



What is the purpose of the Board Charter?

This charter sets out the roles, responsibilities and operation of the Boards of Goodman Limited (“GL”) and Goodman Funds Management Limited (“GFML”) as responsible entity for Goodman Industrial Trust (“GIT”) and the Board of Goodman Logistics (HK) Limited (“GLHK”) (collectively, the “Board”) 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, GFML and GLHK will co-operate in relation to those matters covered by the Stapling Deed.

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

Board Structure and Appointment

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

- + the Board has a proper understanding of, and competence to deal with the current and emerging issues of the business;
- + the size and composition of the Board is conducive to effect decision making with the benefit of experience, expertise and skills in the interests of the Group; and
- + the Board 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 Board shall make recommendations to Goodman’s securityholders regarding the appointment or removal of Directors.

Board Charter

Content Owner: Group Legal

Effective Date: February 2018

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

Duties and Responsibilities

The Board has the power to do all things necessary to perform their duties and fulfil their purpose including to:

- + set the strategic direction for the Goodman business;
- + approve strategic alliances;
- + review progress against strategy;
- + approve principles, policies, strategies, processes and control frameworks for the management of Goodman's business; and
- + sub-delegate their powers and discretions to Committees of the Board, executives of Goodman, or management committees with or without the power to delegate further.

The Board shall:

- + approve the business' budget annually;
- + monitor financial performance against budget;
- + determine 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; and
- + consider and approve interim and final financial statements, the Annual Report and the Directors' Declaration for Goodman (including GL, GIT and GLHK and GFML).

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

The Board has delegated day to day management of the businesses of Goodman Group to management through the Chief Executive Officer subject to agreed authority limits applicable to the senior executive team.

Board Performance and Ethical Obligations

In giving effect to this charter, the Board 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 which may impact on the time they have available to undertake their responsibilities as a Director of Goodman.

The Board is responsible for formally evaluating the performance of the Board and their Committees at least every two (2) years.

The Board 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 Board 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 Board in respect of issues of interest to the Board 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 Board 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 Board 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.

Reports 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 Board.

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

Board Committees

The Board has established the following standing Board Committees:

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

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

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

The Board shall determine the Chair and 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 as an effective and cohesive group and discharges its responsibilities.

Company Secretary

The appointment and, where appropriate, removal of the Company Secretary is a matter for the Board.

The Company Secretary is accountable to the Board, through the Chairman, for monitoring and enhancing corporate governance processes and ensuring that the principles and procedures of the Board 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 3rd 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 of Goodman Group with effect from February 2018.