratings for our industrial portfolio remains a priority. At present, we use various schemes globally to rate our stabilised portfolios and have several pilot ratings in progress in Australia, China and Continental Europe.

In addition, Goodman uses a proprietary sustainability assessment tool for its industrial assets. The Goodman Sustainability Snapshot which is widely used in Goodman's European business and more recently in Australia. It assesses and compares the sustainability level of our buildings and can be used for feasibility analysis for new developments and in the detailed asset plans for our stabilised assets.

In Europe, more than one million square metres of warehouse space is now equipped with LED lighting





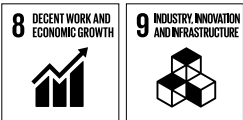
Goodman Chongqing Airport Logistics Park, Chongqing, China

Corporate performance

To be a trusted partner to all stakeholders by maintaining positive relationships and commitments to compliance, disclosure and community connection.

MATERIAL ISSUES	GOODMAN COMMITMENTS	SHORT-TERM TARGETS	PROGRESS IN FY18
Risk management	Ensure we operate with responsibility and dedicate resources to managing business risks i.e. compliance and ongoing financial sustainability	A further 10 MW of solar PV installed by FY22 to act on climate change 15% reduction of our corporate carbon emissions by FY22	Regular engagement with regulatory authorities and stakeholders, including European customer engagement initiative GRESB 3 Star Green Star status or above achieved by all previously participating Goodman entities.
Corporate governance	Operate within governance structures that uphold our operating policies, employment conduct and investment strategy Regularly and consistently disclose to and engage with stakeholders promote on-site waste management and provide recycling opportunities.	0-25% gearing ratio Minimum GRESB 3 Star Green Star result for all Goodman submissions.	
Carbon emissions	Collect data to monitor progress on carbon emission reduction targets.		

ADDRESSING THE UN'S SUSTAINABLE DEVELOPMENT GOALS





Goodman operates in a highly regulated environment where our governance structures and compliance commitments are critical. We provide timely information about our business to our customers, Partners, the investment community and regulators.

In FY18, Goodman's European business completed a major engagement initiative, meeting with customers to discuss sustainability matters. The discussions identified common goals, particularly relating to employee wellbeing and measures to improve energy efficiency.

GRESB leadership

Goodman has participated in the GRESB survey for seven years, and been a company member for five. GRESB scores and benchmarks companies' Environmental, Social and Governance performance, giving insights to investors and participants. In 2018, 903 property companies and funds, jointly representing more than US\$3.6 trillion in assets under management, participated in the GRESB Real Estate Assessment. More than 75 institutional and retail investors, including pension funds and insurance companies, representing over US\$18 trillion of institutional capital, use GRESB.

In FY18, Goodman submitted surveys for eight separate entities, including the recently launched Goodman Brazil Partnership. Our results were again strong, with all previously participating Partnerships achieving status of 3 Green Star or above, with the Goodman Australia Industrial Partnership and Goodman Japan Core Partnership awarded 'Sector Leader' within their respective peer groups. These results demonstrate our long-term commitment to understanding the global impact of our business.

In summary, the results across our global portfolio, including managed partnerships - which hold \$35 billion of the Group's total assets of \$38 billion – were:

- ✦ Goodman Australia Industrial Partnership (GAIP) and Goodman Japan Core Partnership (GJCP) ranked 1st in their respective peer groups
- ✦ All previously participating Goodman Partnerships maintained Green Star status, achieving 3 Star or above, with three Partnerships achieving 4 Star (Green Star is the highest category, but respondents that achieve Green Star are then rated 1–5, with 5 the best)
- ✦ Both GAIP and GJCP improved their 2017 scores by 16% Goodman Group finished 2nd in its peer group (Developer, Industrial) and achieved Green Star 4 Star status.

GRESB results

Partnership	2018 score relative to peer group	Year change	Green Star (1–5)	Peer group rank	Peer group
Goodman Australia Industrial Partnership	+25%	+16%	Yes – 4 Star	1 st	Industrial Australia Non-listed
Goodman Australia Partnership	+19%	+9%	Yes – 4 Star	3 rd	Industrial Australia Non-listed
Goodman Hong Kong Logistics Partnership	+18%	+5%	Yes – 3 Star	4 th	Industrial East Asia Non-listed
Goodman Japan Core Partnership	+35%	+15%	Yes – 4 Star	1 st	Industrial East Asia Non-listed
Goodman European Partnership	+16%	+16%	Yes – 4 Star	6 th	Industrial Europe Non-listed Indirectly Managed
Goodman UK Logistics Partnership	–8%	–2%	Yes – 3 Star	4 th	Developer Industrial Developer Assessment
Goodman Group	+10%	–1%	Yes – 4 Star Public Disclosure Level B	2 nd	Developer Industrial Developer Assessment

These results demonstrate our commitment to managing the impact of our business on people and the planet.



Oakdale Industrial Estate, Sydney, Australia

Responding to climate change risk

Goodman realises our buildings are exposed to various climates and weather patterns in our diverse operating regions. Properties in our global portfolio reflect local building regulations and building practices that generally take into account local climatic conditions.

We are working with experts to understand potential impacts under various climate scenarios and to identify opportunities to mitigate long-term impacts. Assessments can include both historical data and climate forecasts and look at the vulnerability of specific locations to conditions such as rain, hail, storms, flooding, snow, wind, fire and heat.

Our Property teams can use this and other climate related information to assess and manage the risks to existing assets and new assets to be acquired or developed.

Clean and renewable energy

The Group’s investment in solar energy infrastructure continues to gain momentum. Japan remains Goodman’s primary region for the installation of solar PV on rooftops, with a further 3 MW installed at the Goodman Business Park in greater Tokyo, taking our installed capacity in Japan to approximately 19 MW. In Continental Europe, an additional 4 MW was installed in the last year across seven projects.

In China, the 750kW system at Goodman Quinpu Centre in Greater Shanghai is operating successfully and presents a model for several projects in planning including potential vertical solar installations on the external walls at the Goodman Pudong Airport Logistics Park.

In Australia, we are incorporating solar PV systems as part of the base-build specification for the majority of new developments. Continued evolution of renewable technologies, particularly solar and battery, is a growing opportunity. Through continued investigation and a thorough understanding of our customers’ usage requirements, we expect to be able to deliver more efficient energy solutions over time, which will provide economic returns to both Goodman and our customers, as well as environmental and sustainability benefits.

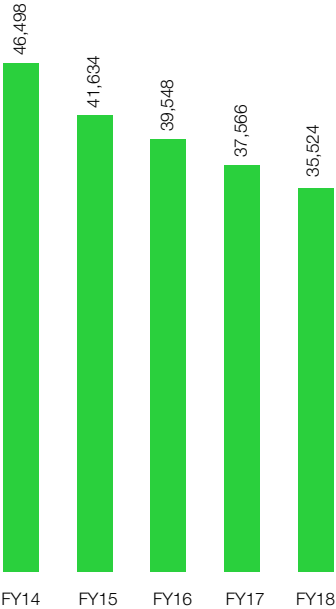
Some of these technologies must be implemented during the development phase but some can be retrofitted to existing estates. Over time, given the scale of our platform, bulk renewable energy purchasing, or large scale renewable off-takes, could provide access to cheap renewable power to our customers in properties with a limit to the amount of renewable power that can be installed onsite.

Greenhouse gas emissions

Goodman’s FY18 greenhouse gas emissions for its Australian operations are estimated at 35,524 tonnes of CO2 -e., a reduction of 2,032 tonnes. The decrease is primarily due to asset sales completed during the year and energy efficiencies across the portfolio.

Our greenhouse gas calculation includes scope 1 and 2 emissions generated by Goodman’s Australian property and building management services, including assets owned directly by Goodman and those in our Partnerships. Where submetering allows, we have excluded the greenhouse gas emissions of our customers.

Greenhouse gas emissions
(tCO₂-e)



Goodman Sakai, Tokyo, Japan



People and community

Maintain a diverse workplace culture committed to wellbeing and supported by the Goodman values.

MATERIAL ISSUES	GOODMAN COMMITMENTS	SHORT-TERM TARGETS	PROGRESS IN FY18
Diversity and workplace	Maintain an inclusive and diverse workplace culture supported by the Goodman values	10% increase in volunteering hours through the Good + Heart programme from FY17 – FY20	4% increase from FY17 in Good + Heart hours donated by our people
Safety and wellbeing	Develop assets which promote health and wellbeing for customers Create a culture where all team members, suppliers and customers are responsible for workplace safety	Increase staff engagement through number of participants and funds raised through Good + Deeds from FY17 – FY20.	Staff fundraising increased by 15% year on year.
Community connectedness	Support initiatives through the Goodman Foundation that create social value in the community.		

ADDRESSING THE UN'S SUSTAINABLE DEVELOPMENT GOALS



3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



Our customers

Our customers are at the centre of our own+develop+manage business model. We understand their needs by working closely with them and building strong relationships. Every Goodman customer has direct access to a dedicated team.

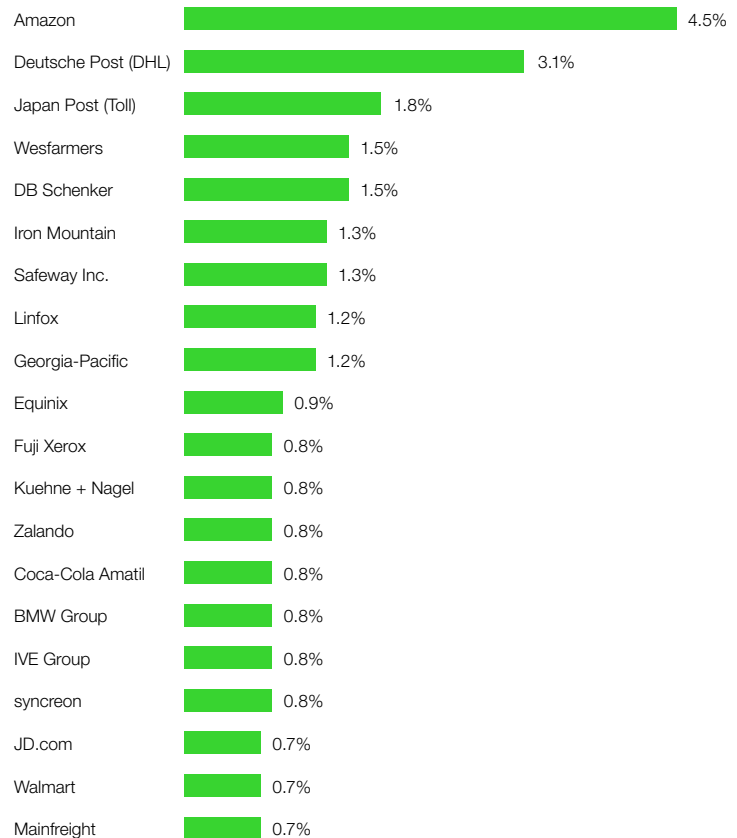
Our customers are leveraging our global experience to expand their business across borders. We're increasingly working with them to source warehousing solutions in multiple markets. Sixty-five percent of our top 20 customers now have Goodman properties in more than one country. This is a trend we expect to grow among our 1,600+ customer base.

Many of our customers now expect that wellbeing is factored into Goodman's developments. We are increasingly providing end of trip facilities, fitness equipment, recreation facilities, breakout spaces, kiosks and cafés, as employers strive to provide benefits that attract and retain a high-quality and motivated workforce.

This is particularly evident in Japan where features such as the jogging track at Goodman Akamatsudai and the roof top recreation facilities at Goodman Business Park Chiba, illustrate our commitment to our customers' evolving requirements.

TOP 20 CUSTOMERS

(by net income – look through basis)





For our teams to deliver to the highest standards, we provide an environment that encourages collaboration, innovation, efficiency and long-term decision making.

Our people

In recent years Goodman rolled out a programme to take us from being a good company to becoming a great one. The goal is for each of our approximately 1,000 Goodman people in 17 countries to understand how to:

- * Deliver to the highest standard
- * Work as part of a team that is focused on the customer
- * Consistently adhere to our values
- * Deliver exceptional customer service
- * Help to build a sustainable business for all our stakeholders
- * Avoid complacency and keep excelling.



For our teams to deliver to the highest standards, we provide an environment that encourages collaboration, innovation, efficiency and long-term decision making.

We're committed to the health, wellbeing and development of our people, and provide local programmes that promote workplace health and safety, learning and development and social activities. In order to execute this commitment Goodman has developed and is actively implementing a Global Safety Framework which includes:

- * Goodman safety
- * Environmental standards
- * Goodman safety corporate governance framework
- * Critical operational risk control guidelines
- * Monitoring and continuous improvement.

Space to collaborate

Most of our global offices are now designed for activity-based working. This layout style frees our people from the constraints of a single fixed desk and offers them a variety of settings to complete their work. The transformational design has led to improved well-being and overall team satisfaction as well as:

- ✦ Greater collaboration, innovation, flexibility and creativity
- ✦ Reduced power and paper usage.

The transformational design has led to improved wellbeing and overall team satisfaction.

Goodman office, Auckland, New Zealand.





Goodman office, Auckland, New Zealand.

Setting the benchmark high

Goodman's new Auckland city office was developed with a commitment to corporate social responsibility. The office sets a high benchmark for refurbished business space.

It is expected to receive a 5 Star Green Star Office Interior rating and features a high-quality fitout using materials, furnishings and lighting systems selected for their functionality, longevity and energy efficiency.

The new office uses half the energy of the previous office, and team satisfaction and well-being have increased due to activitybased working, better spaces and a wider range of facilities.

Meanwhile, around 90% of waste building materials were recycled, including used furniture and equipment. This minimised landfill waste and the proceeds of the goods sold were directed to the Goodman Foundation.

While it was a complex project and the budget and deadline proved challenging, the result was great outcome for our New Zealand team members.

Our community

The Goodman Foundation encourages team members to give back in satisfying and tangible ways to the communities around them. Whether it's supporting the homeless or raising money for charities, the Goodman Foundation facilitates the process, and provides additional financial support.





SPACE FOR CHILDREN'S HEALTH AND SAFETY

Goodman is passionate about ensuring the health, safety and wellbeing of children. We support many charities around the world focused on this cause including the Cerebral Palsy Alliance (CPA), SOS Children's Villages, Stepping Stone House, Little Olive Foundation, The Shepherd Centre, Raise Foundation and Humpty Dumpty Foundation. Our support ranges from providing physical space, supporting operations and purchasing equipment, to our people volunteering, mentoring and providing other help.

RESEARCH SUCCESSSES SINCE GOODMAN'S INVOLVEMENT HAVE SEEN THE RATE OF CEREBRAL PALSY FALL FROM 1/400 TO 1/600 BIRTHS.

Research successes since Goodman's involvement have seen the rate of cerebral palsy fall from 1/400 to 1/600 births. CPA provides family-centred therapies, life skills programmes, equipment and support for people and their families living with cerebral palsy and other neurological and physical disabilities. It drives international research into the prevention, treatment and cure of cerebral palsy through the Cerebral Palsy Alliance Research Foundation.

Goodman has supported CPA and the Cerebral Palsy Alliance Research Foundation to become one of the leading independent funders of cerebral palsy research globally, funding over \$36 million in research grants across 300 projects in the past 12 years. Goodman is the exclusive global partner of CPA's major fundraiser, September.





SUPPORTING HEALTH AND WELLBEING

Goodman is the Founding Partner of The Fred Hollows Foundation in Hong Kong and funds eye care projects.

GOODMAN HAS FUNDED THE XINGTANG PROJECT WHICH HAS SCREENED 112,736 PEOPLE, TRAINED 805 DOCTORS IN EYE CARE COURSES, PROVIDED 440 SCREENING KITS AND TRAINED ONE CATARACT SURGEON AND TWO NURSES TO PERFORM CATARACT SURGERY.

The Fred Hollows Foundation provides sustainable eye care services for rural, poor and ethnic minority communities around the world.

Goodman has funded two projects in China to build eye health screening and education systems. The first, completed in February 2018, in Xingtang, Hebei, has been extended for a further 12 months.



TOWARDS ZERO HUNGER

Goodman provides warehouse space, vehicles and equipment, and our teams volunteer and raise funds to support organisations that reduce hunger and food wastage, including OzHarvest, KiwiHarvest, UKHarvest, Feeding Hong Kong and Second Harvest Foodbank of Orange County, USA.

WITHOUT GOODMAN'S SUPPORT, OZHARVEST COULD NOT HAVE DELIVERED ALMOST 100 MILLION MEALS, HELPED 1,000 CHARITIES AND SAVED 31,000 TONNES OF FOOD FROM LANDFILL.

OzHarvest collects quality excess food from commercial outlets and delivers it to more than 1,000 charities supporting people in need.



MAKING SPACE FOR RESPONSIBLE CONSUMPTION

Goodman supports charities such as Thread Together and Good360 Australia, which redirect excess goods to charities while reducing waste.

GOODMAN HAS HELPED ENABLE GOOD360 AUSTRALIA TO COLLECT MORE THAN \$50 MILLION IN BRAND NEW GOODS TO BE REDISTRIBUTED TO OVER 800 CHARITIES.

Good360 Australia connects surplus brand new goods from businesses, such as clothes, toys, school and office supplies, personal care and household goods to charities and Australians who need them, while improving environmental outcomes. This amounts to over 3.6 million items from microwaves to toiletries and nappies. It has distributed more than \$22.3 million in critical goods to people in need in Australia, which also has a huge environmental impact as these products are saved from landfill.

Goodman's support with property space saved millions of dollars for Good360 Australia so it could use those resources for core programmes. The charity also uses the Goodman supplied warehouse to run traineeships for the long-term unemployed.



FURTHER INFORMATION

Further information on Goodman's Sustainability Program and our performance can be found on the Goodman Group website

www.goodman.com/sustainability/overview

If you would prefer to get in touch in relation to our sustainability program, please contact:

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