# OUR SUSTAINABILITY FRAMEWORK

As a long-term property investor, our decision making is guided by a business strategy that aims to deliver positive outcomes for all our stakeholders. It includes targets for a lower carbon and more resilient portfolio.

A sustainability framework built upon the following three pillars, guides our behaviour and directs our actions towards these wider business objectives. Sustainable properties



People and culture

We invest in sustainable properties that are designed to be adaptable, resource efficient and resilient. Located close to key transport networks and utility infrastructure, these facilities help our customers improve productivity and reduce emissions. High-quality workspaces and a range of amenity features also contribute to the wellbeing of the people working in these businesses. We believe that a sustainable business, positively connected with its people and the wider community, delivers superior long-term results. Our 67 team members are recruited and rewarded based on their commitment to our values, innovative thinking, expertise, and performance. We develop this talent and embrace flexible and progressive work practices that foster a diverse, inclusive, and safety-conscious culture.



#### Corporate performance



A sustainable investment strategy, strong governance and commitment to ESG principles give our investors, regulators, customers, and community partners confidence in our business.

We benchmark our performance against recognised standards and provide the market with timely updates on our business activities and progress toward the emissions reduction and other sustainability targets we have adopted.

# **FOCUSED ON WHAT MATTERS**

The material factors that drive GMT's success were first presented in FY18, after an extensive interview process that included both internal and external stakeholders. These factors are reviewed on a regular basis and were last surveyed in FY24.

The 10 factors presented in the matrix alongside reflect the range of criteria applied by our customers, investors, suppliers, community partners and our own people when assessing the success of our business. Understanding these factors and the relative importance attributed to each, informs and helps prioritise our sustainability initiatives.

The 10 factors are categorised under the three pillars of our sustainability framework. The following pages describe how these factors are integrated into our broader business strategy and the goals we have set ourselves for the future.

It keeps us focused on what matters most.

While the macro environment has become more challenging over the last 12 months. an internal review of our material factors confirmed the scope, relevance and relative rankings of the existing factors remains appropriate.

We're committed to ambitious targets, and doing more, for the benefit of all our stakeholders.



#### Sustainable properties

#### 1 Customer attraction and retention

To attract customers and maximise rental revenue GMT's properties need to be well-located, sustainable and operationally efficient. They also need to be well maintained with ongoing investment in new building technologies. Superior service supports strong customer retention levels and helps build long term relationships with these businesses.

#### Flexible, adaptable and resilient properties

Around 4% of the investment portfolio is independently assessed as being at low risk from the physical impacts of climate change. The warehousing and logistics focus makes GMT's properties suitable for a range of business uses. They are designed to be flexible, resource efficient and can be easily adapted to meet specific customer requirements

#### 2 Sustainable design and management

New developments since 2023 have targeted a minimum 5 Green Star Built rating, with the construction process carefully managed to reduce embodied carbon, building waste and other environmental impacts. Adopting an internal carbon price in the development feasibility for future projects will provide funding to invest in new, sustainable building technologies.

#### Emission reduction and energy efficiency strategies

GMT has achieved its FY25 emission reduction goals and set new targets for FY30 that align with criteria defined by the Science Based Targets Initiative and limiting global warming to 1.5°C or less. We are investing in lower carbon developments and undertaking resource efficiency and building upgrade projects to improve the operational and environmental performance of the portfolio.

# MATERIALITY MATRIX

7 HIGH Significance of environmental, economic and/or social impact  $\rightarrow$ 

#### Corporate performance

#### 5 Sustainable structure, operations, and results

Disciplined financial management has enabled GMT to grow sustainably. Establishment of a property funds management platform supports an active investment strategy and accelerated earnings growth. The Trust is managed prudently with a distribution policy that includes a payout ratio of between 80% and 90% of cash earnings.

#### People and culture

#### Health, safety and wellbeing

The health, safety and wellbeing of our people, our customers, our contractors and the wider community is fundamental to our business. We adhere to strict safety protocols and encourage a culture of safety awareness. Health and safety KPI's are also a feature of all employees' remuneration. High retention levels and engagement scores confirm we are creating a positive and supportive work environment for our people.

#### 6 ESG reporting and stakeholder engagement

Engagement with our stakeholders on environmental, social and governance matters is a priority. GMT's corporate reporting includes detailed information on all aspects of its business operations, including comprehensive Climaterelated Disclosures. We have adopted the GRI framework in our reporting and benchmark ourselves through CDP and other sustainability rating services.

#### **Diversity and inclusiveness**

We celebrate individual differences and have a comprehensive inclusion and diversity policy that includes strategies to improve representation over time. We want a positive culture that is free of harassment, victimisation and discrimination and have adopted flexible work practices that help reduce bias and ensure we are an inclusive and progressive organisation.



#### **Responsible and** environmentally sensitive investment

The Board is committed to delivering a sustainable business strategy focused on long term value creation. It includes a risk management framework that considers non-financial issues, such as climate change impacts on new investment initiatives. A Sustainable Finance Framework supports investment in sustainable property solutions for customers.

#### 10 Social equity

A contemporary remuneration framework ensures we continue to attract and retain the best people. To encourage wider participation in our industry we provide an annual scholarship for a University of Auckland property student. We invest in social initiatives through GMT Community and encourage social procurement in new construction contracts and supplier agreements.

# **SUSTAINABLE PROPERTIES**

A resource-efficient portfolio that supports our customers in meeting their own climate goals is helping create a sustainable business. The following highlights summarise our progress toward our targets.

Focus	Action	Progress
Emissions Reduction	+ FY25 corporate emissions target <sup>1</sup> achieved with a 41.4% reduction from our FY20 base year	
Patriway	+ New FY30 targets set, including indirect Scope 3 emissions	
	+ Reduced risk of fugitive emissions with near completion of core portfolio HVAC upgrade programme	111111111111111111111111111111111111111
Green Star Rated Development	+ 5 and 6 Green Star Design ratings achieved for the three projects completed in FY25, totalling 50,286 sqm	
	<ul> <li>24,570 tCO<sub>2</sub>e of upfront embodied carbon<sup>2</sup> in these projects, to be matched to high quality carbon credits</li> </ul>	
	<ul> <li>Estimated 27.0% reduction in the upfront embodied carbon emissions<sup>3</sup> compared to a reference building</li> </ul>	111111111111111111111111111111111111111
Energy Efficiency	<ul> <li>+ 100% of core portfolio to feature LED lighting by end of 2025,</li> <li>99% completed or underway as at 31 March 2025</li> </ul>	
	+ 5 or 6 Star NABERSNZ ratings achieved for all eligible office buildings at Highbrook and M20 Business Park	
$\sim$	+ Submetering programme 42% installed	
	+ Over 60% of the portfolio energy data monitored and used in comparative benchmarking. Target 80% by end of 2026	111111111111111111111111111111111111111
Renewable	+ Certified Renewable Electricity <sup>4</sup> supplied by Meridian Energy	
Energy	<ul> <li>+ 2.0 MWp solar energy target set for 2025 achieved, with 2.7 MWp installed to date and a further 0.2 MWp underway</li> </ul>	
(3)	+ Almost 30% of the portfolio now features renewable solar energy, including all new developments	111111111111111111111111111111111111111
Improving Biodiversity	+ Over 1,000 native specimens planted at Highbrook's Fisher Gully wetland and Sir Woolf Fisher Drive Fernery	
	<ul> <li>Approximately 40 volunteer hours committed to clearing the walkway and bank alongside Puhinui Creek in Wiri, neighbouring M20 Business Park</li> </ul>	
Pe	+ Over 5,000 native plants and trees sourced from Makaurau Marae Nursery for restorative planting at Waitomokia	<b>IIIIIIIIIIIIII</b> 65%

Corporate emissions include Scope 1, Scope 2 and Scope 3 categories 3-7.

<sup>2</sup> See pages 80 and 86 for more information on the calculation for upfront embodied carbon and procurement of carbon credits.

<sup>3</sup> See page 73 for more information on independent Life Cycle Assessments of new development projects.

<sup>4</sup> Through the purchase of Emission Adjustment Certificates (EACs) from Meridian Energy's Certified Renewable Energy product, Goodman is able to utilise a '0' emission factor, reflecting Meridian's renewable electricity generation. See page 73 for more information.

To meet customer demand for more sustainable property solutions, GMT's \$4.7 billion urban logistics portfolio features properties that are strategically located, sustainably designed and resource efficient.



Enhancing operational efficiency



NABERSNZ ratings at Highbrook Business Park, following completion of the office building certification programme.



Our sustainability initiatives have included the installation of electrical submetering, customer and public EV chargers, LED lighting upgrades, rooftop solar energy systems, and water saving technologies. We have almost completed the replacement of R22 refrigerants in building HVAC systems with lower GWP alternatives, to reduce the climate impacts of fugitive emissions from system failures.





nzgbc.org.nz

#### Developing sustainably

Our commitment to sustainable development includes targeting a minimum 5 Green Star Built rating from the NZGBC for all new projects.

The FY25 development programme has included three project completions at Roma Road Estate in Mt Roskill and Savill Link in Ōtāhuhu. By utilising lower emission materials and building systems, we have reduced the intensity of the upfront embodied carbon within these projects by around 27.0%<sup>1</sup>.

The upfront embodied carbon in the three projects will be matched by globally recognised carbon credits once the independent Life Cycle Assessments are finalised and peer reviewed.

FY25 will be the last year we follow this process. For future projects, the funds previously allocated to the purchase of carbon credits will be invested in the development of sustainable building technologies. It's a long-term solution that supports innovation focused on reducing embodied emissions.

The recent projects at Roma Road Estate complete the regeneration of this brownfield estate. By carefully recycling and repurposing demolition and construction waste, we aim to divert at least 90% of demolition material from landfill in all brownfield development projects.

Extensive landscaping, urban ngahere (urban forests), beehives and other biodiversity initiatives are features of our larger estates, enhancing, and protecting the natural environment.

#### Climate risk and emissions reporting

We acknowledge the climate is changing and that extreme weather events are already impacting our communities. As a business we are committed to playing our part in reducing the impacts of climate change.

Comprehensive greenhouse gas monitoring provides a detailed emissions profile for our business. This knowledge, together with targets for a lower-carbon, more-climate-resilient future is essential for assessing the effectiveness of our sustainability initiatives. The table below summarises our FY25 emissions and compares these to the previous year. A full inventory, and commentary on the approach taken and its limitations, is presented within our FY25 Climate-related Disclosures, see pages 59 to 93. The disclosures also include details of the new extended emission reduction targets adopted for 2030.

#### Corporate emissions

Corporate emissions relate to our general business activities and include the buildings and spaces within the portfolio where we have operational control. Toitū net carbonzero certification confirms that our corporate emissions have been measured in accordance with the ISO 14064-1:2018 standard and matched with locally sourced carbon credits (Category 1-4), and Certified Renewable Energy certificates (Category 2) from Meridian.

#### Scope 3 emissions

Scope 3 emissions make up around 99% of our carbon footprint and are the main focus of our sustainability efforts. The largest contributors to these are our development activity, our capital expenditure programme and in use carbon emissions as a result of our customers leasing space within the portfolio.

The upfront embodied carbon from completed developments was  $24,570.0 \text{ tCO}_2\text{e}$  in FY25 compared to  $26,436.8 \text{ tCO}_2\text{e}$  in FY24. On an intensity basis the upfront embodied carbon of the FY25 projects is around 27.0% lower than similar sized reference buildings.

In use carbon emissions from downstream leased assets is the next largest contributor to our carbon footprint. The provision of sustainable property solutions and ongoing upgrade programmes provides our customers with the opportunity to reduce their emissions.

Our emissions inventory also includes an assessment of the emissions relating to capital expenditure projects. Given the number and varied nature of these projects, this is an expenditure based assessment.

<sup>1</sup> In comparison to similar sized reference buildings.

GHG EMISSIONS tCO <sub>2</sub> e	FY25	FY24
Corporate emissions (location-based)	654.4	638.7
Scope 3 emissions - upfront embodied carbon	24,570.0	26,436.8
Scope 3 emissions - other	13,097.4	13,246.2
Total emissions (location-based)	38,321.8	40,321.8

# DELIVERING ENERGY EFFICIENCY IS ONLY MADE POSSIBLE BY INNOVATIVE BUILDING MANAGEMENT SOLUTIONS



Tom Slade, Head of Environmental Sustainability Demonstrating GEM, Goodman's Energy Management system. The online tool monitors electricity use, enabling customers to optimise the operating efficiency of their building.

# **PEOPLE AND CULTURE**

By investing in our people, our culture and in positive community outcomes we are creating a more sustainable business that benefits all our stakeholders.

Focus	Action	Progress
Heath and safety at work	<ul> <li>+ Workplace wellbeing and people care programmes, provided by Groov and Sonder</li> <li>+ Free flu vaccine and skin checks for team members</li> </ul>	
	<ul> <li>New health and safety framework implemented, and Board reporting enhanced</li> <li>Ne serious harm injurice recorded in EV25</li> </ul>	
	<ul> <li>No serious narminjunes recorded in F 125</li> </ul>	111111111111111111111111111111111111111
Diverse and inclusive	+ A diverse team of 67 that includes 13 different ethnicities, with speakers of 14 languages	
workplace	+ An engagement score of 87%, reflecting a high level of connection and motivation among our people	
	+ Board and executive diversity reflects 33.3% female representation	111111111111111111111111111111111111111
Investing in	+ 366 training hours completed in FY25	
our people	<ul> <li>+ 10 team events hosted focusing on diversity, inclusion, wellbeing and workplace culture</li> </ul>	
(F)	+ 10.1 million performance rights issued to our people under GMT's	
	long-term incentive scheme	<b>IIIIII 90%</b>
Social procurement	+ Social procurement encouraged in new construction contracts and supplier agreements	
chain ethics	+ Almost 17 tonnes of lighting recycled by Abilities Group, an organisation empowering individuals with disabilities	
	+ Team members trained to assess potential risks in our supply chain in relation to money laundering and modern slavery	
	+ Modern slavery policy adopted	IIIIIIIIIIIII 60%



Jason Gillard, Fleet Valet Supervisor Jason has been a valued member of the Goodman team for over five years. His neurodiversity is supported by an inclusive business culture. Our brand values shape our culture and focus our people on delivering the high-quality service, and innovative property and investment solutions that underpin our success.

Fostering an inclusive and diverse workplace

We believe an inclusive and diverse team enhances the





University of Auckland Property Buddy Programme Eight students took the opportunity to learn more about our business at a recent presentation in the city management office. This session was hosted by Marketing Director, Mandy Waldin (top left).

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#### Developing our people

Over time we have built a talented team, committed to delivering the great spaces and service that helps our customers thrive.

When we recruit, we look for people who will challenge conventional practice and we utilise a variety of channels to attract a diverse pool of candidates. To help our people reach their potential we provide career pathways. This includes formal induction programmes, regular reviews, annual development plans and training objectives.

A long-term incentive plan helps attract and retain talent. If performance hurdles are achieved, it rewards our permanent team members with a share in the business, aligning their interests with those of our stakeholders.

To encourage wider participation in our industry we award an annual scholarship to a University of Auckland property student, participate in the University's property buddy programme and support the Keystone Trust through Goodman Community. = 41

NUSTAIN ABILITY SUSTAIN ABILITY BRAND VALUES

#### Prioritising health and safety

The Board is fully committed to creating a safe working environment for its employees and contractors, free of accidents and other workplace risks. We have well established work practices and comprehensive procedures that ensure all our obligations under the Health and Safety at Work Act 2015 are complied with.

erett, Landscape and Compliance Manage

prook Business Park enhance the environment

Urban ngahere planted at Roma Road Estate (pictured)

We monitor safety and track incidents with detailed reporting and trend analysis used to identify hazards and mitigate risks. This reporting is presented to the Board on quarterly basis. A Board tour of selected customer workplaces was also undertaken in FY25.

During the year, there were 72 health and safety incidents reported, compared to 110 in FY24. As a business that promotes a safety-conscious culture we are encouraged by the downward trend in incidents. Importantly, no serious harm injuries occurred.

The data includes any incidents involving our people or contractors together with any reported incidents occurring within the public areas of the portfolio. It includes hazard observations, near misses, injuries requiring first aid, injuries requiring medical treatment and serious harm injuries.

We have also acknowledged the risk that modern slavery poses to individuals employed within our supply chain. Mandatory training has been implemented to assist our team in identifying signs of worker exploitation during their interactions with suppliers and service providers.

# DELIVERING SAFE WORKSPACES THAT SUPPORT WELLBEING IS A PRIORITY FOR ALL RESPONSIBLE BUSINESSES LIKE OURS



#### Workplace wellbeing

Our workplaces support the health, safety and wellbeing of our people while our brand values guide how we interact with each other, represent our business, and engage with stakeholders.

An engagement score of 87% and an employee retention rate of almost 99% over the last year, reflect a positive and supportive work environment.

We promote wellbeing through initiatives that support mental and physical health, including free annual skin checks and flu vaccines. We have continued our partnership with Groov and its online programme, which included a psychological safety workshop during the year.

If required, independent counselling services and financial planning are available to our people through Sonder, our people care programme.

Sporting and recreational opportunities are also supported, and we have hosted and promoted social and cultural events including Chinese New Year, Diwali, International Women's Day and Māori Language Week.

Roma Road Estate Site safety protocols being followed at a Property Council event hosted at the recently completed estate

# **CORPORATE PERFORMANCE**

We believe that a sustainable operating model is essential for an organisation to be successful over the long-term. We have continued to pursue initiatives that enhance our business, extend our reporting and provides transparency to our stakeholders.

Focus	Action	Progress
Financially Sustainable $\underbrace{+ - \\ \times =}$	<ul> <li>+ Portfolio occupancy of 99%</li> <li>+ Investment grade credit rating of BBB</li> <li>+ Loan to value ratio of 31.8%, and committed gearing of 23.2%</li> <li>+ Distribution reflecting a payout ratio of 86.1% of cash earnings</li> </ul>	IIIIIIIIIIIIIII 90%
External Certification	<ul> <li>+ PwC assurance of full GHG inventory</li> <li>+ CDP climate score of B, for environmental management</li> <li>+ Five-year anniversary of Toitū net carbonzero certification</li> <li>+ Sustainable Finance Framework with \$600 million of Green Bonds and Green Loans</li> </ul>	111111111111111111111111111111111111111
Governance and Disclosure	<ul> <li>+ Remuneration Committee established following Internalisation</li> <li>+ Continued alignment with the NZX Corporate Governance Code</li> <li>+ Climate-related Disclosures incorporated into FY25 Annual Report</li> <li>+ GRI reporting framework</li> </ul>	111111111111111111111111111111111111111
Community Support	<ul> <li>+ Around \$0.4 million distributed through Goodman Community</li> <li>+ Direct and indirect support to 15 organisations</li> <li>+ Almost 500 volunteering hours completed</li> </ul>	

Volunteering day at Puhinui Creek, M20 Business Park, Wiri Goodman team members participating in the restoration of the awa. Organised in conjunction with Sustainable Business Network and Te Pu-a-Nga Maara,

30 volunteers planted 1,200 native shrubs.

We are committed to a long-term business strategy that includes the aim of becoming a truly sustainable, resilient, and low carbon real estate provider. We benchmark ourselves against recognised standards and critically assess our performance.

#### Environmental, social and governance (ESG)

Engagement with our stakeholders on environmental, social and governance matters is a priority for our business.

Effective and transparent governance structures gives stakeholders confidence in the delivery of our business strategy. The GRI index on page 184 assists those focused on our sustainability performance, with links to key disclosures.

Our Climate-related Disclosures on page 59 includes a full emissions inventory with assurance provided by PwC. The disclosures also describe how we govern and manage climate-related risks and opportunities. It forms part of a wider enterprise risk management framework that includes climate, compliance, financial, health and safety, operational, people, regulatory, strategic and other risks.

The corporate governance section on page 156 compares our current practices against the principles and recommendations of the NZX Corporate Governance Code. GMT's suite of governance documents has been updated following Internalisation and is available online:

https://nz.goodman.com/about-goodman/corporate-governance

**GMT CORPORATE** DEBT ISSUANCE RATING

RATING





#### Communication and industry participation

As a Top 20 NZX listed entity, we have an obligation to provide the market with timely, balanced and easily accessible information. We engage with our stakeholders on a regular basis, through a variety of communication channels, including formal reporting, market announcements and briefings, and more directly through open days, presentations, and meetings. We extend our reach through the use of social media.

We are an active industry participant, supporting initiatives and organisations that deliver benefits to our business.

Our corporate memberships and partnerships include Australasian Investor Relations Association. Diversity Works. Greater East Tāmaki Business Association. NZ Green Building Council, New Zealand Shareholders' Association and Property Council New Zealand.

#### Financially sustainable

To build a long-term business, we need to be financially sustainable. We achieve this through prudent capital management and by maintaining high occupancy rates. The strength of our customers supports our own financial performance, providing the strong rental cashflows that underpin earnings and distribution growth.

Low gearing and substantial liquidity add resilience to our business and the flexibility to invest in new opportunities as and when they arise. The establishment of a property funds management platform provides GMT with additional capital management options.

Our Sustainable Finance Framework is a treasury initiative that enables the business to issue bonds and establish loans to support the delivery of sustainable property solutions.

GMT's investment grade credit rating of BBB from S&P Global Ratings reflects its financial strength. As a result of the mortgage security held over its property portfolio, GMT's debt issuances are rated one notch higher at BBB+.

Both ratings have remained stable since first assigned in 2009.

#### Benchmarking

Regular benchmarking against respected standards allows us to critically assess the effectiveness of our sustainability initiatives.

#### **NCDP**

A commitment to reducing our environmental impacts has included participation in the annual CDP survey since 2006. The global reporting initiative encourages participants to minimise the impacts of climate change by monitoring and reducing greenhouse gas emissions. Our 2024 climate score of B confirms we are taking co-ordinated action.

Further information about the rating process can be found at www.CDP.net.

With GMT now making comprehensive emissions disclosures under the Aotearoa New Zealand Climate Standards, 2024 will be the last year participating in the annual CDP survey.



Toitū net carbonzero certification of our corporate emissions requires positive progress against targets established as part of a carbon reduction and management strategy. We have achieved a 41.4% reduction from our base year, exceeding the five-year target of a 21.5% reduction.

We have elected to publicly release our CDP and Toitū assessments to assist other organisations in their climate journey.

#### Community spirited

Recognising the needs of our stakeholders and actively engaging with our communities fosters positive relationships and provides GMT with its social licence.

Our relationship with tangata whenua is one of the most important of these connections. We celebrate Māori culture and work alongside local iwi in our investment and social initiatives. The consultation and engagement process in the development of the Waitomokia masterplan reflects this commitment.

Te reo Māori classes are provided to team members who wish to extend their knowledge and language ability. We have also supported Kotahi Rau Pukapuka and its work translating 100 books into te reo Māori. It is an important initiative to promote the language and help inspire generations of future Māori writers.

Through Goodman Community we support programmes that help build inclusive, resilient, and sustainable communities where everyone has the opportunity to reach their potential. In FY25 we provided around \$400,000 of support to 15 organisations.





LEFT: **Aroha** The latest book translated into te reo Māori by Kotahi Rau Pukapuka, with the support of Goodman Community.

#### RIGHT: Blessing ceremony, Favona Road Estate, Māngere

Goodman team members and Te Ākitai Waiohua kaumātua at the Mainfreight Supersite in Favona.



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# GOODMAN COMMUNITY

The aim of our social initiatives is to help build inclusive, resilient, and sustainable communities where everyone has the opportunity to reach their potential.

Goodman

Doing good in the world

Through dynamic partnerships with organisations that support people with the knowledge, tools and resources they need to navigate and overcome adversity, we are strengthening our local communities and enabling longterm positive change.









50 Goodman Community (continued)

# **MEETING ESSENTIAL NEEDS**

We support community organisations that are enabling food and housing security and providing access to household goods and clothing.

#### **KiwiHarvest**

As New Zealand's leading food rescue organisation, KiwiHarvest collects nutritious but perishable food that would otherwise go to landfill and redirects it to those in need.

Operating in Auckland, Dunedin, Queenstown, and Invercargill, KiwiHarvest redistributed a record 3.1 million kgs of food to around 225 food banks and other recipient agencies during FY25. This effort, which included surplus produce, protein, mislabelled goods, cleaning products, and grocery items approaching expiry, provided over 6.7 million meals. The social value this creates is estimated to be around \$13.5 million.

Additionally, reducing organic waste destined for landfill had a positive environmental impact, avoiding 9,000 tCO<sub>2</sub>e of carbon emissions.

A founding partner, Goodman has been a financial supporter of KiwiHarvest since 2015. The charity is GMT's largest community partnership, and we have extended this relationship, committing over \$1 million of financial support over the next three years. This support includes the provision of warehouse facilities at Highbrook Business Park.





https://www.kiwiharvest.org.nz/



52 Goodman Community (continued)

# **PROMOTING SOCIAL AND MENTAL WELLBEING**

We focus on initiatives that improve psychosocial wellbeing and create space for people and communities to flourish.

#### YMCA North – Intermediate School Sports Camps, Camp Adair, Hunua

To address the inequity of year 7 and year 8 students from high equity (low decile) schools missing out on interschool sporting opportunities, YMCA North hosts six, sports camps, every year at a discounted cost for eligible schools.

Each week-long camp includes 6-8 different schools (sending 40 students each), with around 2,000 students from 50 intermediate schools benefiting from the programme each year.

There are seven South Auckland schools participating in 2025 that are located close to GMT estates.

The programme focuses on leadership, teaching sportsmanship and challenging the students attitude on and off the sports field. A key message is that "leadership can come from any team member."

Key student outcomes include:

- + Improved health, both physical and mental
- + Greater confidence, more responsible and improved organisational skills
- + New friendships and positive interschool relationships
- + Students remain more active, increased involvement in team sports
- + Improved general behaviour.

#### Upside Youth Mentoring Aotearoa

Recognising the need for early intervention to avert poor life outcomes, the aim of Upside Youth Mentoring Aotearoa is to support positive change in New Zealand's youth.

The organisation has been matching young people with mentors since 2006 and with over 1,000 matches and 7,000 hours of mentoring a year, they're having a direct impact on young lives.

Key outcomes include:

- + Improved mental and physical health
- + Higher educational attainment
- + Reduced risk of family violence and addiction
- + Lower risk of criminal activity

They work with young people aged 9-13 years old who have been referred from schools, (via principals, counsellors, and Learning Support Coordinators) who believe a positive role model would help the young person navigate their current challenges.

Upside works across Tāmaki Makaurau (Auckland) and supports young people in other areas through partner organisations, who implement Upside's programme in their own communities.









https://www.ymcanorth.org.nz



#### **Ongoing support**

Through our Give Back initiative, discretionary grants and other fundraising, financial support was also provided to the following organisations and events last year:

- + 4U Mentoring
- + Daffodil Day Cancer Society New Zealand
- + IDFNZ The Kids Foundation
- + Orange Sky
- + Pink Ribbon Breast Cancer Foundation NZ
- + Ronald McDonald House
- + Starship Foundation
- + The Key to Life Charitable Trust Gumboot Friday
- + Women's Refuge Tāmaki Makaurau

Upside Young Mentoring Aotearoa

Exposure to positive role models who help build resilience, contributes to better outcomes for our young people.



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# ENABLING EDUCATION AND EMPLOYMENT

We partner with organisations that offer education and employment pathways in our communities.

#### **Duffy Books in Homes**

Founded by author Alan Duff, Duffy Books is a national reading initiative that promotes literacy through book ownership. Established more than 30 years ago there are now over 800 participating schools and early childhood centres – providing around 100,000 students with up to six free books every year.

It is a highly effective programme with role model assemblies also used to champion the benefits of reading.

Duffy Books is the longest running of our community programmes and GMT currently supports Fairburn, Sir Edmund Hillary and Wiri Central Primary Schools. With established relationships, we have also provided surplus office furniture, laptops, and other IT equipment to these schools.

From FY26 we are extending our Duffy sponsorship to include Ōtāhuhu Primary School, with the four South Auckland primary schools having a combined roll of over 1,600 students.

#### **Tania Dalton Foundation**

The Tania Dalton Foundation (TDF) helps gifted young New Zealanders unlock their sporting talent and become their best selves. TDF awards up to 14 scholarships a year and provides recipients with mentoring support and personal development opportunities over the course of the three-year programme.

A wider goal of the TDF is to engage with thousands of young people across the country through a range of initiatives, all aimed at making a positive and measurable impact on their lives.

Goodman has been supporting the TDF programme since 2018, with Trinity Waiwiri-Toka our 2024 scholarship recipient.

The Rosehill College student from Papakura is a talented softball player who has represented New Zealand in international age group competitions

Launched in 2018 the Scholarship Programme provides a unique three-year financial scholarship to young sports women to assist them in their high-performance journey.



ABOVE: **Holly Mace, Investment Analyst** Presenting at a Keystone Trust future leaders workshop for second year scholarship recipients.

BELOW: **Tania Dalton Foundation Fundraiser** Goodman team members participating in the inaugural ladies' 9-hole tournament at Pupuke Golf Course in Takapuna.





#### Keystone Trust

The Keystone Trust is focused on promoting opportunities and lifting the participation of young people in the New Zealand property industry.

Since 1994, the trust has granted over 200 scholarships and awarded \$2 million in scholarship funding to help young people held back by inequality to take up tertiary studies in the property and construction sector.

The scholarship recipients also receive broader support including mentoring, networking opportunities, site visits and paid work experience.

There were 36 Keystone Trust scholarships awarded for 2025 (the largest intake in its 21-year history), lifting the number of students currently on the programme to 72.



DELIVERING TIME CRITICAL SUPPLIES IS ONLY MADE POSSIBLE WITH STRATEGICALLY LOCATED LOGISTICS FACILITIES ---- LIKE OURS

NZ Blood Service, Highbrook Business Park One of the first industrial facilities in New Zealand to achieve a 6 Green Star Built rating. The certification represents world leadership standard in sustainable development. 5

Waitomokia, Māngere A baseline ecology survey being undertaken prior to the commencement of infrastructure works at the greenfield development site.

## STATEMENT OF COMPLIANCE

Goodman Property Services (NZ) Limited as Manager of Goodman Property Trust (GMT) and GMT's subsidiary GMT Bond Issuer Limited are both classified as climate reporting entities under the Financial Markets Conduct Act 2013 (FMCA).

GMT Bond Issuer Limited has been granted an exemption from the FMA, the Financial Markets Conduct (Climaterelated Disclosures – GMT Bond Issuer Limited) Exemption Notice 2024 (Exemption Notice), which exempts it from preparing a set of Climate-related Disclosures.

These climate-related disclosures comply with the Aotearoa New Zealand Climate Standards (NZ CS 1, NZ CS 2 and NZ CS 3) issued by the External Reporting Board, subject to the Exemption Notice.

In preparing this report, Goodman has elected to use the following NZ CS 2 adoption provisions:

- + Adoption provision 2, which exempt Goodman from disclosing its assessment of the anticipated financial impacts of the physical and transition impacts of the climate-related risks and opportunities it has identified.
- + Adoption provision 6, which exempts Goodman from disclosing comparative information of each reported metric for two prior periods, has been relied on for certain metrics where Goodman is including comparative information for only one prior period.

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# **CLIMATE-RELATED DISCLOSURES OVERVIEW**

#### **Reporting boundaries**

The scope of our financial and non-financial reporting includes Goodman Property Trust (GMT) its subsidiaries (including GPS and GMT Bond Issuer Limited) and all other property owning and management related entities. Within these disclosures, we either refer to these entities specifically or collectively as Goodman.

FY25 is the first year of GPS managing GMT, following Internalisation on 28 March 2024.

#### Our climate-related risks and opportunities

The detailed assessment process undertaken to identify the various climate-related risks and opportunities to our business was disclosed in FY24. These can be found on page 28 in the 2024 Sustainability Report at gmtcrd24.co.nz.

This involved scenario analysis across three climate futures: Orderly, Disorderly, and Hot House World. From this, we identified six risks and five opportunities, across seven climate-related impacts, as material to GMT's long-term success. Ten of these 11 risks and opportunities are transition-related.

The location and design of our properties mean that the physical risks from more extreme weather events is assessed by independent specialists as low.

The strategy section on page 64 describes how we integrate the 11 climate risks and opportunities into our general business planning and the actions we are taking to mitigate the impacts of climate change.

#### Our GHG emissions

Understanding the emissions profile of our business and how this can fluctuate from year to year provides the knowledge that underpins our targets for a lowercarbon, more climate-resilient future.

With the composition of our portfolio regularly changing (through new acquisitions and development activity) our focus is on reducing the intensity of our emissions. Absolute emissions may still increase depending on the level of development and new investment.

A comprehensive breakdown of our FY25 emissions is provided on page 72. Total emissions have decreased 5.0% from FY24, to 38,322 tCO<sub>2</sub>e, principally as a result of lower construction completion volumes.

Our emissions inventory shows that our corporate activities made up just 1.7% of our total emissions in FY25. Corporate emissions include Scope 1, Scope 2 and Scope 3 categories 3-7. Our total Scope 3 sources made up around 99.1% of our GHG inventory. The greatest contributor was our value chain, with development activity (upfront embodied carbon) representing 64.1% of total emissions and customer energy consumption (in use carbon) 16.2%.

#### Adopting robust emissions reduction targets

Directing our efforts toward more sustainable property solutions that reduce both upstream and downstream Scope 3 emissions provides the greatest opportunity for our business. It also helps our customers achieve their own climate goals.

Our transition plan on page 70 details the varied strategies we have adopted to achieve our three new FY30 reduction targets, including reducing the intensity of our upfront embodied carbon and in use carbon emissions.

The new FY30 emission reduction targets were approved by the Board in May 2025.

Toitū Envirocare has independently confirmed that these new commitments align with the Science-Based Target initiative's (SBTi) criteria for limiting global warming to no more than 1.5°C.

#### Forward looking statements

These disclosures summarise our assessment of Goodman's future climate-related risks and opportunities and how this is integrated into our wider business strategy. It contains statements about the future, including climate-related goals, targets, pathways, ambitions, risks and opportunities, as well as current transition plans.

These forward-looking statements require us to make assumptions that are subject to inherent risks and uncertainties, many of which are beyond our control and give rise to the possibility that our predictions, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct, and that our objectives, targets, and strategies to mitigate and adapt to climate- related risks and opportunities will not be achieved.

We have set out the basis and limitations of our analysis and reserve the right to revisit any assumptions as we develop our understanding without notice.

#### Assurance and sign off

A delegated subcommittee of the Board has overseen the preparation of this year's Annual Report and the Climate-related Disclosures it contains. PwC have provided limited assurance over the emissions inventory presented on page 72.

The full Board have reviewed the completed Annual Report, including the disclosures required under the Aotearoa New Zealand Climate Standards and approved these for release on 23 June 2025.

Jah Ili

John Dakin Chair

Laurissa Cooney Chair, Audit Committee



# GOVERNANCE

#### **Board oversight**

The Board of Goodman Property Services (NZ) Limited has ultimate responsibility for the performance of GMT, governing its business operations and strategic direction. This oversight includes ensuring that all commercial activities are aligned with the sustainability objectives and climate-related targets contained in its three-year strategic plan.

The Board considered and approved the current threeyear strategic plan in March 2025. This process included a review of the business's transition plan and previously identified climate-related risks and opportunities. The transition plan presented on page 70 summarises the strategic response to these risks and opportunities, and the new FY30 emission reduction targets that have been adopted.

Sustainability is a permanent agenda item at each quarterly Board meeting, where Directors review progress towards established targets and approve new climaterelated initiatives. Climate risk assessments are also a requirement of new investment approvals.

Our Directors have a complementary set of skills, with sustainability one of the core competencies represented on the Board. Specialist external advice and ongoing training helps ensure Directors are well-informed on developments in climate science and climate governance.

**GOVERNANCE HIERARCHY** 

The composition of the Board is unchanged from last year, with director biographies presented on page 30. Directors' climate specific skills were outlined on page 27 of the 2024 Sustainability Report, which can be found at gmtcrd24.co.nz.

#### The role of Management

The executive management group, led by the Chief Executive Officer, is responsible for delivering a business strategy that includes the goal of becoming a sustainable, resilient, and low-carbon real estate provider.

The Chief Financial Officer, as Head of Sustainability, oversees the sustainability programme, including climate reporting and initiatives to enhance environmental performance and resilience, primarily by reducing upfront embodied carbon emissions and in use carbon emissions.

The Head of Environmental Sustainability, one of four dedicated sustainability roles, reports directly to the Head of Sustainability.

The sustainability programme spans all business operations, with a Sustainability Committee of senior personnel meeting quarterly to discuss trends, monitor progress, review initiatives, and consider new projects. Chaired by the Head of Sustainability, the committee directs actions to manage climate risks and achieve carbon reduction goals.

# **RISK MANAGEMENT**

#### Identifying, assessing, and managing climate-related risks

Goodman has adopted a risk management framework that considers climate, compliance, financial, health and safety, operational, people, regulatory, strategic and other risks. Established processes govern the identification, assessment and management of these enterprise risks.

Following Aotearoa New Zealand Climate Standards, climate-related risks are evaluated under three climate scenarios and time horizons. The process to establish the detailed climate-related risks and opportunities disclosed on page 67 was fully described on page 28 of the 2024 Sustainability Report.

Our adopted climate scenarios will be reviewed periodically, to reflect changes in underlying climate models.

The climate risks that were identified in FY24 are reviewed in response to significant operational, strategic, or regulatory changes. These can be found on page 31 in the 2024 Sustainability Report at <u>gmtcrd24.co.nz</u>. Recent assessments by management concluded there is no material change to previously identified risks. These assessments encompass both physical and transition risks.

Aon Global Risk Consultants conducted the physical risk assessment, which included a comprehensive review of the entire value chain, from upstream development to internal operations and downstream customer activities.

#### **RISK MANAGEMENT MATRIX**





#### Integrating climate-related risks into risk management

A detailed risk register, maintained by management, forms the foundation of the business's risk management framework.

Quarterly reviews and a comprehensive annual risk assessment process, evaluate changes to the business or operating environment, assessing existing risks and identifying new ones.

These assessments include consideration of the impact and likelihood of each material risk, and the agreed mitigation approach. The outcome of the annual risk assessment process is presented to the Board for approval.

Environmental sustainability and climate change are among the areas of significant risk previously identified. Business planning incorporates strategies to manage and mitigate these risks, such as setting carbon reduction targets and achieving a minimum 5 Green Star certification for new developments.

Climate impacts on new investments are assessed during due diligence, with the Board considering these factors when approving new property acquisitions or development initiatives.

Reflecting the average lease term within the portfolio, and detailed business budgeting timeframes.

Consistent with longer-term business planning, capital expenditure projects and re-development plans.

A future time horizon that represents the economic lifespan of GMT's industrial portfolio.

Climate-related Disclosures (continued)

This section describes the climate scenario analysis undertaken by Goodman, the key climate-related risks and opportunities including anticipated business impacts and how this has influenced Goodman's transition plan for a low-emissions, climate-resilient future.

Goodman's business strategy is focused on the delivery of sustainable property solutions for its customers. Exclusively investing in the Auckland industrial market, our warehouse and logistics facilities provide these businesses with well-located and operationally efficient facilities that provide critical supply chain infrastructure for the New Zealand economy.

Goodman has been monitoring and disclosing its corporate emissions since 2006, these disclosures have been extended over the last two years to include a comprehensive assessment of all Scope 3 emissions.

The potential impacts of climate change are far-reaching, with current behaviours and actions expected to have significant consequences on the future operating environment. The three climate scenarios that have been adopted reflect a range of outcomes, aiding in the understanding of specific risks and opportunities the business may encounter over short-, medium-, and longterm time horizons.

The business's current strategic plan incorporates the objectives of the transition plan presented on page 70. These objectives focus on mitigating climate change impacts, including reducing the intensity of upfront embodied carbon and in-use carbon emissions, and adapting the business to support the climate goals of its customers.

New emissions reduction targets have been set for FY30 Toitū Envirocare has independently verified that these new commitments align with SBTi's criteria for limiting global warming to no more than 1.5°C.

#### Selecting climate scenarios

The three climate scenarios established by the NZGBC for the Construction and Property Sector were adopted in 2024. While there have been no revisions to these scenarios over the past 12 months, they continue to represent the most appropriate framework for New Zealand-based real estate investment entities such as Goodman. We acknowledge that climate science is evolving and remain alert to new developments that may shape future scenarios.

The current scenarios are fully described in the NZGBC Climate Scenarios for the Construction and Property Sector. Please review the full report to understand the assumptions and limitations underpinning these scenarios. https://nzgbc.org.nz/research-and-reports

The climate scenarios we have adopted are not intended to be predictive, or to identify the 'most likely' outcomes of climate change. They are intended to provide a picture of multiple challenging, plausible future states that allow us to better understand and prepare for the uncertain future impacts of climate change.



#### **CLIMATE SCENARIO SUMMARIES**

#### **SCENARIO 1** ORDERIN

NGFS:

Policy react

Policy amb

Average se

Mean temp

Number of

# SCENARIO 2

ion

and

nange

seve

level

erature

nsity

hot day

ʻNe	t Zero 2050'	NGFS:
on: Immed	liate/smooth	Policy rea
on:	1.5°C	Policy aml
ind ange:	Fast	Technolog behaviour
severity:	Moderate	Physical ri
evels:	+0.39m	Average s
ature:	+1.4°C	Mean tem
sity:	+6%	Rainfall int
ot days:	+40%	Number o

#### Timely policy change prompts organisations to quickly adopt carbon reduction strategies.

In the short to medium-term the shadow cost of carbon rises, driving demand for low carbon building materials. These materials are in short supply. Building costs rise.

Behavioural change and energy caps see demand for more energy efficient buildings. A shortage of energy efficient space drives demand for assets with on-site electricity generation and low carbon technologies, like those found in Green Star rated properties.

The scale of retrofit activities is significant with building upgrades for energy efficiency supporting occupier emissions reduction targets in the short-term. Technology changes quickly and lower carbon materials become more cost and time effective in the medium-term.

The grid becomes fully renewable in the medium-term and buildings become more energy efficient as occupiers and property owners play their part in achieving a Net Zero 2050 outcome.

Around 2030 there are a series of abrupt and stringent decarbonisation policies. The electricity sector is unprepared for the rapid demand for electrification. Assets with onsite generation surge in demand while New Zealand experiences frequent blackouts and electricity price fluctuations in the mediumterm.

The rapid increase in demand for lower carbon materials sees significant disruption for the sector with competition for materials and expertise leading to significant price escalations.

Early movers get the opportunity to access these materials and subject matter experts before others in the sector.



Delayed
<2.0°C
Slow/fast
Moderate
+0.60m
+1.8°C
+6%
+40%

#### **SCENARIO 3** HOT HOUSE WORLD

Policies'
None
>3.0°C
Slow
Extreme
+1.08m
+3.6°C
+26.1%
+300%

No policies are introduced to curb emissions. Regulatory change is slow with a focus on adaptation and managing climate driven immigration/ refugees.

There is limited innovation around lower carbon materials and technologies due to low demand.

Building codes become more stringent as they look to address the physical impacts of climate change with more frequent storm events, heatwaves, floods and heavier rainfall. Assets that are unable to meet the new codes risk becoming stranded.

Mandates are introduced to conserve energy for critical functions as infrastructure is damaged by climate change. Demand for buildings resilient to direct climate-related physical events and electrical network failures increases.

A breakdown in social cohesion occurs with heat stress, mental health impacts and food insecurity from climate change prompting a retreat from Auckland and other cities.

# DELIVERING CLIMATE RESILIENT PROPERTIES IS ONLY MADE POSSIBLE WITH SUSTAINABLE BUILDING DESIGN ----- LIKE OURS

Natasha Artus, Assistant Project Manager, and Connor Morley, Aspec Construction Reviewing progress of the overland flow path during construction at Roma Road Estate.

# **CLIMATE-RELATED RISKS AND OPPORTUNITIES**

Following a comprehensive assessment process, we have identified six risks and five opportunities across seven climate-related impacts as material to GMT's long-term success. These were first reported in our 2024 Climate-related Disclosures. These were assessed by the Board to be unchanged in our FY25 Strategic Plan. Aon Global Risk Consultants assessed there to be no material change to the portfolio's physical risks.

The following table presents the expected impact areas against the corresponding risks and opportunities.

#### Current year Financial Impact

 $Management\ assessed\ the\ FY25\ impacts\ for\ each\ of\ these\ climate-related\ risks\ and\ opportunities\ and\ found\ no\ material\ financial\ impact.$ 

		Opportunities	Impact	Strategy	Risks	Impact
Physical	EXTREME WEATHER	Not material		Asset selection and adaptation	Pluvial flooding and increasing temperatures	↑ Capex
Transition	CUSTOMER PREFERENCES	Collaborating with customers to reduce their operational carbon	<ul><li>↓ Opex</li><li>↑ Rental income</li></ul>	Energy efficiency upgrade programme	Properties not suited to customers' sustainability targets	↓ Rental income
Transition	STRANDED ASSETS	Purchasing and redeveloping stranded properties	↑ Revenue from new assets	Adapt at risk assets	Policy change affects leasability of non-compliant properties	↑ Capex
Transition	COST OF INSURANCE	Lower insurance cost for assets with lower physical risks	<ul><li>↓ Opex</li><li>↑ Rental income</li></ul>	Adapt at risk assets	Insurers apply more scrutiny following climate- related losses	↑ Insurance premiums
Transition	COST OF CAPITAL	Increase investment case in GMT	↓ Funding costs	Develop and implement sustainability strategy	Failure to meet ESG expectations and climate standards	↑ Funding costs
Transition	ENERGY	Provide energy efficient and grid resilient properties	<ul> <li>↑ Leasability</li> <li>↑ Rental income</li> </ul>	Solar upgrade programme	Not material	
Transition	COST OF DEVELOPMENT	Not material		Supplier engagement	Construction sector slow to decarbonise / supply chain disruption	↑ Cost of carbon, material & labour

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Our process for establishing GMT's seven most material climate-related impacts is set out in the 2024 Climate-related Disclosures along with detail on how they relate to our environmental sustainability objectives.

Where considered material, the table below shows the risk or opportunity type (e.g. Transition - Market), the impacted scenario and timeframe (e.g. Orderly, Short term), the scope of the impact (e.g. Whole portfolio) and the primary impact assessment. The table also shows the strategy we have adopted to realise these opportunities and mitigate these risks.

	Opportunities	Strategy	Risks
EXTREME WEATHER	We do not consider opportunities arising from more extreme weather to be material to GMT.	+ Enhance asset resilience through adaptation, landscaping practices and updated development specifications.	Physical Risk – Acute/Chronic Hothouse (Long-term). Few susceptible assets.
		<ul> <li>+ Plan redevelopment for high-risk buildings.</li> <li>+ Focus on expanding resilient locations through intensified development.</li> <li>+ Assess and mitigate physical risks in new investments while implementing proactive maintenance plans and supporting infrastructure to prevent future damage.</li> <li>+ Monitor planning and infrastructure changes across regions of interest.</li> </ul>	New Zealand's climate is evolving, with more extreme weather patterns expected, including hotter days, fewer frost days, and more intense rainfall. Coastal areas will face rising sea levels, heightening the risk of flooding and storm damage. As these climate challenges intensify, GMT's assets in vulnerable locations will be increasingly exposed to operational disruptions and physical damage requiring more capital expenditure.
CUSTOMER PREFERENCES	Transition – Market Disorderly (Short term). Hothouse (Short & Medium term) core portfolio & development. Eight of GMT's ten largest customers have public carbon reduction targets, with more expected to follow. As supply of sustainable properties continues to lag, leading occupiers are expected to favour energy-efficient, climate- resilient properties. Investing in these assets supports customers in meeting their carbon goals and underpins stronger rental growth.	<ul> <li>Partner with customers to cut emissions using submetering data.</li> <li>Deliver energy-efficient, Green Star-certified or equivalent spaces and introduce green leases.</li> <li>Support customer demand for on-site solar.</li> <li>Future-proof assets with EV infrastructure.</li> </ul>	Transition - Market Orderly (Short term). Disorderly (Medium term). Whole portfolio. Shifting consumption and global trade patterns may also reduce logistics demand. These factors risk suppressing rental growth.
STRANDED ASSETS	Transition - Market / Resilience Hothouse (Long-term). Value-add assets. An increasing mismatch between outdated building stock and evolving occupier needs is emerging. This dynamic may drive rent repricing and open opportunities for GMT to reposition, acquire, and redevelop assets - unlocking new revenue and strengthening the portfolio.	<ul> <li>+ Enhance development and maintenance strategies to withstand extreme weather and safeguard assets from physical climate risks.</li> <li>+ Embed both physical and transitional consideration into all investment decisions.</li> <li>+ Design and invest in resource- flexible buildings that support adaptive reuse at the end of their economic life.</li> <li>+ Prepare assets for electrification, including scalable EV infrastructure.</li> <li>+ Reduce reliance on external utilities through efficient systems.</li> </ul>	Transition - Market/Regulatory Hothouse (Long-term). All properties. Climate change may render some buildings obsolete or too expensive to upgrade. Not adapting our base build and building upgrade works to meet sustainability and resilience standards; could greatly reduce demand and lead to stranded assets.



economic life.

and address both
al and transition risks in
estments.

+ Enhance existing assets and development specifications to improve resilience against the growing frequency and severity of extreme weather events.

+ Leverage our Sustainable Finance Framework to fund sustainable property initiatives.

- + Develop energy-efficient, highquality workplaces targeting Green Star certification.
- + Incorporate site-specific nature and biodiversity targets into project planning.

+ Create energy-efficient, Green Star-certified workplaces.

- + Tailor solar installations to meet customer energy needs.
- + Prepare assets for electrification, including EV charging

#### Risks

#### Transition - Market

#### Hothouse (Long-term). All properties.

The growing frequency and intensity of extreme weather events linked to climate change are expected to significantly impact the insurance and reinsurance sectors. This may drive up premiums across the board, even for low-risk assets, while high-risk assets could face steep premium hikes or difficulty securing coverage.

#### Transition - Reputation

#### Orderly (Short/Medium/Long-term). Disorderly (Medium/Long-term). Whole portfolio.

ESG performance is increasingly integral to investor decisionmaking, influencing WACC and target price. As energy and carbon regulations tighten, failure to keep pace may directly impact GMT's access to competitively priced funding.

While there are energyrelated risks to our customers operations, we do not consider these to be a material risk to GMT.

+ Collaborate with the construction sector to identify, test, and adopt lower-carbon alternatives to traditional building materials through GMT's Embodied Carbon Innovation Fund.

opportunities by conserving, reusing, and recycling materials, and exploring circular economy solutions in value-add properties before deconstruction.

+ Invest in resource-flexible buildings designed for easy repurposing at the end of their

#### Transition - Market

#### Orderly (Short/Medium-term). Disorderly (Medium-term). Developments.

The construction sector faces challenges in rapidly decarbonising. As climate-resilient materials and designs emerge to meet stricter regulations, limited supply will drive up material and labour costs.

# **TRANSITION PLAN**

Goodman's first emission reduction plan in FY21 set out a clear pathway for lowering corporate emissions to meet a 19.4% reduction target by FY25. This target was revised to 21.5% in FY23, by FY25 we have delivered a reduction of 41.4% through a number of targeted projects.

With corporate emissions making up less than 2% of total emissions our focus has widened to include the entire value chain. This includes the upfront embodied carbon within development projects and the operational emissions of the buildings within the portfolio.

In 2025 the Board set new Scope 3 emission reduction targets, covering around 80% of GMT's greenhouse gas inventory.

The climate transition plan below summarises our strategic response to the preceding climate risks. It is grouped into four categories, Corporate Activity, Building Materials, Customer Footprints, Climate Resilience.

# **METRICS & TARGETS**



	Corporate Activity	Building Materials	Customer Footprints	Climate Resilience
AIM	Reduce emissions within Goodman's direct control.	Use materials and construction techniques focused on reducing upfront embodied carbon.	Support the reduction of customers' carbon and other footprints.	Decarbonise, adapt assets, and mitigate risks to be resilient to the impacts of climate change.
SIGNIFICANCE	The most significant corporate emission sources have been diesel, electricity, staff commuting and refrigerant loss, accounting for over 80%.	Embodied carbon from our developments accounted for 64% of our total emissions in FY25.	Our customers operational energy use accounted for 16% of total FY25 emissions.	3.2% of GMT's assets by rental income have been assessed to be at risk to moderate or high potential for damage from extreme weather events.
STRATEGY	Reduce fugitive emissions by renewing older HVAC systems. Reduce the use of fossil fuels through renewable energy and electrification of company transport.	Measure embodied carbon for all developments. Specify lower GWP materials and minimise waste to landfill.	Measure in-use emissions. Create energy efficient workplaces with more advanced lighting, electrical submetering and on-site solar.	Invest in low risk locations. Mitigate and adapt climate risks. Adapt at risk assets.
TARGETS	Reduce corporate emissions by 43% by FY30 from a base year of FY20.	Reduce upfront embodied emissions intensity by 30% by FY30 from a base year of FY25.	Reduce in-use emissions intensity by 31% by FY30 using a market-based approach. Reduce warehouse in-use emissions intensity by 21% by 2030 using a location-based approach.	Minimise number of at risk assets.
EXECUTION	Refrigerant replacement programme now 96% complete. Electrification of vehicle fleet and employee incentive scheme has resulted in 40% of staff driving EVs.	GWP targets have been added to build specification. Completions in FY25 averaged 27.0% lower GWP than reference buildings. Reuse brownfield demolition materials.	Energy benchmarking commenced for core assets. Collaborate with customers to understand and reduce footprint. Upgrade or redevelop buildings to improve energy efficiency.	Complete physical climate risk assessments on each new investment. Adapt or redevelop assets that are at risk.
CAPITAL DEPLOYMENT	We have spent \$4.5m in FY23-25 replacing older refrigerant systems with lower GWP refrigerant. Rebates totalling \$285,000 have been issued to staff through the EV incentive scheme.	Establishment of an Embodied Carbon Innovation Fund, using an internal cost of carbon to fund trials of early-stage techniques and materials.	A four year \$25+ million building upgrade programme to retrofit our core portfolio. Investment in Green Star development programme of \$409m since 2021.	Budgeting for risk assessments on acquisitions. Redevelop brownfield sites that are at risk.
CHALLENGES	Lower GWP HVAC systems still produce fugitive emissions. The technology to eliminate fugitive emissions is still in its early stages.	Heavily reliant on the advancement, availability and lower cost of supply chain technologies, specifically around concrete and steel.	Occupier operations are outside of our control. Will rely on collaborating with customers around the use of smart building features.	Adaptation reliant on the viability of redevelopment of at risk sites.

We have published policies for these sustainability objectives at https://nz.goodman.com/about-goodman/corporate-governance

<sup>1</sup> Warehousing assets excludes users classified as data centers, cold storage, manufacturing, retail, office, cafeteria and parking.

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A summary of Goodman's FY25 greenhouse gas (GHG) emissions is presented below, together with FY30 emission reduction targets.

#### CORPORATE EMISSIONS

# 654.4 tCO<sub>2</sub>e

#### Direct and indirect emissions — Scope 1, 2 and 3

- + Fuel, fugitive refrigerants
- + Purchased electricity
- + Waste generated in operations

- + Couriers
- + Employee commuting
- + Transmission and distribution losses

- + 43% reduction against a 2020 base year
- INDIRECT EMISSIONS

# 6.247.7 tCO<sub>2</sub>e

- Downstream emissions Scope 3
- + Customer energy consumption + Public EV charging

- 31% intensity reduction against
- a FY25 base year using a
- market-based approach
- + Warehousing assets<sup>1</sup>: 21% intensity reduction against a FY25 base year using a location-based approach

#### INDIRECT EMISSIONS

# **U**/0 31,419.7 tCO<sub>2</sub>e

- Upstream emissions Scope 3
- + Purchased goods and services
- + Capital expenditure on portfolio
- + Upfront embodied carbon on developments

+ 30% intensity reduction against a FY25 base year

# **FULL GREENHOUSE GAS EMISSION INVENTORY**

Below is our complete FY25 inventory, covering our Scope 1, Scope 2, and Scope 3 greenhouse gas emissions. Where available, the data includes comparisons to both the prior year and our FY20 base year. The FY25 emissions figures have been assured by PwC<sup>1</sup>.

Additional details on Goodman's calculation approach, organisational boundary and consolidation approach, base year and restatements, assurance report and assumptions and methodologies can be found in the 'Measuring our Emissions' section on page 83.

ede	porate ssions				Absolute tCO <sub>2</sub> e	
Sco	Cor emi	Scope 1 and 2 emissions	-	FY25	FY24	FY20
1		Direct emissions	Includes stationary diesel, refrigerants	192.3	255.0	482.0 <sup>2</sup>
2	$\leq$	Purchased electricity	Location-based method	164.5	159.2	199.2
2	$\leq$	Purchased electricity	Market-based method	0.0	2.4	n/a
		Total Scope 1 & 2 (location-b	ased) emissions	356.7	414.2	681.2
		Total Scope 1 & 2 (market-ba	sed) emissions	192.3	257.4	n/a
Cat		Scope 3 emissions				
1		Purchased goods and services	Operating expenses across the stabilised portfolio	1,498.8	1,236.7	n/a
2		Capital goods (stabilised)	Capital expenditure across the stabilised portfolio	5,350.9	5,882.7	n/a
3		Transmission and distribution losses		9.5	18.4	n/a
4	$\leq$	Freight transport agencies	Couriers	0.3	n/a	n/a
5	$\leq$	Waste generated in operations		72.7	33.9	40.6
6	$\leq$	Business travel	Includes flights, taxis, rideshares	57.2	67.9	181.9 <sup>2</sup>
7	$\leq$	Employee commuting	Includes working from home	158.0	104.3	212.3 <sup>3</sup>
11		Use of sold products	Public EV charging on Goodman owned chargers	32.4	22.6	n/a
13		Downstream leased assets	Customer consumption across GMT's stabilised portfolio	6,215.3	6,104.2	n/a
		Total Scope 3 emissions excl embodied carbon on develop	uding upfront ments	13,395.1	13,470.7	n/a
2		Capital goods (developments)	Upfront embodied carbon for development completions	24,570.0	26,436.84	n/a
		Total Scope 3 emissions		37,965.1	39,907.6	n/a
		Total emissions (location-bas	ed)	38,321.8	40,321.8	n/a
		Total corporate emissions (lo	cation-based)	654.4	638.7	1,116.0
		Total corporate emissions (m	arket-based)	490.0	481.9	n/a

<sup>1</sup> PwC has provided limited assurance over the FY25 total scope 1, scope 2 (location-based), scope 2 (market-based) and scope 3 emissions. The PwC assurance report is on page 90.

- <sup>2</sup> Employee vehicle travel emissions were reclassified from Scope 1 to Scope 3 (Category 6) this year, adding 114 tCO<sub>2</sub>e to Scope 3 and reducing Scope 1 accordingly. More details on this can be found on page 83.
- <sup>3</sup> Employee commuting emissions in FY20 were added to Scope 3 (Category 7) in FY25, increasing the base year total by 212.3 tCO<sub>2</sub>e. Work-from-home emissions were assessed as immaterial in FY20 and excluded. More details on this can be found on page 83.
- <sup>4</sup> Development capital goods have been restated for FY24 due to the to the finalisation of documents. In FY24 we reported 26,067.8 tCO<sub>2</sub>e, this figure has been increased by 369 tCO<sub>2</sub>e to 26,436.8 tCO<sub>2</sub>e this year. More details on this can be found on page 83.

#### INVENTORY OVERVIEW

#### Embodied carbon, Scope 3 Category 2

Embodied carbon is the largest contributor to our emissions profile, representing 64% of our GHG inventory. It refers to the greenhouse gas emissions generated with the extraction, production and transport of materials used during construction.

We use Life Cycle Assessments (LCAs) for each development to measure this upfront carbon and assess the emissions intensity of core building materials. Concrete and steel are the most carbon-intensive, together contributing 87% of total embodied carbon in FY25.

Embodied carbon emissions will vary from year to year, depending on the volume, type, and timing of development completions.

#### EV25 SCODE 2 CATEGODV 12 SLIMMADV

	Tota	d			Intensity			
	Area (sqm) <sup>1</sup>	tCO <sub>2</sub> e	% CO <sub>2</sub> e	% NLA	kgCO <sub>2</sub> e/sqm			
Warehousing	916,829	2,896	46.6%	75.8%	3.2			
Manufacturing	202,638	1,952	31.4%	16.7%	9.6			
High intensity <sup>2</sup>	26,575	980	15.8%	2.2%	36.9			
Office	36,208	286	4.6%	3.0%	7.9			
Other	28,262	101	1.6%	2.3%	3.6			
Total	1,210,512	6,215			5.1			
Total (market-based) <sup>3</sup>	1,210,512	6,292			5.2			

<sup>1</sup> This figure differs from GMT's reported NLA as it reflects only leased space. It also includes Great South Road Estate which is excluded from NLA due to the ground lease nature of the improvements.

<sup>2</sup> Includes data centre and cool store uses.

<sup>3</sup> PwC have not provided assurance over Scope 3 Category 13 market-based emissions.

#### Market-based vs. location-based methodologies

- + Following GHG Protocol Guidance, Scope 2 electricity emissions results shown using both the location-based method and market-based method; this is known as dual reporting.
- + Goodman consumed 2,261 MWh of electricity in FY25. Through its purchase of Emission Adjustment Certificates (EACs) from Meridian Energy's Certified Renewable Energy product, it is able to utilise an emission factor of zero, as EACs reflect electricity sourced from renewable sources. According to this market-based method, electricity emissions totalled zero. Alternatively, using the location-based method (grid average emissions factor) emissions are 164.5 tCO<sub>2</sub>e.

#### In-use emissions, Scope 3 Category 13

In-use emissions are our second-largest source of emissions, generated from electricity and gas consumed by customers in leased spaces outside our operational control. These emissions vary depending on customer activity and operating hours.

In FY25, 61% of in-use emissions data were sourced from utility bills and submeter readings. Where direct data was unavailable, estimates were derived using benchmarks from the New Zealand Green Building Council (NZGBC) or data from U.S. commercial building surveys. Further detail on this methodology can be found on page 88.

The following table summarises in-use emissions by property type:

#### Emissions intensity and trends

Emissions intensity is shown using denominators that reflect the net lettable area (NLA) and revenue of our properties. For developments' upfront embodied carbon (Scope 3 Category 2) from completed developments, we use NLA and rental income from those development completions. For all other intensity metrics we use NLA and rental income from the total portfolio.

#### EMISSIONS INTENSITY BY SCOPE

	kgCO <sub>2</sub> e per sqm NLA			tCO <sub>2</sub> e per \$m rental income		
	FY25	FY24	FY20	FY25	FY24	FY20
Scope 1	0.16	0.22	0.46	0.8	1.3	3.3
Scope 2	0.14	0.14	0.19	0.7	0.8	1.4
Scope 3	31.39	34.63	n/a	164.7	196.5	n/a
Total emissions	31.68	34.98	n/a	166.3	198.6	n/a
Total emissions excluding embodied	11.07	11.69	n/a	58.1	66.3	n/a

#### KEY EMISSIONS INTENSITY METRICS

Corporate emissions	0.54	0.55	1.05	2.8	3.1	7.7
Embodied emissions, Scope 3 cat 2	489	428	n/a	2,392	2,188	n/a
In use emissions, Scope 3 cat 13						
Whole portfolio, location-based	5.1	5.3	n/a	27.0	30.1	n/a
Warehousing, location-based	3.2	3.4	n/a	n/a	n/a	n/a
Whole portfolio, market-based	5.2	n/a	n/a	n/a	n/a	n/a

#### BASIS FOR CALCULATING INTENSITY

	NLA (sqm)			Rental income (\$m)		
	FY25	FY24	FY20	FY25	FY24	FY20
Total portfolio	1,209,581	1,152,546	1,059,263	230.5	203.1	145.3
Development completions	50,286	61,737	n/a	10.3	12.1	n/a

#### EMISSIONS TRENDS AND DRIVERS

Scope 1	60.1% below FY20 base year on an absolute basis. Subject to fluctuation due to timing of refrigerant leaks and use of diesel generators. The trend downwards has principally been due to replacement of higher GWP HVAC systems and fleet electrification.
Scope 2	17.4% below FY20 base year on an absolute basis. The reduction is attributed to solar installations on office assets' common areas and lower emission factors for purchased energy due to a higher percentage of renewable generation in New Zealand's power grid.
Scope 3	Subject to fluctuation due to volume and timing of development completions and reporting of their embodied carbon. The 4.9% reduction in absolute emissions from FY24 was due to lower development volumes. An increase in intensity was due to the typology of the buildings completing in FY25.
Total emissions	Combination of the above – most influenced by Scope 3 emissions which make up 99.1% of total emissions. Intensity (over NLA) was 9.4% lower than FY24 due to lower embodied carbon from fewer development completions.
Total emissions excluding embodied	Likely to be most influenced by customers' in use emissions and portfolio capex and opex. The reduction in FY25 from FY24 was mostly due to lower capex in the period.

# **CORPORATE EMISSIONS TARGETS**

#### CORPORATE EMISSIONS (ABSOLUTE)

#### Targets



REDUCE BY 43% by FY30

The target is to reduce corporate emissions by 21.5% by the end of FY25, and by 43% by FY30.

#### Coverage

Scope 1, Scope 2, Scope 3 Categories 3, 4, 5, 6, and 7 – 1.7% of all GHG emissions for FY25.

#### Progress

In FY25, Goodman achieved a 41.4% reduction in corporate emissions from its FY20 base year, resulting in total gross emissions of 654.4 tCO<sub>2</sub>e. This achievement surpasses our interim target of a 21.5% reduction by FY25 and aligns with our goal of limiting global warming to 1.5°C.



As part of our commitment to reducing corporate emissions, we have obtained Toitū net carbonzero certification for FY25. This certification provides independent assurance that our emissions have been accurately measured and verified in accordance with the ISO 14064-1:2018 standard. These emissions have been matched with a combination of locally sourced carbon credits for residual Scope 1 and 3 emissions, and market-based renewable energy certificates (RECs) from Meridian to cover Scope 2 electricity use.

#### Approach

We are continuing to reduce corporate emissions through targeted operational improvements. Our vehicle fleet is fully electric, and we're continuing support for our employee EV incentive programme, which has resulted in 40% of staff driving electric vehicles. We are actively phasing out R22 refrigerants in our HVAC systems and replacing them with alternatives that have a lower GWP. This transition is being supported by regular system upgrades, to minimise refrigerant leakages. To support low-carbon commuting, our office buildings are equipped with showers and bike storage for employees who walk or cycle to work.

 Public amenity, Highbrook Business Park

 Waking and cycling paths, urban ngahere, and public<br/>spaces provide recreational opportunities for the people<br/>working at Highbrook as well as the wider community.

# **NEW SCIENCE-ALIGNED TARGETS**

The Board has set the following near-term science-aligned reduction targets for GMT's Scope 3 emissions. Our absolute emissions may increase as a result of increasing development activity or a growing property portfolio. We have adopted targets that focus on reducing the intensity of our emissions. Toitū has provided an independent review confirming that these targets have been set using the SBTi's Building Sector Science-Based Target Setting Criteria. Our targets do not rely on offsets, except for our market-based approach target, as explained below.

Quarterly Board reporting includes progress updates against these emission reduction targets.

#### EMBODIED EMISSIONS INTENSITY

#### Target

**REDUCE BY** 



The target includes reducing the upfront embodied GHG emissions intensity of new building developments by 30.4% by FY30, from a base year of FY25.

#### **Coverage and Baseline**

Scope 3 Category 2 – Capital goods (developments) – 64.1% of all GHG emissions for FY25.

FY25 baseline intensity: 489.1 kgCO<sub>2</sub>e per sqm.

#### Approach

Achieving this target is heavily reliant on the advancement, availability and reduced cost of lower carbon products from our supply chain. Concrete and steel made up 87% of our embodied emissions for FY25. We are encouraged by the progress being made by suppliers to reduce embodied carbon in these materials. We are specifying lower GWP materials in our procurement for new development projects.

The establishment of an Embodied Carbon Innovation Fund aims to accelerate the adoption of innovative materials and techniques designed to lower upfront embodied carbon.



#### What is a Science-aligned target?

These targets have been established using SBTi's Building Sector guidance and target-setting criteria and are required to cover a minimum 67% of Scope 3 emissions. Targets can relate to absolute emissions or the intensity of emissions. Our targets focus on intensity and the parts of our value chain where we have influence. The targeted reductions reflect the latest climate science and are consistent with SBTi's ambition to limit global warming to 1.5°C above pre-industrial levels. The targets have been peer-reviewed by Toitū and have not been validated by SBTi.

#### IN-USE EMISSIONS INTENSITY

#### Target

30.5%

by FY30 using a market-based approach

The target is to reduce in-use operational GHG emissions intensity for the leased building portfolio by 30.5% by the end of FY30, from a base year of FY25 and applying a market-based approach.

#### **Coverage and Baseline**

Scope 3 Category 13 – Downstream leased assets (whole portfolio) – 16.2% of all GHG emissions for FY25.

FY25 baseline intensity: 5.2 kgCO<sub>2</sub>e per sqm. This is equivalent to 71.3 kWh per sqm (electricity).

#### Approach

Achieving this target is reliant on collaboration with our customers and understanding their energy use profiles. We are supporting our customers to reduce emissions through a range of targeted upgrade programmes.

The ongoing transition of our core portfolio to LED lighting continues to deliver energy savings for our customers. Our submetering programme is enhancing visibility of energy use, enabling more efficient operations. In addition, our support for customer driven solar arrays and commitment to a minimum 5 Green Star rating for all new developments ensure our properties are energy-efficient, sustainable, and built to the highest standards.

The biggest risk to achieving these in use emissions targets is from more energy intensive uses in our buildings. This may result from increasing levels of automation or from more space used for data centres, manufacturing or cold storage.

#### Target

REDUCE FOR WAREHOUSING BY

20.6% by FY30 using a location-based approach

The target is to reduce in-use GHG emissions intensity for the leased warehouse portfolio by 20.6% by the end of FY30, from a base year of FY25 and applying a location-based approach.

#### **Coverage and Baseline**

Scope 3 Category 13 – Downstream leased assets (warehouse portfolio) – 7.6% of all GHG emissions for FY25. 46.6% of all Scope 3 Category 13. 75.7% of whole property portfolio area.

FY25 baseline intensity: 3.2 kgCO<sub>2</sub>e per sqm. This is to equivalent 43.9 kWh per sqm (electricity).

#### Approach

As outlined previously, upgrading to LED lighting, installing submetering, supporting solar, and committing to 5 Green Star ratings are key initiatives in helping our customers reduce emissions and build more resilient operations.

#### Why location-based and market-based?

The location-based approach has been chosen for warehousing assets as energy intensity in these buildings is more influenced by the landlord's specification for fittings such as lighting and HVAC.

For higher energy intensity uses, like manufacturing, cool stores and data centres, a building's fittings have significantly less influence on energy intensity. Meaningful emissions reduction for these buildings will require contracted renewable energy agreements (recognised using the market-based approach).

#### Capital deployment

In FY25, we invested in projects addressing climate risks and opportunities, focusing on energy efficiency, carbon reduction, and climate resilience. The table below outlines our progress and capital allocation, which align with our transition plan to capture climate-related opportunities and manage associated risks. Total capital deployment in FY24 was \$167.8 million, decreasing to \$52.8 million total in FY25 due to fewer development projects.

Target	FY25 progress	FY25 spend	Alignment with transition plan
Minimum 5 Green Star rating targeted for all new developments	Three development projects completed in FY25 – all achieved at least a 5 Green Star design rating.	\$46.0m	This spend promotes low-carbon construction methods and delivers high quality developments that are better equipped to withstand climate-related risks.
Reduction in upfront embodied carbon of 10% to 20% for new developments compared to similar reference building	Independently assessed by Beca, developments completing in FY25 achieved an embodied carbon reduction against reference buildings of at least 21.1% and an average across all three projects of 27.0%.	Included in construction costs above	This aligns with the use of lower GWP materials and promotes innovation in construction practices.
Replace 100% of R22 HVAC systems with lower GWP alternatives by end of 2025	Removal of higher-GWP HVAC systems reduces the risk of assets becoming stranded. Over 42 upgrades have completed, representing 96% of the renewal programme.	\$1.9m	This spend reduces the GWP associated with refrigerant leaks, which is currently a significant source of Goodman's corporate emissions.
Submetering for 100% of the core portfolio	The submetering programme helps customers measure energy use and identify opportunities for emission reduction. Including completed developments, over 424,000 sqm of space now has submetering installed, equating to 42% of the core portfolio.	\$2.8m	This helps customers measure energy use and identify opportunities for emission reduction.
LED lighting for 100% of core portfolio by end of 2025	By ensuring that the core portfolio is more energy efficient, customers can reduce their operational emissions. 97% of the portfolio now features LED lighting, with 65 properties upgraded as of 31 March 2025.	\$4.5m	This expenditure improves energy efficiency across the core portfolio.
Solar installations total at least 2.0 MWp by end of 2025	Over 333,000 sqm of GMT's portfolio now benefit from over 2.7 MWp onsite renewable generation, ensuring reduced reliance on the grid and more energy resilience for customers.	\$0.3m	This initiative reduces reliance on grid electricity and enhances energy resilience.

# THE CHARGE WATER A MARKED AND

# DELIVERING DEVELOPMENTS REQUIRES DESIGN INNOVATION AND PROJECT — LIKE OURS

Phil Crampsie, Goodman Head of Projects and Rakesh Nauhria, Nauhria CEO Concrete with lower Global Warming Poten (GWP) is specified for all new developments. It has up to 25% less embodied carbon than standard gractice concrete.

litter

# **OTHER CLIMATE-RELATED METRICS**

#### **Climate-related risks**

We have undertaken an assessment of assets' vulnerability to physical and transitional risks, and the opportunities arising. A quantitative approach for physical risks, and a qualitative approach for transition risks and opportunities has been used.

#### Climate-related opportunities

The identification of climate-related risks for our business also highlighted corresponding opportunities to build a more resource efficient and resilient property portfolio, boost customer productivity and grow our business sustainably through green financing initiatives. These are all strategic objectives, that if achieved would make GMT a leader in sustainable warehouse and logistics property solutions.

By integrating sustainability features such as solar panels, electrical submetering, and LED lighting, and prioritising the reduction of embodied carbon through the use of lower-carbon materials and innovative building methods, Goodman continues to strengthen its commitment to climate-related opportunities across both new developments and existing assets.

Approximately 74% of the core portfolio has been upgraded with new LEDs, HVAC, electrical submetering and solar over the last four years. In addition, 12% of the core portfolio has achieved a minimum 5 Star Green Star certification.

#### Internal emissions price

Goodman has been purchasing and retiring carbon credits to match the upstream Scope 3 emissions attributable to our developments. The cost of these carbon credits has been incorporated into our project feasibility assessments, with the Board approving a budgeted amount calculated using an internal emissions price. This internal price, set at \$50 per tCO<sub>2</sub>e for the past four years, has been used to guide investment decisions and manage climate-related risks and opportunities.

The actual cost of the carbon credits that have been acquired on completion of development projects, once independent Life Cycle Assessments are finalised, may differ from the budgeted amount due to market movements. For the projects that have been finalised in FY25, the actual cost of the 23,656 carbon credits purchased<sup>1</sup> averaged A\$41.14 per tCO<sub>2</sub>e.

In 2025 the Board established a new Embodied Carbon Innovation Fund (ECIF). The ECIF uses an internal cost of carbon for all upfront embodied carbon from

Assets vulnerable	
to physical risks	

Motrio

Physical climate-risk assessment conducted by Aon Risk Consultants

Evaluation

Assets vulnerable to transitional risks

As analysed in the strategy section of this report (pages 64 – 70), Goodman faces one or more transition risks, identified in its risk assessment

developments, initially set at \$50 per tCO<sub>2</sub>e, to fund early stage materials and techniques that target lower upfront embodied carbon intensity over the longer term. The ECIF and associated internal cost of carbon replace the use of carbon credits for upfront embodied carbon from developments from FY26 onwards.

Developments that completed up to the end of FY25 will have their embodied carbon matched with high quality carbon credits when peer reviewed Life Cycle Assessments have been finalised.

Toitū net carbonzero certification includes a plan to reduce corporate emissions with Goodman purchasing and retiring carbon credits to match what remains. The cost of these New Zealand Permanent Forest Sink Initiative carbon credits in FY25 was \$97.62 per tCO<sub>2</sub>e.

#### Performance linked remuneration

Sustainability is one of our four core values as a business and an area of individual and collective responsibility. All 67 employees are assessed against these values as part of the annual performance review process. There are 15 individuals within the business (including five managers and executives) that have specific environmental sustainability responsibilities assigned to their roles. This is unchanged from FY24.

Delivering the annual business plan, which includes sustainability and climate linked targets, is the responsibility of the Chief Executive Officer and Chief Financial Officer.

Individual performance and the demonstration of Goodman values is considered in determining elements of the discretionary performance-based remuneration for our people. More details on remuneration can be found in the Remuneration Report on page 168.

<sup>1</sup> Credits were sourced from Tasman Environmental Markets. They included a combination of Australian Native Bush Regeneration (HIR) and New Zealand Forestry (NZU) credits.

Commentary Climate change is expected to increase hazard levels, with pluvis (rainfall-induced) flooding identified as the most prevalent physic risk to Goodman's portfolio. Under the most extreme scenario, Aon modelled four assets susceptible to damage impacts with 'moderate or high exposure'. These assets represent 3.8% of th portfolio by Net Lettable Area (NLA), unchanged from FY24. By income the exposure reduced from 3.6% in FY24 to 3.2% in FY

Among the risks identified, market and regulatory risks were the significant, influencing property investment choices, developmed processes, and portfolio and supply chain management. Valueassets are considered most at risk of becoming stranded due to these transitional risks. However, as developments have complet the proportion of value-add assets has decreased from 15.4% if FY24 to 14.5% of NLA this year.

#### Exclusions

Scope + Category	GHG Emissions Source	R
Included in other categories		
Scope 1 & 2	Development Related Gas & Energy Consumption	R - c
Scope 3 – Category 4	Upstream Transportation and Distribution	R - c
Scope 3 – Category 5	Development Waste	N re
Scope 3 – Category 8	Upstream Leased Assets	E
Excluded as not applicable to G	MT's business activities	
Scope 3 – Category 9	Downstream Transportation & Distribution	
Scope 3 – Category 10	Processing of Sold Products	
Scope 3 – Category 12	End of life treatment of Sold Prod	uc
Scope 3 – Category 14	Franchises	
Scope 3 – Category 15	Investments	
Excluded due to other reasons		
Scope 1	Leakage of Refrigerants - City Office	E H d
Scope 3 – Category 6	Hotel Stays	E
Scope 3 - Category 13	Tenant Waste	E

	Response
rial sical he y rental Y25.	To mitigate these risks, Goodman have implemented comprehensive building and income protection insurance, regular maintenance programmes, and plans for future resilient developments. These measures are part of a broader strategy to build long-term climate risk readiness.
e most ient -add co eted, in	Goodman will address these transition risks by implementing the transition plan and actions outlined on page 70. By prioritising the development of low-carbon, energy-efficient assets, we believe Goodman is well-positioned to manage the identified transition risks.

#### eason for Exclusion

Related to development activity contained within Scope 3 • Category 2 (Upfront embodied carbon for development completions).

Related to development activity contained within Scope 3 • Category 2 (Upfront embodied carbon for development completions).

lo demolition waste to landfill projects fell within the eporting period.

Electricity use contained within Scope 2.

ots

Excluded due to lack of operational control. Under the lease, HVAC systems are managed by the landlord, and refrigerant data is not accessible or reliable.

xcluded due to lack of available dataset.

xcluded due to unavailable and unreliable data.

# DELIVERING ESSENTIAL SUPPLY CHAIN INFRASTRUCTURE REQUIRES FACILITIES THAT CAN SUPPORT ELECTRIC VEHICLES ---- LIKE OURS

Windrose electric truck, Highbrook Business Park The innovative Windrose electric truck was demonstrated to customers at a special event promoting the latest advancements in vehicle technology.

# **MEASURING OUR EMISSIONS**

#### **Calculation Approach**

Our GHG emissions have been calculated in accordance with the Greenhouse Gas Protocol – *A Corporate Accounting and Reporting Standard* (2004) ('GHG Protocol'). Additionally, as we have held Toitū net carbonzero certification since 2020, our corporate emissions meet the ISO 74064-1:2018 (Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals) standard required to retain this certification.

To calculate our corporate emissions, we employed Toitū's carbon emissions assessment and reporting tool, eManage. Within this system, a mix of emission factors were utilised, including:

- Ministry for the Environment. Measuring emissions: A guide for organisations: 2024 detailed guide<sup>1</sup>.
- 2 New Zealand Energy Certificate System. Administered and developed by Certified Energy, New Zealand.
- 3 Greenhouse gas emission factors for recycling of source-segregated waste materials. Resources, Conservation and Recycling. 2015, pages 186-191.
- 4 Market Economics Limited (2023). Consumption Emissions Modelling, report prepared for Auckland Council.

Remaining emissions, not calculated in eManage were calculated using the following emission factors:

- 5 Ministry for the Environment. Measuring emissions: A guide for organisations: 2024 detailed guide<sup>1</sup>.
- 6 Market Economics Limited (2023). Consumption Emissions Modelling, report prepared for Auckland Council.
- New Zealand Energy Certificate System (2024/2025).
- 8 Emissions for embodied carbon were sourced from OneClick's LCA Database.

Emission factors use the 100-year time horizon GWP values from the IPCC Fourth Assessment Report and IPCC Fifth Assessment Report.

#### Organisational Boundary and Consolidation Approach

Goodman applies an operational control approach to define the boundary of its greenhouse gas (GHG) emissions reporting. Under this approach, we account for emissions and removals from facilities where we have the

<sup>1</sup> Ministry for the Environment released their 2025 guide in May 2025, after completion of our FY25 inventory. It includes emission factors that are materially different to their 2024 guide and would likely have a material impact on our GHG emission disclosures. The emission factors in their 2025 guidance have not been used in the preparation of this year's inventory.

authority to implement policies. This allows us to focus on emission sources we can directly influence and take action on, ensuring our emissions reduction efforts align with Goodman's broader sustainability strategy.

Our organisational boundary includes all facilities and activities over which Goodman has operational control. This includes all operations managed by Goodman-managed entities involved in the NZX-listed Goodman Property Trust, covering investment, development, and property services.

#### **Base Year and Restatements**

Our base year for is the 12-month period from 1 April 2019 to 31 March 2020, in alignment with New Zealand's standard financial reporting calendar.

Our base year for upfront embodied carbon (Scope 3, Category 2) and in-use emissions (Scope 3 Category 13) is 1 April 2024 to 31 March 2025, as this reporting period aligns with the new targets established.

In FY25, we restated two categories within our base year and one category in FY24 to improve accuracy, and comparability of our emissions data. These updates correct misclassifications and include additional Scope 3 categories, resulting in a more representative baseline.

#### Details of the FY20 Base Year Restatement

#### Scope 3 Category 6 (Business Travel):

+ Emissions from some employee-owned vehicle travel were previously misclassified under Scope 1. These have now been correctly reported under Scope 3, Category 6, adding 114 tCO<sub>2</sub>e to Scope 3 and reducing Scope 1 emissions accordingly.

#### Scope 3 Category 7 (Employee Commuting and Working From Home):

+ Employee commuting emissions, previously excluded, have now been included in the base year (FY20) using data from our 2024 commuting survey. This adds 212.3 tCO<sub>2</sub>e to the base year under Scope 3, Category 7. Work-from-home emissions were assessed as immaterial and have not been included.

#### Details of the FY24 Restatement

#### Scope 3 Category 2 (Capital Goods - Developments)

Due to the finalisation of documents, Scope 3 Category 2 for development capital goods has been restated for FY24. This revision follows a increase of 369 tCO<sub>2</sub>e realised after the LCA was finalised and independently peer-reviewed in May 2025. In FY24 we reported 26,067.8 tCO<sub>2</sub>e and we are stating 26,436.8 this year.

#### Inclusions and Methodologies

Category	GHG Emissions Source	Data Source	Assumptions and Methodology	Emission Factor	Data Quality
Scope 1					
Fugitive emissions	Leakage and replacement quantities to top up the refrigerants of air conditioning systems.	Supplier records	Building managers meet with HVAC contractors monthly and report on refrigerant leak data, specifying the refrigerant type and quantity. For any data gaps, the supplier is approached directly. All properties within the portfolio where the HVAC is owned and maintained by Goodman are recorded. An emission factor is then applied against the kg recorded.	1	MEDIUM: Supplier-provided records are considered generally reliable, however, accuracy in the monthly reports may be affected by manual data entry.
Stationary combustion	Diesel fuel used to top up sprinkler systems.	Internal property management system	For properties within the portfolio where Goodman owns and maintains diesel-powered sprinkler systems, jobs are extracted from the asset management software, with descriptions that include the volume (litres) of diesel used. Emissions from these diesel top-ups are recognised based on the Work Order entry date, which is when the job is logged in the financial system, rather than the physical refuelling date. This approach aligns with Goodman's methodology from previous reporting years and provides a consistent basis for emissions reporting. An emission factor is then applied against the litres recorded.	1	MEDIUM: Internal asset management system is generally accurate, however accuracy may be affected by manual data entry
Scope 2					
Purchased electricity (location-based)	Electricity used in common areas, Goodman offices and vacant property space.	Supplier records managed by third party	Records of electricity consumed sourced from an independent third party. Data from public EV charging is removed from this report as is captured under Scope 3, Cat 11. An emission factor is then applied against this kWh.	1	HIGH: Supplier-provided records are considered generally relial
Purchased electricity (market-based)	Electricity used in common areas, Goodman offices and vacant property space.	Supplier records and New Zealand Energy Attribute Certificates	Records of electricity consumed sourced from an independent third party. Data from public EV charging is removed from this report as is captured under Scope 3, Cat 11. New Zealand Energy Attribute Certificates (EACs) were issued through the New Zealand Energy Certificate System (NZECS) against the kWh consumed. This resulted in a zero emission factor using a market-based approach.	7	HIGH: Supplier-provided records are considered generally relial
Purchased electricity (location-based)	Electricity used to charge electric vehicles.	Supplier report	Records of electricity consumed in pool car charging are downloaded from both supplier websites. An emission factor is applied against this kWh.	1	HIGH: Supplier-provided reports are considered generally relial
Scope 3		_			
Category 1: Purchased goods and services	Emissions related to goods and services purchased.	Expenses report for FY25 extracted from Goodman's accounting software	A third-party consultant developed the methodology for Goodman's expenditure on purchased goods and services not already included in other scopes or other Scope 3 categories in FY24. This same approach was used in FY25. Spend data is extracted from the finance system and categorised as operational (purchased goods and services). Emission factors derived from a consumption-based model are multiplied against the operational spend. The NZ consumption-based model provides an estimate only, and this model relies on the quality of the statistical data used to calculate emissions factors and the categories aligning with Goodman's accounting codes.	6	Internal finance system is considered reliable.
Category 2: Capital goods (stabilised)	Emissions related to capital expenditure at Goodman's properties.	Expenses report for FY25 extracted from Goodman's accounting software	A third-party consultant developed the methodology for Goodman's expenditure on capital goods not already included in other scopes or other Scope 3 categories in FY24. This same approach was used in FY25. Spend data is extracted from the finance system and categorised as capital goods. Emission factors derived from a consumption-based model are multiplied against the operational spend. The NZ consumption-based model provides an estimate only, and this model relies on the quality of the statistical data used to calculate emissions factors and the categories aligning with Goodman's accounting codes.	6	HIGH: Internal finance system is considered reliable.

te, ry.	MEDIUM: Relies on manually entered job descriptions.
iable.	LOW: Actual kWh is recorded, there is a low reliance on estimation.
iable.	LOW: Actual kWh is recorded, there is a low reliance on estimation.
iable.	LOW: Actual kWh is recorded, there is a low reliance on estimation.
	HIGH: Spend-based model relies on assumptions around categorisations.

Uncertainty

MEDIUM:

Relies on manual reporting by the contractor.

HIGH: Spend-based model relies on assumptions around categorisations.

#### ≡ 85

#### Inclusions and Methodologies (continued)

Category	GHG Emissions Source	Data Source	Assumptions and Methodology	Emission Factor	Data Quality
Scope 3 (continu	ued)				
Category 2: Capital goods (developments)	Upfront embodied carbon in developments.	Third party Life Cycle Assessments (LCAs)	A whole-of-life carbon assessment is used to quantify the potential carbon emissions impacts of a project including its upfront embodied carbon. This comprises emissions from the extraction of raw materials, transport of these materials and construction. The upfront carbon emissions are derived from the OneClick LCA Database and follow the ISO 14040, ISO 14044 and EN 15978 standards. Contractors provide Environmental Product Declarations (EPDs) for materials where possible to improve data integrity which is relayed to a third party and reviewed. Emissions are recognised for a development in the period in which it completes.	8	HIGH: Data is prepared by industry experts and subject to peer review.
Category 3: Transmission and distribution losses	Electricity lost during the process of transporting and distributing.	Supplier reports	Electricity usage (kWh) from supplier records is multiplied by the national average emissions factor for losses.	0	HIGH: Supplier-provided records are considered generally reliab
Category 4: Freight transport agencies	Couriers	Internal finance system	Total spend from courier invoices are extracted from our internal finance system multiplied by the relevant emission factor.	4	HIGH: Internal finance system is considered reliable.
Category 5: Waste generated in operations	Waste from Goodman's head offices.	Supplier reports	Quantities of waste (tonnes) from the two office sites are sourced from supplier records. All other landfill sites are assumed to utilise landfill gas recovery. At one office with multiple tenancies, the waste data is pro-rated on a floor area basis. The relevant emission factor is then applied to this tonnage.	13	HIGH: Supplier-provided records are considered generally reliable
Category 6: Business travel	Flights	Supplier reports	Records from invoices and travelcards confirm the destination travelled to/from and number of passengers. Using the my climate flight calculator, distance each way is obtained, and an emission factor is applied against this.	0	HIGH: Supplier invoices and the myclimate website is generally considered reliable.
Category 6: Business travel	Taxis	Internal finance system	Total spend from supplier invoices are extracted from our internal finance system and is multiplied by the relevant emission factor.	0	HIGH: Internal finance system is considered reliable.
Category 6: Business travel	Rideshares	Supplier report	Report downloaded directly from supplier website. Distance is recorded in miles, which is converted to km and an emission factor is applied against this.	1	HIGH: Supplier invoices and summaries are generally considered reliable.
Category 6: Business travel	Mileage	Internal finance system	A report detailing the costs of mileage claims is downloaded. These costs are converted into kilometres travelled using the IRD's published kilometre rates, and an average car emission factor is then applied to calculate emissions.	0	HIGH: Internal finance system is considered reliable when calculating kilometres travelled.
Category 6: Business travel	Fuel cards	Supplier report	Monthly reports are generated by the supplier, detailing the total volume and type of fuel used by employees. The appropriate emission factor is then applied to this literage.	0	HIGH: Supplier invoices and summaries are generally considered reliable.
Category 7: Employee commuting	Employee commuting	Employee survey	A 2024 staff survey captured commuting distance, mode, and frequency. Responses were used to estimate FY25 behaviour, with average annual distances by transport mode extrapolated across all staff. Emissions were then calculated using relevant emissions factors.	0	MEDIUM: Impacted by number of responses and interpretation of survey questions.
Category 11: Use of sold products	Public EV charging on Goodman owned chargers	Supplier reports	Report downloaded directly from supplier website. Electricity (kWh) is recorded and an emission factor is applied against this.	5	HIGH: Supplier invoices and summaries are generally considered reliable.

#### Uncertainty

#### LOW:

An independent industry expert used building quantities and a reputable embodied carbon database.

le.	MEDIUM: Calculated using supplier data and standard emissions factors. Minimal estimation required.
	HIGH: Spend-based model relies on assumptions around categorisations.
le.	MEDIUM: Floor area has apportioned data, introducing estimation.
	LOW: Based on actual travel data and class of travel known. Minimal estimation required.
	HIGH: Spend-based model relies on assumptions around categorisations and vehicle type not captured.
	LOW: Based on actual distance data. Minimal estimation required.
	MEDIUM: Based on IRD rates and average emission factors, as actual car type is not known.
	LOW: Based on actual fuel volumes with minimal estimation.
	MEDIUM: Based on survey responses and extrapolation.
	LOW: Based on actual electricity consumption data with

minimal assumptions.

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#### Inclusions and Methodologies (continued)

Category	GHG Emissions Source	Data Source	Assumptions and Methodology	Emission Factor	Data Quality
Scope 3 (contin	nued)				
Category 13: Downstream leased assets	Customer electricity consumption	Data downloaded from online submetering system.	For properties that have submetering, data is extracted from the online platform, which gives a kWh usage monthly. An emission factor is applied against this.	5	HIGH: Assumed submetering records are correct.
Category 13: Downstream leased assets	Customer electricity and gas consumption	Supplier records managed by third party	In most cases, for properties that are not submetered and we have permission to access their utility records, this data is used. A third party collates this data for us and uploads it to an online portal. kWh usage can directly be downloaded by property, and an emission factor is applied against this for gas and electricity. For properties where data was not available for the full year, data from FY24 was used where available. If this data was not available, an average of FY23 data was used.	5	HIGH: Assumed utility data records are correct.
Category 13: Downstream leased assets	Customer gas consumption	Supplier records	In most cases, for properties where gas supplier records were not recorded by the third party (above), we asked the building managers to identify if gas was within the site or not. Where they identified there was gas and we had permission to reach out to the supplier, we directly reached out to the supplier to gain usage data. The relevant emission factor was then applied to this.	5	HIGH: Assumed utility data records are correct.
Category 13: Downstream leased assets	Customer electricity consumption	Benchmarks from NZGBC	In most cases, for properties where neither of the above options was available, electricity consumption was estimated using industrial benchmarks from the New Zealand Green Building Council (NZGBC) for average kWh/m <sup>2</sup> /year. Properties were classified as either non-refrigeration or distribution types, and the corresponding benchmark was applied based on this classification. Net Lettable Area (NLA), obtained from internal lease tracking software, was used to calculate the estimated electricity usage. The relevant emission factor was then applied to this.	5	MEDIUM: National benchmarks are generally considered reliable, however, they will not reflect the usage of customers as accurately as real data.
Category 13: Downstream leased assets	Customer electricity and gas consumption	Study from U.S. Energy Information Administration (EIA)	In most cases, for properties where none of the above options were available, electricity and gas consumption were estimated using data from a study by the U.S. Energy Information Administration (EIA), based on a methodology adopted from Goodman Group. Each property was classified into one of 13 categories aligned with those defined in the EIA study. Energy intensities were converted from kWh per square foot to kWh/sqm for electricity, and from thousand Btu per square foot to kWh/sqm for gas. These intensity estimates were refined, where appropriate, by our Engineering and Building Services Manager, who used local knowledge of New Zealand warehouse operations to manually override certain values. Total energy consumption was then estimated using floor area data, with appropriate emission factors applied to calculate emissions	5	LOW: While the estimates are generally considered reliable, in this case they are based on international building data and may not reflect the specific characteristics of the actual buildings. As such, they are less accurate than estimates derived from site-specific data.

For Scope 3, Category 13 in FY25, 7.9% of electricity data was from submetering, 53.2% was from supplier records, 5.2% was from NZGBC benchmarking and 33.8% was from EIA estimates.

#### Uncertainty

#### LOW:

Actual submetered data is used with minimal estimation.

#### MEDIUM:

Based on partial year data and use of prior year averages where current data was unavailable.

#### MEDIUM:

Reliance on building manager input and assumptions where supplier data was incomplete.

#### HIGH:

Due to use of industry benchmarks and assumptions based on property classification and floor area.

#### HIGH:

This approach relies on international benchmarks, adjusted intensity factors, and assumptions regarding building classification and energy use intensity.

### **INDEPENDENT ASSURANCE REPORT**



To the Directors of Goodman Property Services (NZ) Limited (the Manager)

Limited Assurance Report on Greenhouse Gas (GHG) Disclosures and the Scope 2 Market-based Indicator for Goodman Property Trust

#### Our conclusion

We have undertaken a limited assurance engagement on:

- 1) the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty (together, the GHG Disclosures); and
- 2) the Scope 2 GHG emissions (calculated using the market-based method) and related disclosures (together, the Scope 2 Market-based Indicator)

as detailed within the Scope of our Limited Assurance Engagement section below, included in the Annual Report (the Annual Report) prepared by the Manager in respect of Goodman Property Trust (the Trust) and its subsidiaries (the Group) for the year ended 31 March 2025.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the GHG Disclosures and the Scope 2 Market-based Indicator are not fairly presented and are not prepared, in all material respects, in accordance with the Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page 59 of the Annual Report.

#### Scope of our Limited Assurance Engagement

We have undertaken a limited assurance engagement over the following GHG Disclosures, which are required under section 461ZH of the Financial Markets Conduct Act 2013 to be the subject of an assurance engagement on pages 59 to 61, 72, 73, 81 and 83 to 89 of the Annual Report for the year ended 31 March 2025:

- gross GHG emissions:
  - GHG Emissions Total Scope 1 of 192.3 tonnes CO<sub>2</sub>e (tCO<sub>2</sub>e) on page 72
  - GHG Emissions Total Scope 2 (location-based method) of 164.5 tCO<sub>2</sub>e on page 72
  - GHG Emissions Total Scope 3 of 37,965.1 tCO<sub>2</sub>e on page 72;
- additional required disclosures of gross Scope 1, Scope 2 (location-based method) and Scope 3 GHG emissions on pages 81 and 83; and
- gross Scope 1, Scope 2 (location-based method) and Scope 3 GHG emissions methods, assumptions and estimation uncertainty on pages 83 to 89.

We have also undertaken a limited assurance engagement over the Scope 2 Market-based Indicator for the year ended 31 March 2025 as follows:

- GHG Emissions Total Scope 2 (market-based method) of 0 tCO2e on page 72; and
- related disclosures on pages 73 and 83 to 85.

Our assurance engagement does not extend to any other information included, or referred to, in the Annual Report. The comparative information for the years ended 31 March 2024 and 31 March 2020 disclosed in the Group's Annual Report are not covered by our assurance conclusion. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

PricewaterhouseCoopers, PwC Tower, 15 Customs Street West, Private Bag 92162, Auckland, 1142, New Zealand T: +64 9 355 8000, www.pwc.co.nz

#### Key Matters to the GHG assurance engagement

In this section we present those matters that, in our professional judgement, were most significant in undertaking the assurance engagement over the GHG Disclosures. These matters were addressed in the context of our assurance engagement, and in forming our conclusion. We did not reach a separate assurance conclusion on each individual key matter.

#### Description of the key matter

#### Scope 3 (Category 2): Capital goods (developments)

As disclosed on pages 72, 73, 86 and 87 of the Annual Report, emissions from the upfront embodied carbon for development completions (Embodied Carbon) comprise 64% of total GHG emissions for the year ended 31 March 2025.

A whole-of-life carbon assessment was conducted by an independent industry expert (Management's Expert) to quantify the potential carbon emission impacts of a project including its Embodied Carbon. Management's Expert used inputs including building quantities, and made assumptions and estimates utilising environmental product declarations where available.

Management reviews the whole-of-life carbon assessment for each development completion before adopting the sum of the emissions from the Embodied Carbon of each development, recognised at completion date, as their Scope 3 (Category 2) GHG emissions.

We considered the emissions from the Embodied Carbon a key matter due to the significant attention required in assessing the work of Management's Expert and the quantum of the emissions.

#### **Emphasis of matter**

We draw attention to the following disclosure on page 83 which, in our judgement, is of such importance that it is fundamental to the user's understanding of the GHG Disclosures. Our assurance conclusion is not modified in respect of this matter.

- Ministry for the Environment released their Measuring emissions guide: 2025 in May 2025, after completion of our FY25 inventory. It includes emission factors that are materially different to their Measuring emissions: A guide for organisations: 2024 detailed guide and would likely have a material impact on our GHG emission disclosures. The emission factors in their 2025 guidance have not been used in the preparation of this year's inventory.

#### Other matter - comparative information

The comparative GHG Disclosures and the comparative Scope 2 Market-based Indicator (that is, the comparative information presented for the years ended 31 March 2024 and 31 March 2020) prepared in accordance with NZ CSs have not been subject to an assurance engagement performed in accordance with Standard on Assurance Engagements 1 Assurance Engagements over Greenhouse Gas Emissions Disclosures (NZ SAE 1), issued by the External Reporting Board (XRB) or International Standard on Assurance Engagements (New Zealand) 3410 Assurance Engagements on Greenhouse Gas Statements (ISAE (NZ) 3410), issued by the XRB. Those comparative disclosures are not covered by our assurance engagement or assurance conclusion.

#### How our assurance engagement addressed the key matter

We designed our limited assurance procedures to respond to the key matter as follows:

- Obtained an understanding of the control environment relevant to the calculation of the emissions from the Embodied Carbon, including the whole-of-life carbon assessment and management's review process;
- Made enquiries with management and Management's Expert to obtain an understanding of, and then assessed whether the following were appropriate in the circumstances:
  - Management's Expert's qualifications, relevant expertise and objectivity;
  - the key inputs, assumptions and estimates used to conduct the whole-of life carbon assessment; and
  - the methodology applied to calculate the emissions.
- We agreed the total emissions disclosed to the sum of the emissions from the Embodied Carbon included in the whole-of-life carbon assessment for each development completion; and
- We considered the appropriateness of disclosures made in respect of the emissions from the Embodied Carbon in the GHG Disclosures.

#### Directors' responsibilities

The Directors of the Manager are responsible for the preparation and fair presentation of the GHG Disclosures and the Scope 2 Market-based Indicator in accordance with NZ CSs. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of GHG Disclosures and the Scope 2 Market-based Indicator that are free from material misstatement whether due to fraud or error.

#### Inherent Uncertainty in preparing GHG Disclosures and the Scope 2 Market-based Indicator

As discussed on pages 84 to 89 of the Annual Report, the GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

#### Our independence and quality management

The assurance engagement was undertaken in accordance with NZ SAE 1 and the assurance engagement on the Scope 2 Market-based Indicator was undertaken in accordance with ISAE (NZ) 3410. NZ SAE 1 and ISAE (NZ) 3410 are founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the following professional and ethical standards and accreditation body requirements:

- Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand);
- Professional and Ethical Standard 3: Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements; and
- Professional and Ethical Standard 4: Engagement Quality Reviews.

We are independent of the Group. In addition to our role as financial statement auditor and as assurance practitioners, our firm carries out other services for the Group in the areas of review, other assurance and agreed-upon procedures services. Our firm carries out other assignments in the areas of other services relating to the provision of remuneration benchmarking data and ground rent advisory services. The provision of these services and these relationships has not impaired our independence as assurance practitioners of the Group and the firm has no other relationship with, or interests in the Group.

#### Assurance practitioner's responsibilities

Our responsibility is to express a conclusion on the GHG Disclosures and the Scope 2 Market-based Indicator based on the procedures we have performed and the evidence we have obtained. NZ SAE 1 and ISAE (NZ) 3410 require us to plan and perform the engagement to obtain the intended level of assurance about whether anything has come to our attention that causes us to believe that the GHG Disclosures and the Scope 2 Market-based Indicator are not fairly presented and are not prepared, in all material respects, in accordance NZ CSs, whether due to fraud or error, and to report our conclusion to the Directors of the Manager.

As we are engaged to form an independent conclusion on the GHG Disclosures and the Scope 2 Market-based Indicator prepared by management, we are not permitted to be involved in the preparation of the GHG information as doing so may compromise our independence.

#### Summary of work performed

Our limited assurance engagement was performed in accordance with NZ SAE 1 and ISAE (NZ) 3410. This involves assessing the suitability in the circumstances of the Group's use of NZ CSs as the basis for the preparation of the GHG Disclosures and the Scope 2 Market-based Indicator, assessing the risks of material misstatement of the GHG Disclosures and the Scope 2 Market-based Indicator whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG Disclosures and the Scope 2 Market-based Indicator.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included enquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. In undertaking our limited assurance engagement on the GHG Disclosures and the Scope 2 Market-based Indicator, we:

- Obtained, through enquiries, an understanding of the Manager's control environment, processes and information systems relevant to the preparation of the GHG Disclosures and the Scope 2 Market-based Indicator. We did not evaluate the design of particular control activities, or obtain evidence about their implementation;
- Gained an understanding of and evaluated whether the Group's methodology for developing estimates had been consistently applied. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates;
- Tested a limited number of items to, or from, supporting records;
- Assessed a limited number of emission factor sources and reperformed a limited number of emissions calculations for mathematical accuracy;
- Performed analytical procedures on particular emission categories by comparing the expected GHGs emitted to actual GHGs emitted and made inquiries of management to obtain explanations for any significant differences we identified: and
- Considered the presentation and disclosure of the GHG Disclosures and the Scope 2 Market-based Indicator.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement and does not enable us to obtain assurance that we would become aware of all significant matters that we otherwise might identify. Accordingly, we do not express a reasonable assurance opinion on these GHG Disclosures or the Scope 2 Market-based Indicator.

#### Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance with the compliance requirements may occur and not be detected.

#### Who we report to

This report is made solely to the Manager's Directors, as a body. Our work has been undertaken so that we might state those matters which we are required to state to them in our assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Manager and the Manager's Directors, as a body, for our procedures, for this report, or for the conclusions we have formed.

The engagement leader on the engagement resulting in this independent assurance report is Mathew McQueen.

For and on behalf of:

Pricewaterhouse Coopers

PricewaterhouseCoopers 23 June 2025

Auckland

GMT