



Introduction

This charter sets out the roles, responsibilities and operation of the Boards of Goodman Group (“Goodman” or “Group”) which consist of the Board of Goodman Limited (“GL”), the Board of Goodman Funds Management Limited (“GFML”) as responsible entity for Goodman Industrial Trust (“GIT”), and the Board of Goodman Logistics (HK) Limited (“GLHK”) (collectively, the “Boards”) and their delegation of authority to management.

Goodman Group is comprised of three entities, GL, GIT and GLHK, the securities of which are stapled together in accordance with the Stapling Deed. The Boards of GL and GFML meet jointly and comprise the same Directors. GLHK has a separate Board of Directors, the membership of which partially overlaps the GL/GFML Board. The Boards of GL, GFML and GLHK will co-operate in relation to those matters covered by the Stapling Deed.

The purpose of the Boards is to provide strategic direction to the Group and provide oversight of the operations of the Group for the benefit of securityholders, customers, employees, partners and other stakeholders.

Board Structure and Appointment

The membership of each Board shall be reviewed by the Boards from time to time having regard to the ongoing needs of the Group such that:

- + the Boards have a proper understanding of, and competence to deal with the current and emerging issues of the business;
- + the size and composition of the Boards are conducive to effect decision making with the benefit of experience, expertise and skills in the interests of the Group; and
- + the Boards can effectively review and challenge the performance of management.

Of the total number of Board Directors, a majority shall be Non-Executive Directors who are assessed by the relevant Board to be Independent.

Directors shall be proposed for re-election subject to satisfying the Boards performance requirements. The Boards shall make recommendations to Goodman’s securityholders regarding the election of Directors.

Duties and Responsibilities

The Boards are responsible for demonstrating leadership and have the power to do all things necessary to perform their duties and fulfil their purpose including in relation to the following areas.

GRP01-11-366415.0

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Board Charter

Content Owner: Group Legal

Effective Date: December 2019

Key Contact: Group Head of Legal and Company Secretary

Goodman Limited ABN 69 000 123 071

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

as responsible entity for Goodman Industrial Trust ARSN 091 213 839

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

Strategy

- + approve the strategic direction for the Goodman business;
- + oversee Management in its implementation of Goodman's strategic objectives; and
- + review progress against strategy.

Governance and Risk Management

- + approve Goodman's values and Code of Conduct and other principles, policies, strategies, processes and control frameworks for the management of Goodman's business;
- + sub-delegate their powers and discretions to Committees of the Boards, executives of Goodman, or management committees with or without the power to delegate further;
- + oversee that Goodman has in place an appropriate Risk Management Framework (for both financial and non-financial risk) and set the risk appetite within which the Boards expect management to operate;
- + oversee that an appropriate framework exists for relevant information to be reported by management to the Boards;
- + whenever required, challenge management and hold it to account;
- + oversee that Goodman's remuneration policies are aligned with Goodman's purpose, values, strategic objectives and risk appetite;
- + monitor the effectiveness of Goodman's governance practices;
- + oversee Management in its implementation of Goodman's values-based programmes designed to strengthen culture by reinforcing the importance of employees acting lawfully, ethically and responsibly and creating clear alignment between Goodman's values and the actions and behaviours of all employees; and
- + receive advice from the Risk and Compliance Committee on any matters in relation to non-financial risk i.e. non-compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with Goodman's values and Code of Conduct, including any significant ethical concerns.

Financial Controls, Capital Management and Corporate Reporting

- + approve the business' budget annually;
- + monitor financial performance against budget;
- + determine the distribution policy;
- + determine the amount, nature and timing of distributions to be paid;
- + make determinations regarding the capital structure of the businesses of Goodman;
- + approve the tax risk management policy;
- + approve the financial risk management policy;
- + consider and approve interim and final financial statements, the Annual Report and the Directors' Declaration for Goodman (including GL, GFML, GIT and GLHK);
- + oversee the integrity of Goodman's accounting and corporate reporting systems, including the external audit;
- + oversee Goodman's process for making timely and balanced disclosure of all material information concerning the business, that a reasonable person would expect, to have a material effect on the price or value of Goodman's securities; and
- + receive advice from the Audit Committee on Goodman's operations to enable it to perform its responsibilities in relation to Goodman's financial performance.

The Boards may consider any matter which falls within its roles and responsibilities, notwithstanding that the particular matter(s) may have been previously referred to and considered by any other Board or management committee.

The Boards shall give effect to the Stapling Deed including the obligations of co-operation and consultation and notice of each relevant matter will be effected by making available the Board papers and minutes of each entity at all times to each Director.

Delegation of Authority

The Boards have delegated certain responsibilities to standing committees which operate in accordance with Charters approved by the Board.

The Boards have, subject to certain key and strategic decisions, delegated to the Group Chief Executive Officer (“CEO”) responsibility for implementing strategic objectives, plans and budgets approved by the Boards and day to day management of the business. Goodman’s Management Committees assist in the exercise of the CEO’s delegated authority. The Group CEO and Management are accountable to the Boards through regular reporting, presentations and performance evaluations.

Board Performance and Ethical Obligations

In giving effect to this charter, the Boards will at all times act honestly, fairly, diligently and in accordance with the relevant Constitutions of GL, GFML, GIT and GLHK, the Stapling Deed and the law.

- + Directors must discharge their duties in good faith and in the best interest of the securityholders of the Group and for a proper corporate purpose.
- + Directors must act with care and diligence, demonstrate commercial reasonableness in their decision making and make decisions with the level of care and skill expected of a Director of a listed entity.
- + Each Director is expected to observe the highest standards of corporate governance and act in a manner consistent with Goodman’s policies and procedures in relation to all matters including but not limited to disclosing and managing conflicts of interest and dealing in Group securities.
- + Non-Executive Directors are required to consult with the Chairman before accepting any new commitments to confirm that they will continue to be able to meet their duties and responsibilities as a Director of Goodman having regard to potential conflicts and their available time.
- + The Boards are responsible for formally evaluating the performance of the Boards and their Committees at least every two (2) years.
- + The Boards shall monitor declarations of interest by the Directors and regularly re-assess the status of all independent Directors and confirm whether or not they continue to satisfy the standards required to establish independence.
- + The Boards shall monitor dealings in securities by the Directors.

Powers and Resources of Directors

To facilitate independent judgment on Board decisions, all Directors shall have access to the following:

- + executives of Goodman;
- + insurance brokers;
- + internal auditors;
- + external auditors; and
- + external legal advisors.

Directors may request presentations to be made by senior management to the Boards in respect of issues of interest to the Boards and to provide further information on relevant topics as required.

In the event that any Director wishes to take professional advice in relation to any aspect of performance of their duties as a Director of Goodman, the Director may do so at Goodman's expense. A Director will consult the Chairman or Company Secretary before obtaining external advice.

Meetings

The Boards will determine the frequency, duration and agendas of each Board meeting. The Board's policy is to meet at least six (6) times per calendar year and more frequently if required.

Proceedings of the Boards are governed in accordance with the Constitutions of the relevant entities.

Subject to the terms on which a power of the Directors is delegated to a Committee, the meetings and proceedings of Committees are, to the greatest extent practical, governed by the provisions of the Constitutions which regulate the meetings and proceedings of Directors.

Meetings may be held using any technology agreed by the members, for example, by phone, Internet relay chat, video or voice conference.

Board papers should be distributed at least five (5) business days prior to a meeting.

The Secretary must keep minutes of the Board and Committee meetings and records of their reports and recommendations. A copy of any of them signed by the Chair is taken to be a true record unless the contrary is proved.

The minutes of Committees are reported to the Boards.

The Chair of a Committee (or their delegate) shall report to the following Board meeting on the business of the Committee including any recommendations from the Committee for the Board's consideration.

Board Committees

The Boards have established three principal Committees to assist in the exercise of their functions and the discharge of their duties. These are the:

- + Audit Committee;
- + Remuneration and Nomination Committee; and
- + Risk and Compliance Committee.

The Boards may establish other standing committees from time to time.

The Boards will adopt a charter for each Committee, setting out the responsibilities delegated by the Board to the Committee and the Committee's structure and operation.

The Boards may establish ad hoc committees, such as due diligence committees.

The Boards shall appoint the Chair and determine the composition of Committees. The Chair and the majority of each standing Committee will be Independent Directors. Each Committee member must be a Non-Executive Director.

Committee papers and minutes will be made available to each Director of GL, GFML and GLHK (subject to any conflicts of interest).

A standing Committee must meet at least four (4) times a year, unless the Committee members agree it is not necessary.

Only Committee members are entitled to attend and vote at meetings. Other Directors may also attend Committee meetings (subject to any conflict of interest). The Committee may invite such other persons to its meetings as it deems necessary.

The Secretary of the Committee shall be the Company Secretary or their designated representative.

Chairman

The Directors will appoint an Independent Director as Chairman of the Board.

The principal role of the Chairman is to provide leadership to the Board so that the Board functions effectively when discharging its responsibilities and there are constructive and respectful relations between the Board and Management.

Company Secretary

The appointment and, where appropriate, replacement of the Company Secretary is a matter for the Boards.

The Company Secretary is accountable to the Boards, through the Chairman, for monitoring and enhancing corporate governance processes and ensuring that the principles and procedures of the Boards are followed.

All Directors will have access to the Company Secretary.

Definitions

- + GFML means Goodman Funds Management Limited (ACN 067 796 641; AFSL 223621).
- + GL means Goodman Limited (ACN 000 123 071).
- + GLHK means Goodman Logistics (HK) Limited (Company No. 1700359; ARBN 155 911 149).
- + GLHK Board means the board of Directors of GLHK.
- + GIT means the Goodman Industrial Trust (ARSN 091 213 839).
- + Goodman Group (also “Goodman” or “Group”) means GL, GIT and GLHK and where the context requires, their controlled entities.
- + Independent has the meaning set out in the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations 4th Edition, Recommendation 2.3 (including Box 2.3 with a materiality measure of 5% of the relevant entity).
- + Stapling Deed means the Stapling Deed dated 25 January 2005 as amended and restated on 13 August 2012 between GL, GFML as responsible entity of GIT, and GLHK.

Governance

Approved by the Boards with effect from December 2019.

This Charter will be reviewed every two years or earlier in response to any significant regulatory developments and is available on Goodman’s website.